

River Cottage Limited
Annual Report and Unaudited Financial Statements
Year Ended 30 March 2022

Registration number: 04821666

River Cottage Limited

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River Cottage Limited

Balance Sheet

30 March 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	<u>4</u>	2,928,050	2,883,485
Current assets			
Stocks	<u>5</u>	22,786	12,529
Debtors	<u>6</u>	2,640,339	2,707,677
Cash at bank and in hand		13,241	91,716
		<u>2,676,366</u>	<u>2,811,922</u>
Creditors: Amounts falling due within one year	<u>7</u>	<u>(6,138,294)</u>	<u>(5,251,082)</u>
Net current liabilities		<u>(3,461,928)</u>	<u>(2,439,160)</u>
Total assets less current liabilities		(533,878)	444,325
Creditors: Amounts falling due after more than one year	<u>7</u>	<u>(992,303)</u>	<u>(1,699,137)</u>
Net liabilities		<u>(1,526,181)</u>	<u>(1,254,812)</u>
Capital and reserves			
Called up share capital	<u>9</u>	434,480	434,480
Share premium reserve		352,000	352,000
Profit and loss account		<u>(2,312,661)</u>	<u>(2,041,292)</u>
Shareholders' deficit		<u>(1,526,181)</u>	<u>(1,254,812)</u>

River Cottage Limited

Balance Sheet

30 March 2022

For the financial year ending 30 March 2022 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 and delivered in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006 and the option not to file the Profit and Loss Account has been taken.

Approved and authorised by the Board on 30 March 2023 and signed on its behalf by:

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Mr Stewart Dodd

Director

Company Registration Number: 04821666

River Cottage Limited

Notes to the Financial Statements

Year Ended 30 March 2022

1 General information

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

The address of its registered office and principal place of business is:

Park Farm
Trinity Hill Road
Axminster
Devon
EX13 8TB

These financial statements were authorised for issue by the Board on 30 March 2023.

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.

Statement of compliance

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

Basis of preparation

These financial statements have been prepared using the historical cost convention.

The presentational currency of River Cottage Limited is considered to be pounds sterling because this is the currency of the primary economic environment in which the company operates.

River Cottage Limited

Notes to the Financial Statements

Year Ended 30 March 2022

Going concern

The financial statements have been prepared on a going concern basis.

Full planning consent was obtained in March 2021 to convert the existing HQ Office into a restaurant, store and and visitor reception offering seated indoor and outdoor hospitality to approximately 70 covers, product sales and HQ site visits. This is a significant growth development and work on this was completed in March of this financial year and the offering opened in April 2022.

The group has prepared a revised three year forecast with the expectation of returning the group to profitability by 2023/24.

Following the 2019/20 letter of support confirming his intention to provide further financial support to fulfil the business plan, the major shareholder has reaffirmed his intentions, and is actively working with the Board and senior management team to support future growth initiatives.

Having duly considered the matters above, the directors are of the opinion that the company will continue to operate for the foreseeable future, therefore the financial statements have been prepared on the assumption that the going concern basis of preparation is appropriate.

Revenue recognition

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

Revenue is recognised as follows:

Cookery school and Events income is recognised when the event takes place. Payments in advance of the event are accounted for as deferred income.

Bar and shop sales are recognised in the period in which the goods are sold.

Voucher sales are accounted for when the vouchers are redeemed. Vouchers which have not yet been redeemed are accounted for as deferred income and included in creditors.

Membership income is recognised evenly over the period of membership.

Government grants

Government grants are recognised in other income on a systematic basis over the period in which the entity recognises the related costs for which the grant is intended to compensate. During the year the company received £21,034 (2021: £287,593) from the Coronavirus Job Retention Scheme.

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:

River Cottage Limited

Notes to the Financial Statements

Year Ended 30 March 2022

Asset class	Depreciation method and rate
Freehold buildings	2% straight line
Furniture, fittings and equipment	10% - 50% straight line

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

At each reporting date, stocks are assessed for impairment. If stocks are impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit or loss.

Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee.

Assets held under finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation.

Lease payments are apportioned between finance costs in the profit and loss account and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

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Notes to the Financial Statements

Year Ended 30 March 2022

Financial instruments

Classification

The company holds the following financial instruments:

- Short term trade and other debtors and creditors;
- Bank loans; and
- Cash and bank balances.

All financial instruments are classified as basic.

Recognition and measurement

The company has chosen to apply the recognition and measurement principles in FRS102.

Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument and derecognised when in the case of assets, the contractual rights to cash flows from the assets expire or substantially all the risks and rewards of ownership are transferred to another party, or in the case of liabilities, when the company's obligations are discharged, expire or are cancelled.

Except for bank loans, such instruments are initially measured at transaction price, including transaction costs, and are subsequently carried at the undiscounted amount of the cash or other consideration expected to be paid or received, after taking account of impairment adjustments.

Bank loans are initially measured at transaction price, including transaction costs, and are subsequently carried at amortised cost using the effective interest method.

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Notes to the Financial Statements

Year Ended 30 March 2022

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 39 (2021 - 41).

4 Tangible assets

	Freehold land and buildings £	Furniture, fittings and equipment £	Total £
Cost or valuation			
At 31 March 2021	3,221,461	597,115	3,818,576
Additions	90,460	37,132	127,592
At 30 March 2022	3,311,921	634,247	3,946,168
Depreciation			
At 31 March 2021	404,483	530,608	935,091
Charge for the year	51,405	31,622	83,027
At 30 March 2022	455,888	562,230	1,018,118
Carrying amount			
At 30 March 2022	2,856,033	72,017	2,928,050
At 30 March 2021	2,816,978	66,507	2,883,485

5 Stocks

	2022 £	2021 £
Goods for resale	22,786	12,529

River Cottage Limited

Notes to the Financial Statements

Year Ended 30 March 2022

6 Debtors

	30 March 2022 £	30 March 2021 £
Trade debtors	9,155	3,375
Amounts due from group undertakings	2,608,588	2,662,925
Other debtors	-	24,989
Prepayments	22,596	16,388
	<u>2,640,339</u>	<u>2,707,677</u>

7 Creditors

	Note	2022 £	2021 £
Due within one year			
Loans and borrowings	<u>8</u>	856,789	241,733
Trade creditors		112,255	47,564
Amounts owed to group undertakings		514,577	514,577
Taxation and social security		30,220	65,764
Other creditors		3,841,659	3,582,397
Accruals and deferred income		782,794	799,047
		<u>6,138,294</u>	<u>5,251,082</u>

	Note	2022 £	2021 £
Due after one year			
Loans and borrowings	<u>8</u>	<u>992,303</u>	<u>1,699,137</u>

River Cottage Limited

Notes to the Financial Statements

Year Ended 30 March 2022

8 Loans and borrowings

	2022 £	2021 £
Loans and borrowings due after one year		
Bank borrowings	992,303	1,145,230
Other borrowings	-	553,907
	<u>992,303</u>	<u>1,699,137</u>

	2022 £	2021 £
Current loans and borrowings		
Bank borrowings	673,895	86,597
Bank overdrafts	182,894	153,631
Finance lease liabilities	-	1,505
	<u>856,789</u>	<u>241,733</u>

Bank borrowings

The bank loan is denominated in £ with a nominal interest rate of 1.25 above base%, and the final instalment is due on 27 May 2033. The carrying amount at year end is £1,072,359 (2021 - £1,151,891).

The bank loans are secured by a fixed charge over the Company's freehold land and buildings, by a fixed and floating charge over all assets and undertakings of the Company and by a guarantee limited to £200,000 from River Cottage Partnerships Limited.

Other borrowings

The 3.5% fixed rate bond is denominated in £ with a nominal interest rate of 3.5%, and the final instalment is due on 23 February 2033. The carrying amount at year end is £593,839 (2021 - £633,843).

The fixed rate bond is secured by a fixed charge over the Company's freehold land and buildings, by a fixed and floating charge over all assets and undertakings of the Company, by £200,000 of joint and several guarantees from Mr H Fearnley-Whittingstall and Mr G Baring and by a guarantee limited to £200,000 from River Cottage Partnerships Limited.

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Notes to the Financial Statements

Year Ended 30 March 2022

9 Share capital

Allotted, called up and fully paid shares

	No.	2022 £	No.	2021 £
Ordinary shares of £0.01 each	43,448,033	434,480.33	43,448,033	434,480.33

10 Obligations under leases and hire purchase contracts

Operating leases

The total of future minimum lease payments is as follows:

	2022 £	2021 £
Not later than one year	5,419	-
Later than one year and not later than five years	9,935	-
	<u>15,354</u>	<u>-</u>

The amount of non-cancellable operating lease payments recognised as an expense during the year was £Nil (2021 - £Nil).

11 Parent and ultimate parent undertaking

The company's immediate parent is River Cottage Holdings Limited, incorporated in England and Wales.

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.