

True to Nature Limited

Annual Report and Unaudited Financial Statements
for the Year Ended 31 May 2020

True to Nature Limited

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True to Nature Limited
(Registration number: 09550855)
Balance Sheet as at 31 May 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	<u>4</u>	34,934	24,051
Investments	<u>5</u>	8	2
		<u>34,942</u>	<u>24,053</u>
Current assets			
Debtors	<u>6</u>	554,776	428,673
Cash at bank and in hand		928,297	483,420
		1,483,073	912,093
Creditors: Amounts falling due within one year	<u>7</u>	<u>(744,604)</u>	<u>(294,168)</u>
Net current assets		<u>738,469</u>	<u>617,925</u>
Net assets		<u>773,411</u>	<u>641,978</u>
Capital and reserves			
Called up share capital		169	154
Share premium reserve		1,523,932	1,023,947
Profit and loss account		<u>(750,690)</u>	<u>(382,123)</u>
Total equity		<u>773,411</u>	<u>641,978</u>

For the financial year ending 31 May 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

Approved and authorised by the Board on 22 February 2021 and signed on its behalf by:

True to Nature Limited
(Registration number: 09550855)
Balance Sheet as at 31 May 2020

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Mr S A Batty
Director

True to Nature Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 May 2020

1 General information

The company is a private company limited by share capital, incorporated in England.

The address of its registered office is:

16 The Furlong
Bristol
BS6 7TF

These financial statements were authorised for issue by the Board on 22 February 2021.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

Group accounts not prepared

The Company has chosen not to prepare consolidated accounts as by it is exempt under section 383 of the Companies Act by being a parent of a small group. .

Going concern

In light of the rapid global spread of the Coronavirus "COVID-19" in early 2020, the directors have reviewed and stress tested projections and budgets for the next twelve months. Following this review, the directors are satisfied of the Company's ability to act as a going concern.

The directors have reviewed the supply chains, key customers and the capital resources available and consider that the company has adequate resources in place to continue trading for the next twelve months.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises revenue when:

the amount of revenue can be reliably measured;

all of the significant risks and rewards of ownership have been transferred to the customer;

it is probable that future economic benefits will flow to the entity;

and specific criteria have been met for each of the company's activities.

True to Nature Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 May 2020

Government grants

Government grants have been recognised on an accruals basis.

Foreign currency transactions and balances

Transactions in foreign currencies are initially recorded at the functional currency rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into the respective functional currency of the entity at the rates prevailing on the reporting period date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rate on the date when the fair value is re-measured.

Non-monetary items measured in terms of historical cost in a foreign currency are not retranslated.

Tangible assets

Tangible assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Office Equipment	25% Straight Line

Business combinations

Business combinations are accounted for using the purchase method. The consideration for each acquisition is measured at the aggregate of the fair values at acquisition date of assets given, liabilities incurred or assumed, and equity instruments issued by the group in exchange for control of the acquired, plus any costs directly attributable to the business combination. When a business combination agreement provides for an adjustment to the cost of the combination contingent on future events, the group includes the estimated amount of that adjustment in the cost of the combination at the acquisition date if the adjustment is probable and can be measured reliably.

Investments

Investments in equity shares which are publicly traded or where the fair value can be measured reliably are initially measured at fair value, with changes in fair value recognised in profit or loss. Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.

Interest income on debt securities, where applicable, is recognised in income using the effective interest method. Dividends on equity securities are recognised in income when receivable.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

True to Nature Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 May 2020

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

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Notes to the Unaudited Financial Statements for the Year Ended 31 May 2020

3 Staff numbers

The average number of persons employed by the company (including directors) during the year was 10 (2019 - 15).

4 Tangible assets

	Furniture, fittings and equipment £	Total £
Cost or valuation		
At 1 June 2019	36,109	36,109
Additions	22,288	22,288
At 31 May 2020	58,397	58,397
Depreciation		
At 1 June 2019	12,058	12,058
Charge for the year	11,405	11,405
At 31 May 2020	23,463	23,463
Carrying amount		
At 31 May 2020	34,934	34,934
At 31 May 2019	24,051	24,051

5 Investments

	2020 £	2019 £
Investments in subsidiaries	8	2
Subsidiaries		£
Cost or valuation		
At 1 June 2019		2
Additions		6
At 31 May 2020		8
Provision		
Carrying amount		
At 31 May 2020		8
At 31 May 2019		2

True to Nature Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 May 2020

Details of undertakings

Details of the investments (including principal place of business of unincorporated entities) in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

Undertaking	Registered office	Holding	Proportion of voting rights and shares held	
			2020	2019
Subsidiary undertakings				
True to Nature Zoo Brother Limited	16 The Furlong, Bristol, United Kingdom, BS6 7TF England	Ordinary Shares	100%	0%
True to Nature Dreamflight Limited	16 The Furlong, Bristol, United Kingdom, BS6 7TF England	Ordinary Shares	100%	0%
True to Nature Garden Tales Limited	16 The Furlong, Bristol, United Kingdom, BS6 7TF England	Ordinary Shares	100%	0%
True to Nature Shark Bites Limited	16 The Furlong, Bristol, United Kingdom, BS6 7TF England	Ordinary Shares	100%	100%

6 Debtors

	2020 £	2019 £
Trade debtors	384,131	318,399
Prepayments	5,131	-
Other debtors	165,514	110,274
	<u>554,776</u>	<u>428,673</u>

True to Nature Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 May 2020

7 Creditors

Creditors: amounts falling due within one year

	Note	2020 £	2019 £
Due within one year			
Bank loans and overdrafts	9	35	-
Trade creditors		114,818	128,406
Taxation and social security		152,019	77,182
Other creditors		4,943	31,785
Accruals and deferred income		472,789	56,795
		<u>744,604</u>	<u>294,168</u>

8 Share capital

Allotted, called up and fully paid shares

	No.	2020 £	No.	2019 £
Preference A shares of £0.01 each	4,214	42.14	-	-
Ordinary A shares of £0.01 each	2,710	27.10	5,385	53.85
Ordinary B shares of £0.01 each	10,000	100.00	10,000	100.00
	<u>16,924</u>	<u>169</u>	<u>15,385</u>	<u>154</u>

The rights attributable to these shares are publically available at Companies House.
During the year 1,539 Preference A shares were sold for a value of £500,000.

9 Loans and borrowings

	2020 £	2019 £
Current loans and borrowings		
Bank overdrafts	<u>35</u>	<u>-</u>

10 Financial commitments, guarantees and contingencies

Amounts disclosed in the balance sheet

Included in the balance sheet are pensions of £4,943 (2019 - £4,176). The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.