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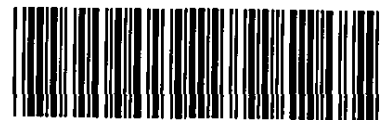
Registration number. 00212685

Cumberland & Dumfriesshire Farmers' Mart plc

Directors' Report and Financial Statements

31 March 2013

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COMPANIES HOUSE

Cumberland & Dumfriesshire Farmers' Mart plc

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Cumberland & Dumfriesshire Farmers' Mart plc

Notice of Meeting

Notice is hereby given that the EIGHTY-SEVENTH ANNUAL GENERAL MEETING of the Company will be held in the RESTAURANT within the AUCTION MART, LONGTOWN, CUMBRIA on Friday 28th June 2013 at 10 30a m for the purpose of transacting the following business -

- 1 To read and confirm the Minutes of the last Annual General Meeting held on 29th June 2012
- 2 To hear the Chairman's Report for the period ended 31st March 2013
- 3 To receive, approve and adopt the Audited Accounts for the period ended 31st March 2013 together with the Report of the Directors
- 4 To receive the Report of the Auditor
- 5 To declare a dividend
- 6 To re-appoint the Directors retiring by rotation, and the Directors who are over the age of 70
- 7 To confirm the appointment of I W Brown as a Director of the Company having been recommended by the Board of Directors
- 8 To pass a Special Resolution amending the Articles of Association to increase the retirement age of Directors to 75
- 9 To elect Messrs Saint & Co as Auditor of the Company and to authorise the Directors to fix their remuneration
- 10 To transact any other business appropriate to the Annual General Meeting of the Company



Cumberland & Dumfriesshire Farmers' Mart plc

Notice of Meeting

..... continued

By Order of the Board

M BENDLE
Secretary

Registered Office -
MART OFFICES
TOWNFOOT
LONGTOWN
CUMBRIA

Registered Number - 00212685
Dated this the 1st day of June 2013

NOTES -

The Transfer of Books and Register of Members of the Company will be closed from 6th June 2013 to 26th June 2013 (Both dates included)

A member entitled to attend and vote at the meeting may appoint a proxy to attend and vote on the member's behalf. A proxy is not entitled to vote except on a Poll.

The Form of Proxy (General Power) is enclosed herewith which must be deposited at the Registered Office of the Company not later than 10.30a.m. on 26th June 2013.



Cumberland & Dumfriesshire Farmers' Mart plc
Company Information

Chairman	D Lawton
Directors	S P Walton J W Robertson W H Gass R J Wilson M Bendle T Irving T Struthers D G Armstrong I W Brown
Registered office	Mart Offices Townfoot LONGTOWN CA6 5LY
Accountants	Dodd & Co Chartered Accountants FIFTEEN Rosehill Montgomery Way Rosehill Estate CARLISLE CA1 2RW
Auditors	Saint & Co Chartered Accountants & Registered Auditor Sterling House Wavell Drive Rosehill Estate CARLISLE CA1 2SA



Cumberland & Dumfriesshire Farmers' Mart plc

Directors' Report for the Year Ended 31 March 2013

The directors present their report and the financial statements for the year ended 31 March 2013

Directors of the company

The directors who held office during the year and their beneficial interest in the shares of the company were as follows

	Ordinary shares of £1 each	
	As at 31 March 2013	As at 1 April 2012
	No	No
S P Walton	460	460
J W Robertson	808	808
W H Gass	600	500
R J Wilson	400	400
M Bendle	400	400
T Irving	800	800
T Struthers	160	160
D Lawton - Chairman	50	-
D G Armstrong	150	-
I W Brown (appointed 1 September 2012)	650	-

The Directors retiring by rotation are M Bendle and T Struthers and, being eligible, offer themselves for re-election

T Irving and W H Gass are over the age of 70 and, being eligible, offer themselves for re-election

Principal activity

The principal activities of the company are those of livestock auctioneers, estate and land agents and agricultural and property valuers

Dividends

The directors recommend a final dividend payment of £36,000 be made in respect of the financial year ended 31 March 2013. This dividend has not been recognised as a liability in the financial statements

An ordinary dividend of £36,000 was paid during the year in respect of the financial year ended 31 March 2012



Cumberland & Dumfriesshire Farmers' Mart plc
Directors' Report for the Year Ended 31 March 2013

..... *continued*

Business review

Development and performance of the business

	2013	2012	2011	2010	2009
Gross sales of livestock	£75,931,241	£89,842,657	£74,697,958	£71,747,679	£60,644,417
Turnover	£3,216,391	£3,756,376	£2,992,330	£2,799,367	£2,507,192
Turnover growth	(14)%	26%	7%	12%	30%
Gross profit margin	61%	63%	65%	61%	65%
(Loss)/Profit before tax	(£374,204)	(£381,025)	(£118,425)	£395,428	£248,558
Shareholders funds	£2,578,269	£2,914,862	£3,232,934	£2,589,154	£2,333,461

LONGTOWN & DUMFRIES MARTS

From a trading perspective, despite the declining numbers in cattle and sheep, the firm made a respectable operating profit before exceptional items of £527,101. The monies owing to the bank have continued to reduce, decreasing by a further £223,666 in the year, and we continue to operate successfully within our facilities.

The ongoing recession has caused issues in the meat trade, with several companies and subsidiaries going to the wall. The credit facilities within the mart have been tightened up even more within the last year. Each Wednesday our accountants Dodd & Co provide a summary of the movement on the debtor book and make recommendations on the credit to be given to purchasers in the Thursday sales.

This has resulted in a much tighter credit control and, in addition, the granting of credit facilities to new customers is more rigorous. We will never remove all risk, but we have put in place systems and procedures to keep the risk to a minimum.

We have taken the prudent decision to write off £767,173 of debt, being what we consider to be the final part of the old 'toxic' debt, though we are still pursuing collection of this where possible.

After tax, the loss for the year is £300,593.

Looking forward, it appears that this is a very trying time for agriculture. Spring has been difficult and numbers, particularly sheep, look to be down. We are hopeful that prices remain firm and allow farmers to recover some of the losses incurred.

We are still looking into the best options for updating and revamping the cattle ring and we aim to be at the forefront of your requirements for a successful market in both Longtown and Dumfries.

We thank you for your continued support and assure you of our support.

From the below throughput the livestock sold through the marts at Longtown and Dumfries resulted in gross sales of £75,931,241 (2012 £89,842,657).



Cumberland & Dumfriesshire Farmers' Mart plc
Directors' Report for the Year Ended 31 March 2013

..... *continued*

NUMBERS OF LIVESTOCK THROUGH OUR MARKETS

	2012/13	2011/12
Prime sheep and cull ewes (including deadweight)	683,527	635,085
Prime cattle and bulls (including deadweight)	5,348	6,879
Store and breeding sheep	212,292	224,976
Store and breeding cattle	14,235	19,402
OTM cattle	4,203	5,331

PROPERTY SERVICES

It has been another difficult trading year with the volume of residential property sales continuing to fall and values easing back further which has resulted in a significant reduction in fees from residential sales. Farms and agricultural land have generally been more difficult to sell, with fewer farmers and investors looking to expand or relocate due to the difficulties in obtaining finance and a general lack of confidence, which was not helped by the miserable weather during last summer. Nevertheless values have been maintained and have in fact increased for one or two smaller well located farms and areas of agricultural land where there has been competition to purchase from local farmers and investors. We have been able to increase our share of this agricultural property sales market and this has resulted in increased fees from farm and land sales and we have also increased our fees from most of our other professional services. Unfortunately this has not made up for the shortfall in fee income received from residential sales and this has resulted in a 10% reduction in overall fee income during the last year and, after including one or two one off payments, a disappointing loss of £17,240 for the financial year.

The residential sales market in London and the south east is beginning to improve with a larger volume of sales and a small increase in prices and it is anticipated that this improved market will ripple out to Cumbria and the south of Scotland, although this may take some time. It is hoped that this will then lead to a greater volume of residential sales and thus an increased fee income from this side of the business and, if we can continue to increase our market share from agricultural sales and other professional services, a return to profit for the next financial year.

Full planning permission and building regulations approval has now been obtained to extend the offices to the rear of 17/19 High Street, Longtown and we are obtaining prices for carrying out this development. The proposal is to let these out in the short term to associated businesses and in fact we already have parties interested in taking these offices.



Cumberland & Dumfriesshire Farmers' Mart plc
Directors' Report for the Year Ended 31 March 2013

..... continued

Principal risks and uncertainties

The management of the business and company's policies are subject to a number of risks

The Board of Directors continually review these risks and put measures in place to try to reduce them where at all possible

The Company operates in a highly competitive business with market prices continually fluctuating. Minimum commission rates are put in place to counteract any large price reductions.

The business depends largely on the performance of the auctioneers in procuring stock in a very competitive market. Our team of auctioneers are very experienced in their field and we endeavour to employ staff with a good knowledge of stock and marketing.

The Company is exposed to a continually high credit risk by the firms it supplies but mitigates this risk, where possible, by appropriate credit insurance in the wholesale meat sector.

The way in which the Company operates the Marts places a heavy reliance on the availability of banking facilities and the withdrawal of such facilities would have a detrimental impact on the Company's ability to trade. Ongoing banking facilities are in place with no indication that these are likely to be withdrawn.

Due to the nature of the industry in which the Company operates, the Company is open to the threat of disease outbreaks such as Foot and Mouth and Blue Tongue. Following previous disease outbreaks, there are safeguards in place to try and reduce the risk, however there is an element of uncertainty that cannot be controlled.

The Company would not be the only party to suffer the consequences of such an outbreak, as this would have a detrimental impact across the whole industry.

Financial instruments

Price risk, credit risk, liquidity risk and cash flow risk

The business' principal financial instruments comprise bank balances, bank loans and overdrafts, trade debtors and trade creditors. The main purpose of these instruments is to finance the business' operations.

In respect of bank balances, the liquidity risk is managed by maintaining a balance between the continuity of funding and flexibility through the use of overdrafts at floating rates of interest. All of the business' cash balances are held in such a way that achieves a competitive rate of interest. The business makes use of money market facilities where funds are available.

Trade debtors are managed in respect of credit and cash flow risk by policies concerning the credit offered to customers and the regular monitoring of amounts outstanding for both time and credit limits. The amounts presented in the balance sheet are net of doubtful debtors.

Trade creditors' liquidity risk is managed by ensuring sufficient funds are available to meet amounts due.



Cumberland & Dumfriesshire Farmers' Mart plc
Directors' Report for the Year Ended 31 March 2013

..... continued

Creditors payment policy

It is the policy of the company to negotiate and agree terms and conditions with suppliers for provision of goods and services. Payments to suppliers are made in accordance with the terms and conditions agreed. There are no standard terms of payment to suppliers and the average days outstanding at 31 March 2013 are 20 days.

Disclosure of information to the auditor

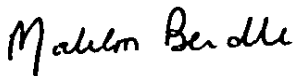
Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information. The directors confirm that there is no relevant information that they know of and which they know the auditor is unaware of.

Statement of Directors' Responsibilities

We acknowledge our responsibilities as directors as set out on page 9.

Approved by the Board on 29 April 2013 and signed on its behalf by

M Bendle
Director



Cumberland & Dumfriesshire Farmers' Mart plc

Statement of Directors' Responsibilities

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to

- select suitable accounting policies and apply them consistently,
- make judgements and accounting estimates that are reasonable and prudent, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.



Independent Auditor's Report to the Members of Cumberland & Dumfriesshire Farmers' Mart plc

We have audited the financial statements of Cumberland & Dumfriesshire Farmers' Mart plc for the year ended 31 March 2013, set out on pages 12 to 30. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Statement of Directors' Responsibilities (set out on page 9), the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's web-site at www.frc.org.uk/apb/scope/private.cfm.

Opinion on the financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 March 2013 and of its loss for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.



**Independent Auditor's Report to the Members of
Cumberland & Dumfriesshire Farmers' Mart plc**

..... continued

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit

Stuart Farrer (Senior Statutory Auditor)
For and on behalf of Saint & Co, Statutory Auditor

Sterling House
Wavell Drive
Rosehill Estate
CARLISLE
CA1 2SA

29 April 2013



Cumberland & Dumfriesshire Farmers' Mart plc
Profit and Loss Account for the Year Ended 31 March 2013

	Note	2013 £	2012 £
Turnover	2	3,216,391	3,756,376
Cost of sales		<u>(1,247,751)</u>	<u>(1,373,823)</u>
Gross profit		1,968,640	2,382,553
Administrative expenses		<u>(1,467,217)</u>	<u>(1,440,704)</u>
Other operating income		<u>25,678</u>	<u>32,196</u>
Operating profit before exceptional operating items	3	527,101	974,045
Exceptional operating items	5	<u>(767,173)</u>	<u>(1,241,132)</u>
Operating loss		(240,072)	(267,087)
Other interest receivable and similar income		605	8,044
Interest payable and similar charges	8	<u>(134,737)</u>	<u>(121,982)</u>
Loss on ordinary activities before taxation		(374,204)	(381,025)
Tax on loss on ordinary activities	9	<u>73,611</u>	<u>91,753</u>
Loss for the financial year	17	(300,593)	(289,272)
Profit and loss reserve brought forward		1,600,861	1,912,442
Dividends	16	(36,000)	(28,800)
Other profit and loss reserve movements		<u>2,255</u>	<u>6,491</u>
Profit and loss reserve carried forward		<u><u>1,266,523</u></u>	<u><u>1,600,861</u></u>

Turnover and operating profit derive wholly from continuing operations

The company has no recognised gains or losses for the year other than the results above

The notes on pages 16 to 30 form an integral part of these financial statements
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Cumberland & Dumfriesshire Farmers' Mart plc
(Registration number: 00212685)
Balance Sheet at 31 March 2013

	Note	2013 £	2012 £
Fixed assets			
Intangible fixed assets	10	15,582	17,582
Tangible fixed assets	11	1,884,052	1,910,427
		<u>1,899,634</u>	<u>1,928,009</u>
Current assets			
Debtors	12	5,796,244	6,406,915
Cash at bank and in hand		880,565	687,848
		6,676,809	7,094,763
Creditors Amounts falling due within one year	13	(5,638,884)	(6,096,166)
Net current assets		<u>1,037,925</u>	<u>998,597</u>
Total assets less current liabilities		2,937,559	2,926,606
Creditors Amounts falling due after more than one year	14	(359,290)	(11,744)
Net assets		<u>2,578,269</u>	<u>2,914,862</u>
Capital and reserves			
Called up share capital	15	240,000	240,000
Revaluation reserve	17	1,070,914	1,073,169
Other reserves	17	832	832
Profit and loss account	17	1,266,523	1,600,861
Shareholders' funds	18	<u>2,578,269</u>	<u>2,914,862</u>

Approved by the Board on 29 April 2013 and signed on its behalf by



D Lawton
Chairman



T Struthers
Director

The notes on pages 16 to 30 form an integral part of these financial statements
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Cumberland & Dumfriesshire Farmers' Mart plc
Cash Flow Statement for the Year Ended 31 March 2013

	Note	2013 £	2012 £
Reconciliation of operating profit to net cash flow from operating activities			
Operating profit		527,101	974,045
Depreciation, amortisation and impairment charges		120,599	124,582
Loss/(profit) on disposal of fixed assets		7,996	(628)
Decrease in debtors		684,282	1,005,987
Increase/(decrease) in creditors		190,834	(1,119,590)
Receipt/release of government grants		(3,598)	(4,840)
Exceptional items		(767,173)	(1,241,132)
Net cash inflow/(outflow) from operating activities		<u>760,041</u>	<u>(261,576)</u>
Returns on investments and servicing of finance			
Interest received		605	8,044
Interest paid		(137,156)	(122,612)
		<u>(136,551)</u>	<u>(114,568)</u>
Taxation received		<u>-</u>	<u>29,129</u>
Capital expenditure and financial investment			
Purchase of tangible fixed assets		(108,820)	(61,071)
Sale of tangible fixed assets		8,600	16,500
		<u>(100,220)</u>	<u>(44,571)</u>
Equity dividends paid		(36,000)	(28,800)
Net cash inflow/(outflow) before management of liquid resources and financing		<u>487,270</u>	<u>(420,386)</u>
Financing			
Value of new loans obtained during the period		1,000,000	1,200,000
Repayment of loans and borrowings		(650,000)	(600,000)
		<u>350,000</u>	<u>600,000</u>
Increase in cash	21	<u><u>837,270</u></u>	<u><u>179,614</u></u>

The notes on pages 16 to 30 form an integral part of these financial statements
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Cumberland & Dumfriesshire Farmers' Mart plc
Cash Flow Statement for the Year Ended 31 March 2013

..... continued

Cash flow statement

Reconciliation of net cash flow to movement in net debt

	Note	2013 £	2012 £
Increase in cash		837,270	179,614
Cash inflow from increase in loans		(1,000,000)	(1,200,000)
Cash outflow from repayment of loans		<u>650,000</u>	<u>600,000</u>
Change in net debt resulting from cash flows	21	<u>487,270</u>	<u>(420,386)</u>
 Movement in net debt	21	 487,270	 (420,386)
Net debt at 1 April	21	<u>(4,348,609)</u>	<u>(3,928,223)</u>
Net debt at 31 March	21	<u>(3,861,339)</u>	<u>(4,348,609)</u>

The notes on pages 16 to 30 form an integral part of these financial statements
Page 15



Cumberland & Dumfriesshire Farmers' Mart plc
Notes to the Financial Statements for the Year Ended 31 March 2013

1 Accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets and in accordance with applicable accounting standards

Going concern

The company's business activities, together with the factors likely to affect its future development, performance and position are set out in the Business Review on pages 5 to 6

In addition, pages 7 and 8 include the company's objectives, policies and processes for managing its capital, its financial risk management, details of its financial instruments, and its exposure to credit risk and liquidity risk

The company, as with many others, relies on its own reserves and the availability of appropriate bank facilities in order to meet its day to day working capital requirements. Such facilities are, as for all businesses, provided by the bank mainly on an "on demand" basis and thus could be withdrawn at any time. Negotiations with the company's bankers are currently ongoing with a view to restructuring the company's bank loans and overdrafts in a way that will improve the cash flow of the company and the directors are confident that the new facilities will be agreed in the near future.

Having prepared detailed financial projections, and considered how working capital requirements may be managed to work within the proposed bank facilities, the directors anticipate that the company will have adequate resources to continue in operational existence for the foreseeable future. For these reasons, they continue to adopt the going concern basis of accounting in preparing the annual statements.

Turnover

Turnover represents amounts chargeable, net of value added tax, in respect of the sale of goods and services to customers.

Government grants

Government grants in respect of capital expenditure are credited to a deferred income account and are released to profit over the expected lives of the assets in accordance with the relevant depreciation policy.

Goodwill

Positive goodwill is capitalised, classified as an asset on the balance sheet and amortised on a straight line basis over its useful economic life. It is reviewed for impairment at the end of the first full financial year following the acquisition and in other periods if events or changes in circumstances indicate that the carrying value may not be recoverable.



Cumberland & Dumfriesshire Farmers' Mart plc
Notes to the Financial Statements for the Year Ended 31 March 2013

..... *continued*

Amortisation

Amortisation is provided on intangible fixed assets so as to write off the cost, less any estimated residual value, over their expected useful economic life as follows

Asset class	Amortisation method and rate
Goodwill	20 years and 5 years straight line

Depreciation

Depreciation is provided on tangible fixed assets so as to write off the cost or valuation, less any estimated residual value, over their expected useful economic life as follows

Asset class	Depreciation method and rate
Buildings	5% on cost or valuation
Plant and machinery	10% and 20% reducing balance
Fixtures and fittings	10% reducing balance
Motor vehicles	25% reducing balance
Office equipment	25% reducing balance

Investment properties

Certain of the company's properties are held for long-term investment. Investment properties are accounted for in accordance with SSAP 19, as follows

No depreciation is provided in respect of investment properties and they are revalued annually. The surplus or deficit on revaluation is transferred to the revaluation reserve unless a deficit below original cost, or its reversal, on an individual investment property is expected to be permanent, in which case it is recognised in the profit and loss account for the year.

This treatment as regards the company's investment properties may be a departure from the requirements of the Companies Act concerning the depreciation of fixed assets. However, these properties are not held for consumption but for investment and the directors consider that systematic annual depreciation would be inappropriate. The accounting policy adopted is therefore necessary for the financial statements to give a true and fair view. Depreciation or amortisation is only one of many factors reflected in the annual valuation and the amount which might otherwise have been shown cannot be separately identified or quantified.

Deferred tax

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes, which have arisen but not reversed by the balance sheet date, except as required by FRS19.

Deferred tax is measured at the rates that are expected to apply in the periods when the timing differences are expected to reverse, based on the tax rates and law enacted at the balance sheet date.

Hire purchase and leasing

Rentals payable under operating leases are charged in the profit and loss account on a straight line basis over the lease term.



Cumberland & Dumfriesshire Farmers' Mart plc
Notes to the Financial Statements for the Year Ended 31 March 2013

..... *continued*

Pensions

The company operates a defined contribution pension scheme. Contributions are recognised in the profit and loss account in the period in which they become payable in accordance with the rules of the scheme.

2 Turnover

The turnover and profit before taxation are attributable to the principal activities of the company.

An analysis of turnover, profit before taxation and net assets by principal activity is given below.

	31.3.13		
	Turnover	Profit before taxation	Net Assets
	£	£	£
Mart	2,861,945	(356,964)	1,927,986
Property Services	354,446	(17,240)	650,283
	<u>3,216,391</u>	<u>(374,204)</u>	<u>2,578,269</u>

	31.3.12		
	Turnover	Profit before taxation	Net Assets
	£	£	£
Mart	3,349,290	(429,045)	2,247,339
Property Services	407,086	48,020	667,523
	<u>3,756,376</u>	<u>(381,025)</u>	<u>2,914,862</u>



Cumberland & Dumfriesshire Farmers' Mart plc
Notes to the Financial Statements for the Year Ended 31 March 2013

..... *continued*

3 Operating profit

Operating profit is stated after charging

	2013 £	2012 £
Operating leases - plant and machinery	6,642	6,550
Operating leases - other assets	33,000	33,000
Auditors' remuneration	7,250	40,273
Loss/(profit) on sale of tangible fixed assets	7,996	(628)
Depreciation of owned assets	118,599	122,582
Amortisation	2,000	2,000
Government grants receivable	(3,598)	(4,840)

4 Auditors' remuneration

	2013 £	2012 £
Audit of the financial statements	<u>7,250</u>	<u>5,500</u>
Other fees to auditors		
Corporate finance services	-	17,000
Other services	<u>-</u>	<u>17,773</u>
	<u>-</u>	<u>34,773</u>
	<u><u>7,250</u></u>	<u><u>40,273</u></u>

The auditor's remuneration in the year ended 31 March 2012 relates to Dodd & Co and the auditor's remuneration in the year ended 31 March 2013 relates to Saint & Co

5 Exceptional items

	2013 £	2012 £
Other exceptional	<u>767,173</u>	<u>1,241,132</u>

The company has made provisions for bad debts as there is significant material uncertainty on the recovery of these debts. Due to the size of these debts the provisions have been shown as exceptional items



Cumberland & Dumfriesshire Farmers' Mart plc
Notes to the Financial Statements for the Year Ended 31 March 2013

..... *continued*

6 Particulars of employees

The average number of persons employed by the company (including directors) during the year, analysed by category was as follows

	2013 No.	2012 No
Administration and support	24	24
Other departments	24	23
	<u>48</u>	<u>47</u>

The aggregate payroll costs were as follows

	2013 £	2012 £
Wages and salaries	1,142,672	1,137,806
Social security costs	103,474	107,649
Staff pensions	41,026	27,598
	<u>1,287,172</u>	<u>1,273,053</u>

7 Directors' remuneration

The directors' remuneration for the year was as follows

	2013 £	2012 £
Remuneration (including benefits in kind)	160,233	162,818
Company contributions paid to money purchase schemes	17,322	6,688
Pensions contributions paid on behalf of former directors	-	1,150

During the year the number of directors who were receiving benefits was as follows

	2013 No	2012 No
Accruing benefits under money purchase pension scheme	2	2



Cumberland & Dumfriesshire Farmers' Mart plc
Notes to the Financial Statements for the Year Ended 31 March 2013

..... *continued*

8 Interest payable and similar charges

	2013 £	2012 £
Interest on bank borrowings	112,818	112,943
Interest on other loans	21,919	9,039
	<u>134,737</u>	<u>121,982</u>

9 Taxation

Tax on loss on ordinary activities

	2013 £	2012 £
Deferred tax		
Origination and reversal of timing differences	(74,250)	(80,836)
Deferred tax adjustment relating to previous years	639	(10,917)
Total deferred tax	<u>(73,611)</u>	<u>(91,753)</u>

Factors affecting current tax charge for the year

Tax on loss on ordinary activities for the year is higher than (2012 - higher than) the standard rate of corporation tax in the UK of 20% (2012 - 20%)

The differences are reconciled below

	2013 £	2012 £
Loss on ordinary activities before taxation	<u>(374,204)</u>	<u>(381,025)</u>
Corporation tax at standard rate	(74,841)	(76,205)
Difference between depreciation and capital allowances	10,201	9,456
Non-taxable income	-	(1,000)
Expenses not deductible for tax purposes	1,281	-
(Profit)/loss on disposal	1,599	(126)
Trading losses	<u>61,760</u>	<u>67,875</u>
Total current tax	<u>-</u>	<u>-</u>



Cumberland & Dumfriesshire Farmers' Mart plc
Notes to the Financial Statements for the Year Ended 31 March 2013

..... *continued*

10 Intangible fixed assets

	Goodwill £	Total £
Cost		
At 1 April 2012	51,500	51,500
At 31 March 2013	51,500	51,500
Amortisation		
At 1 April 2012	33,918	33,918
Charge for the year	2,000	2,000
At 31 March 2013	35,918	35,918
Net book value		
At 31 March 2013	15,582	15,582
At 31 March 2012	17,582	17,582



Cumberland & Dumfriesshire Farmers' Mart plc
Notes to the Financial Statements for the Year Ended 31 March 2013

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11 Tangible fixed assets

	Freehold land and buildings £	Investment properties £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Office equipment £	Total £
Cost or valuation							
At 1 April 2012	1,875,764	185,804	628,963	52,131	272,178	143,494	3,158,334
Additions	16,235	-	(1,520)	2,677	66,677	24,751	108,820
Disposals	-	-	-	-	(44,239)	-	(44,239)
At 31 March 2013	1,891,999	185,804	627,443	54,808	294,616	168,245	3,222,915
Depreciation							
At 1 April 2012	540,703	-	455,383	40,857	121,793	89,171	1,247,907
Charge for the year	42,973	-	16,966	1,142	42,286	15,232	118,599
Eliminated on disposals	-	-	-	-	(27,643)	-	(27,643)
At 31 March 2013	583,676	-	472,349	41,999	136,436	104,403	1,338,863
Net book value							
At 31 March 2013	1,308,323	185,804	155,094	12,809	158,180	63,842	1,884,052
At 31 March 2012	1,335,061	185,804	173,580	11,274	150,385	54,323	1,910,427



Cumberland & Dumfriesshire Farmers' Mart plc

Notes to the Financial Statements for the Year Ended 31 March 2013

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Revaluations

The land and buildings class of fixed assets was revalued on 31 March 2011 by D C Goodland FRICS, IRRV who is external to the company. The basis of this valuation was open market value which is considered to be not materially different to existing use value. The land and buildings were valued at £1,380,000. This class of assets has a current value of £1,308,323 (2012 - £1,335,061) and a carrying amount at historical cost of £866,673 (2012 - £850,438). The depreciation on this historical cost is £549,748 (2012 - £509,030).

The directors are not aware of any material change in value to the land and buildings and therefore the valuations have not been updated in the current year.

The investment properties class of fixed assets was revalued on 31 March 2013 by R W Steel ARICS, FAAV who is internal to the company. The basis of this valuation was open market value. This class of assets has a current value of £185,804 (2012 - £185,804) and a carrying amount at historical cost of £106,288 (2012 - £106,288). The depreciation on this historical cost is £nil (2012 - £nil).

12 Debtors

	2013 £	2012 £
Trade debtors	5,208,233	5,878,753
Amounts recoverable on contracts	77,536	80,663
Other debtors	195,012	255,000
Deferred tax	88,944	15,333
Prepayments and accrued income	226,519	177,166
	<u>5,796,244</u>	<u>6,406,915</u>

Deferred tax

The movement in the deferred tax asset in the year is as follows

	£
At 1 April 2012	15,333
Deferred tax credited to the profit and loss account	73,611
At 31 March 2013	<u>88,944</u>



Cumberland & Dumfriesshire Farmers' Mart plc
Notes to the Financial Statements for the Year Ended 31 March 2013

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Analysis of deferred tax

	2013 £	2012 £
Difference between accumulated depreciation and amortisation and capital allowances	(60,136)	(66,117)
Tax losses available	149,080	81,450
	<u>88,944</u>	<u>15,333</u>

The deferred tax asset, which relates to tax losses, has been recognised on the basis that the company has, in recent years, made substantial profits before the deduction of exceptional items. The directors are confident that the company will continue to be profitable and eliminate any future exceptional items, thereby ensuring tax losses are relieved and the deferred tax asset recovered.

13 Creditors: Amounts falling due within one year

	2013 £	2012 £
Trade creditors	209,779	149,468
Bank loans and overdrafts	4,391,904	4,936,457
Other loans	-	100,000
Other taxes and social security	159,791	190,287
Other creditors	761,567	600,429
Accruals and deferred income	115,843	119,525
	<u>5,638,884</u>	<u>6,096,166</u>



Cumberland & Dumfriesshire Farmers' Mart plc
Notes to the Financial Statements for the Year Ended 31 March 2013

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Creditors amounts falling due within one year includes the following liabilities, on which security has been given by the company

	2013 £	2012 £
Bank loans and overdrafts	4,391,904	4,936,457
Other loans	-	100,000
	<u>4,391,904</u>	<u>5,036,457</u>

The bank loans and overdrafts are secured by a legal charge over certain land and buildings and by a fixed and floating charge over the company's book debts and other assets

14 Creditors: Amounts falling due after more than one year

	2013 £	2012 £
Bank loans and overdrafts	350,000	-
Accruals and deferred income	9,290	11,744
	<u>359,290</u>	<u>11,744</u>

Creditors amounts falling due after more than one year includes the following liabilities, on which security has been given by the company

	2013 £	2012 £
Bank loans and overdrafts	<u>350,000</u>	<u>-</u>

Included in creditors are the following amounts due after more than five years

	2013 £	2012 £
After more than five years not by instalments	<u>3,268</u>	<u>3,716</u>



Cumberland & Dumfriesshire Farmers' Mart plc
Notes to the Financial Statements for the Year Ended 31 March 2013

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15 Share capital

Allotted, called up and fully paid shares

	2013		2012	
	No.	£	No	£
Ordinary shares of £1 each	<u>240,000</u>	<u>240,000</u>	<u>240,000</u>	<u>240,000</u>

16 Dividends

	2013 £	2012 £
Dividends paid		
Prior year final dividend paid	36,000	28,800
Recommended final dividend proposed for approval by shareholders	<u>36,000</u>	<u>36,000</u>

The directors are proposing a final dividend in respect of the financial year ended 31 March 2013 of 15p per share. The total dividend of £36,000 is subject to approval by the shareholders at the Annual General Meeting.

17 Reserves

	Revaluation reserve £	Other reserves £	Profit and loss account £	Total £
At 1 April 2012	1,073,169	832	1,600,861	2,674,862
Loss for the year	-	-	(300,593)	(300,593)
Dividends	-	-	(36,000)	(36,000)
Revaluation reserve release	<u>(2,255)</u>	<u>-</u>	<u>2,255</u>	<u>-</u>
At 31 March 2013	<u>1,070,914</u>	<u>832</u>	<u>1,266,523</u>	<u>2,338,269</u>



Cumberland & Dumfriesshire Farmers' Mart plc
Notes to the Financial Statements for the Year Ended 31 March 2013

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18 Reconciliation of movement in shareholders' funds

	2013 £	2012 £
Loss attributable to the members of the company	(300,593)	(289,272)
Dividends	<u>(36,000)</u>	<u>(28,800)</u>
Net reduction to shareholders' funds	(336,593)	(318,072)
Shareholders' funds at 1 April	<u>2,914,862</u>	<u>3,232,934</u>
Shareholders' funds at 31 March	<u><u>2,578,269</u></u>	<u><u>2,914,862</u></u>

19 Pension schemes

Defined contribution pension scheme

The company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the company to the scheme and amounted to £41,026 (2012 - £26,448).

Contributions totalling £nil (2012 - £nil) were payable to the schemes at the end of the year and are included in creditors.

20 Commitments

Operating lease commitments

As at 31 March 2013 the company had annual commitments under non-cancellable operating leases as follows:

Operating leases which expire

	2013 £	2012 £
Land and buildings		
Within two and five years	<u>33,000</u>	<u>33,000</u>
Other		
Within one year	1,352	1,352
Within two and five years	<u>6,644</u>	<u>6,644</u>
	<u><u>7,996</u></u>	<u><u>7,996</u></u>



Cumberland & Dumfriesshire Farmers' Mart plc
Notes to the Financial Statements for the Year Ended 31 March 2013

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22 Related party transactions

During the year the company made the following related party transactions

Dodd & Co

(the company's accountants in which I W Brown, a director of the company, has an interest)

Since the appointment of I W Brown as a director of the company on 1 September 2012, the company has been charged a total of £9,050 by Dodd & Co for accountancy and professional services. At the balance sheet date the amount due to Dodd & Co was £nil (2012 - £nil)

Directors

During the year the directors used the auction mart for buying and selling of livestock on normal commercial terms. Sales were subject to a commission deduction at the normal commercial rates. At the balance sheet date the amount due from the directors was £nil (2012 - £987)

Dividends paid to directors

The following dividends were paid to the directors during the year

	£
S P Walton	69
J W Robertson	121
W H Gass	75
R J Wilson	60
M Bendle	60
T Irving	120
T Struthers	24

23 Control

The company is controlled by no single shareholder of the company



Cumberland & Dumfriesshire Farmers' Mart plc
Notes to the Financial Statements for the Year Ended 31 March 2013

..... *continued*

21 Analysis of net debt

	At 1 April 2012 £	Cash flow £	At 31 March 2013 £
Cash at bank and in hand	687,848	192,717	880,565
Bank overdraft	(4,436,457)	644,553	(3,791,904)
	<u>(3,748,609)</u>	<u>837,270</u>	<u>(2,911,339)</u>
Debt due within one year	(600,000)	-	(600,000)
Debt due after more than one year	-	(350,000)	(350,000)
Net debt	<u>(4,348,609)</u>	<u>487,270</u>	<u>(3,861,339)</u>

