

River Cottage Stores Limited
Annual Report and Unaudited Financial Statements
Period from 1 April 2020 to 30 March 2021

Registration number: 06206210

River Cottage Stores Limited

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River Cottage Stores Limited

Company Information

Directors Mr Hugh Fearnley-Whittingstall
Mr Stewart Dodd

Registered office Park Farm
Trinity Hill Road
Axminster
Devon
EX13 8TB

Accountants PKF Francis Clark
Centenary House
Peninsula Park
Rydon Lane
Exeter
Devon
EX2 7XE

River Cottage Stores Limited

Balance Sheet

30 March 2021

	Note	2021 £	2020 £
Fixed assets			
Tangible assets	<u>5</u>	65,021	385,447
Investments	<u>6</u>	200	200
		<u>65,221</u>	<u>385,647</u>
Current assets			
Stocks	<u>7</u>	4,421	12,600
Debtors	<u>8</u>	14,486	47,755
Cash at bank and in hand		<u>1,119</u>	<u>7,883</u>
		20,026	68,238
Creditors: Amounts falling due within one year	<u>9</u>	<u>(3,761,372)</u>	<u>(3,741,799)</u>
Net current liabilities		<u>(3,741,346)</u>	<u>(3,673,561)</u>
Total assets less current liabilities		<u>(3,676,125)</u>	<u>(3,287,914)</u>
Creditors: Amounts falling due after more than one year	<u>9</u>	<u>(41,667)</u>	<u>-</u>
Net liabilities		<u>(3,717,792)</u>	<u>(3,287,914)</u>
Capital and reserves			
Called up share capital	<u>11</u>	1,477	1,477
Share premium reserve		1,779,810	1,779,810
Profit and loss account		<u>(5,499,079)</u>	<u>(5,069,201)</u>
Total equity		<u>(3,717,792)</u>	<u>(3,287,914)</u>

River Cottage Stores Limited

Balance Sheet

30 March 2021

For the financial period ending 30 March 2021 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 period 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 25 March 2022 and signed on its behalf by:

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Mr Stewart Dodd

Director

Company Registration Number: 06206210

River Cottage Stores Limited

Notes to the Financial Statements

Period from 1 April 2020 to 30 March 2021

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 25 March 2022.

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 except that as disclosed in the accounting policies certain items are shown at fair value.

Group accounts not prepared

In the opinion of the directors, the company and its subsidiaries comprise a small group. The company has not exercised the option to prepare group accounts provided by Section 398 of the Companies Act 2006.

River Cottage Stores Limited

Notes to the Financial Statements

Period from 1 April 2020 to 30 March 2021

Going concern

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

In order to ensure the company maximises both operational efficiencies and revenues, the Axminster restaurant was relocated on 1 March 2022 from Axminster to the main site.

The principal factors considered by the directors in preparing the accounts on a going concern basis were as follows:

- The group has prepared a revised three year forecast with the expectation of returning the group to profitability by 2022/23.
- Following the 2019/20 letter of support confirming his intention to provide further financial support to fulfil the group 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:

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

Canteen food & beverages and retail sales are recognised in the period in which the goods are sold.

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 the following income from the government:-

East Devon District Council Grant £34,000

Furlough income £297,249

Interest covered by government on bounce back loan £1,040

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.

River Cottage Stores Limited

Notes to the Financial Statements

Period from 1 April 2020 to 30 March 2021

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
Leasehold property	the lower of 10 years or the lease term
Fixtures and fittings	20-25% straight line
Plant and machinery	10-33% straight line
Office equipment	25% straight line

Investments

Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.

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.

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.

River Cottage Stores Limited

Notes to the Financial Statements

Period from 1 April 2020 to 30 March 2021

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.

3 Staff numbers

The average number of persons employed by the company (including directors) during the period, was 25 (2020 - 88).

4 Loss before tax

Arrived at after charging/(crediting)

	2021	2020
	£	£
Depreciation expense	90,902	185,210
Exceptional administrative expenses	3,125	186,478

Exceptional costs relate to the closure of the Winchester restaurant.

River Cottage Stores Limited

Notes to the Financial Statements

Period from 1 April 2020 to 30 March 2021

5 Tangible assets

	Leasehold land and buildings £	Furniture, fittings and equipment £	Total £
Cost or valuation			
At 1 April 2020	1,034,212	553,792	1,588,004
Disposals	(554,228)	(238,280)	(792,508)
At 30 March 2021	479,984	315,512	795,496
Depreciation			
At 1 April 2020	703,045	499,512	1,202,557
Charge for the period	75,297	15,604	90,901
Eliminated on disposal	(342,822)	(220,161)	(562,983)
At 30 March 2021	435,520	294,955	730,475
Carrying amount			
At 30 March 2021	44,464	20,557	65,021
At 31 March 2020	331,167	54,280	385,447

River Cottage Stores Limited

Notes to the Financial Statements

Period from 1 April 2020 to 30 March 2021

6 Investments

Subsidiaries	£
Cost or valuation	
At 1 April 2020	<u>200</u>
Provision	
Carrying amount	
At 30 March 2021	<u>200</u>
At 31 March 2020	<u>200</u>

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	Country of incorporation	Holding	Proportion of voting rights and shares held	
			2021	2020
Subsidiary undertakings				
River Cottage Canteen Bristol Limited Park Farm Trinity Hill Road Axminster EX13 8TB		Ordinary	100%	100%
River Cottage Canteen Winchester Limited Park Farm Trinity Hill Road Axminster EX13 8TB		Ordinary	100%	100%

River Cottage Canteen Bristol Limited and River Cottage Canteen Winchester Limited were dissolved on 7 September 2021.

River Cottage Stores Limited

Notes to the Financial Statements

Period from 1 April 2020 to 30 March 2021

7 Stocks

	2021 £	2020 £
Other inventories	4,421	12,600

8 Debtors

	2021 £	2020 £
Amounts due from group undertakings	5,000	5,000
Other debtors	9,486	42,755
	14,486	47,755

9 Creditors

	Note	2021 £	31 March 2020 £
Due within one year			
Loans and borrowings	10	40,974	92,512
Trade creditors		29,857	107,634
Amounts due to group undertakings		3,613,497	3,366,668
Social security and other taxes		59,144	86,535
Other creditors		250	9,168
Accrued expenses		17,650	79,282
		3,761,372	3,741,799
Due after one year			
Loans and borrowings	10	41,667	-

River Cottage Stores Limited

Notes to the Financial Statements

Period from 1 April 2020 to 30 March 2021

10 Loans and borrowings

	Note	2021 £	2020 £
Loans and borrowings due after one year			
Bank borrowings		41,667	-
Amounts due from group undertakings		-	-
		<u>41,667</u>	<u>-</u>

		2021 £	2020 £
Current loans and borrowings			
Bank borrowings		8,333	-
Bank overdrafts		32,641	92,512
		<u>40,974</u>	<u>92,512</u>

11 Share capital

Allotted, called up and fully paid shares

	No.	2021 £	No.	2020 £
Ordinary shares of £0.01 each	122,650	1,227	122,650	1,227
Ordinary A shares of £0.01 each	25,000	250	25,000	250
	<u>147,650</u>	<u>1,477</u>	<u>147,650</u>	<u>1,477</u>

12 Financial commitments, guarantees and contingencies

Amounts not provided for in the balance sheet

The total amount of financial commitments not included in the balance sheet is £32,123 (2020 - £67,123), which represents amounts due under property operating leases.

13 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.