

Cherryman Limited

Annual Report and Unaudited Financial Statements
for the Year Ended 29 February 2020

**Chartered Accountants' Report to the Director on the Preparation of the Unaudited Statutory
Accounts of
Cherryman Limited
for the Year Ended 29 February 2020**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the accounts of Cherryman Limited for the year ended 29 February 2020 as set out on pages 2 to 11 from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <http://www.icaew.com/regulation>.

This report is made solely to the Board of Directors of Cherryman Limited, as a body, in accordance with the terms of our engagement letter. Our work has been undertaken solely to prepare for your approval the accounts of Cherryman Limited and state those matters that we have agreed to state to the Board of Directors of Cherryman Limited, as a body, in this report in accordance with ICAEW Technical Release 07/16 AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Cherryman Limited and its Board of Directors as a body for our work or for this report.

It is your duty to ensure that Cherryman Limited has kept adequate accounting records and to prepare statutory accounts that give a true and fair view of the assets, liabilities, financial position and loss of Cherryman Limited. You consider that Cherryman Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the accounts of Cherryman Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory accounts.

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MMO Limited
Chartered Accountants
Wellesley House
204 London Road
Waterlooville
Hampshire
PO7 7AN

3 February 2021

Cherryman Limited
(Registration number: 05392580)
Balance Sheet as at 29 February 2020

	Note	2020 £	2019 £
Fixed assets			
Tangible assets	<u>5</u>	362,566	361,687
Investments	<u>7</u>	900,000	900,000
		<u>1,262,566</u>	<u>1,261,687</u>
Current assets			
Debtors	<u>8</u>	394,823	685,002
Cash at bank and in hand		<u>100,972</u>	<u>56,177</u>
		495,795	741,179
Creditors: Amounts falling due within one year	<u>9</u>	<u>(209,548)</u>	<u>(389,207)</u>
Net current assets		<u>286,247</u>	<u>351,972</u>
Total assets less current liabilities		1,548,813	1,613,659
Provisions for liabilities		<u>(1,554)</u>	<u>(921)</u>
Net assets excluding pension asset/(liability)		1,547,259	1,612,738
Net pension liability 1		<u>(521,000)</u>	<u>(521,000)</u>
Net assets		<u><u>1,026,259</u></u>	<u><u>1,091,738</u></u>
Capital and reserves			
Called up share capital	<u>10</u>	301	301
Profit and loss account		<u>1,025,958</u>	<u>1,091,437</u>
Shareholders' funds		<u><u>1,026,259</u></u>	<u><u>1,091,738</u></u>

For the financial year ending 29 February 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Director's 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 director acknowledges his 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.

Cherryman Limited
(Registration number: 05392580)
Balance Sheet as at 29 February 2020

Approved and authorised by the director on 3 February 2021

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Mr R Cherryman
Director

Cherryman Limited

Notes to the Unaudited Financial Statements for the Year Ended 29 February 2020

1 General information

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

The address of its registered office is:

Wellesley House
204 London Road
Waterlooville
Hampshire
PO7 7AN
England

The principal place of business is:

c/o Suite 8 Beaufort Court
Admirals Way
London
E14 9XL
England

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.

All figures are presented in British Sterling, which is the functional currency of the company, and are rounded to the nearest £1.

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 sales/value added tax, returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured;
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.

Cherryman Limited

Notes to the Unaudited Financial Statements for the Year Ended 29 February 2020

Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference.

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
Land and Buildings	not depreciated
Fixtures and fittings	25% reducing balance
Motor Vehicles	25% reducing balance
Property	25% reducing balance

Investment property

Investment property is carried at fair value, derived from the current market prices for comparable real estate determined annually by external valuers. The valuers use observable market prices, adjusted if necessary for any difference in the nature, location or condition of the specific asset. Changes in fair value are recognised in profit or loss.

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.

Cherryman Limited

Notes to the Unaudited Financial Statements for the Year Ended 29 February 2020

Goodwill

Goodwill arising on the acquisition of an entity represents the excess of the cost of acquisition over the company's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the entity recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is held in the currency of the acquired entity and revalued to the closing rate at each reporting period date. Goodwill is amortised over its useful life, which shall not exceed ten years if a reliable estimate of the useful life cannot be made.

Amortisation

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

Asset class	Amortisation method and rate
Goodwill	fully amortised

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.

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.

Cherryman Limited

Notes to the Unaudited Financial Statements for the Year Ended 29 February 2020

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.

Dividends

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

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.

3 Staff numbers

The average number of persons employed by the company (including the director) during the year, was 1 (2019 - 1).

Cherryman Limited

Notes to the Unaudited Financial Statements for the Year Ended 29 February 2020

4 Intangible assets

	Goodwill £	Total £
Cost or valuation		
At 1 March 2019	5,000	5,000
At 29 February 2020	5,000	5,000
Amortisation		
At 1 March 2019	5,000	5,000
At 29 February 2020	5,000	5,000
Carrying amount		
At 29 February 2020	-	-

5 Tangible assets

	Land and buildings £	Fixtures and fittings £	Plant and machinery £	Motor vehicles £	Total £
Cost or valuation					
At 1 March 2019	374,217	58,530	6,053	16,485	455,285
Additions	-	4,642	-	-	4,642
At 29 February 2020	374,217	63,172	6,053	16,485	459,927
Depreciation					
At 1 March 2019	17,773	55,949	4,951	14,925	93,598
Charge for the year	2,057	949	367	390	3,763
At 29 February 2020	19,830	56,898	5,318	15,315	97,361
Carrying amount					
At 29 February 2020	354,387	6,274	735	1,170	362,566
At 28 February 2019	356,444	2,581	1,102	1,560	361,687

Included within the net book value of land and buildings above is £354,386 (2019 - £356,443) in respect of freehold land and buildings.

Cherryman Limited

Notes to the Unaudited Financial Statements for the Year Ended 29 February 2020

6 Investment properties

2020
£

There has been no valuation of investment property by an independent valuer.

7 Investments

	2020 £	2019 £
Investments in subsidiaries	900,000	900,000
Subsidiaries		£
Cost or valuation		
Additions		900,000
Provision		
Carrying amount		
At 29 February 2020		900,000
At 28 February 2019		900,000

8 Debtors

	Note	2020 £	2019 £
Trade debtors		86,114	244,124
Amounts owed by related parties	12	295,943	428,369
Prepayments		12,346	12,509
Income tax asset		420	-
Total current trade and other debtors		394,823	685,002

9 Creditors

Cherryman Limited

Notes to the Unaudited Financial Statements for the Year Ended 29 February 2020

	Note	2020 £	2019 £
Due within one year			
Trade creditors		1,894	7,837
Amounts due to related parties	<u>12</u>	113,698	266,953
Social security and other taxes		27,838	52,626
Outstanding defined contribution pension costs		467	405
Other payables		18,616	8,536
Accrued expenses		47,035	47,035
Corporation tax liability		-	5,815
		<u>209,548</u>	<u>389,207</u>

10 Share capital

Allotted, called up and fully paid shares

	2020		2019	
	No.	£	No.	£
Ordinary A shares of £1 each	1	1	1	1
Ordinary B shares of £1 each	100	100	100	100
Ordinary C shares of £1 each	100	100	100	100
Ordinary D shares of £1 each	100	100	100	100
	<u>301</u>	<u>301</u>	<u>301</u>	<u>301</u>

11 Reserves

The changes to each component of equity resulting from items of other comprehensive income for the prior year were as follows:

	Retained earnings £	Total £
Remeasurement gain/loss on defined benefit pension schemes	<u>(13,000)</u>	<u>(13,000)</u>

Cherryman Limited

Notes to the Unaudited Financial Statements for the Year Ended 29 February 2020

12 Related party transactions

Transactions with directors

	At 1 March 2019 £	Other payments made to company by director £	At 29 February 2020 £
2020			
Mr R Cherryman			
Undated, unsecured and interest free directors loan account which is repayable on demand	(266,953)	200,353	(66,600)

	At 1 March 2018 £	Other payments made to company by director £	At 28 February 2019 £
2019			
Mr R Cherryman			
Undated, unsecured and interest free directors loan account which is repayable on demand	(266,436)	(517)	(266,953)

	2020 £	2019 £
Mr R Cherryman		
Ordinary	12,142	12,500

Waterlooville

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registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of
the Companies Act 2006.