

Company Registration No. 09219708 (England and Wales)

CUMNOCK INVESTMENTS LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2020
PAGES FOR FILING WITH REGISTRAR

CUMNOCK INVESTMENTS LIMITED

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CUMNOCK INVESTMENTS LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2020

	Notes	2020 £	£	2020 £	£
Current assets					
Stocks		1,228,195		1,309,691	
Debtors	5	22,941		3,640	
Cash at bank and in hand		208,464		486,164	
		<u>1,459,600</u>		<u>1,799,495</u>	
Creditors: amounts falling due within one year	6	<u>(407,824)</u>		<u>(772,344)</u>	
Net current assets			1,051,776		1,027,151
Creditors: amounts falling due after more than one year	7		<u>(511,821)</u>		<u>(527,490)</u>
Net assets			<u>539,955</u>		<u>499,661</u>
Capital and reserves					
Called up share capital	8		100		100
Profit and loss reserves			<u>539,855</u>		<u>499,561</u>
Total equity			<u>539,955</u>		<u>499,661</u>

The director of the company has elected not to include a copy of the profit and loss account within the financial statements.

For the financial period ended 31 December 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The director acknowledges his responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the period in question in accordance with section 476.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved and signed by the director and authorised for issue on 20 September 2021

Mr D Giovanni
Director

Company Registration No. 09219708

CUMNOCK INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 31 DECEMBER 2020

1 Accounting policies

Company information

Cumnock Investments Limited is a private company limited by shares incorporated in England and Wales. The registered office is Suite 2 Peel House, 30 The Downs, Altrincham, Cheshire, WA14 2PX.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Turnover

Turnover represents amounts receivable in respect of property sales and rental income. Revenue in respect of property sales is recognised on completion. Rental income is recognised on a straight line basis over the term of the rental.

1.3 Stocks

Stocks comprise development properties held for sale and are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises acquisition cost plus directly attributable professional fees and other expenses incurred in bringing the asset to its present condition.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss.

1.4 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.5 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

CUMNOCK INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.6 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs.

Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.7 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

CUMNOCK INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.8 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.9 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

2 Turnover and other revenue

	2020 £	2020 £
Turnover analysed by class of business		
Property sales and related income	76,500	266,500
Rental income	80,146	95,180
	<u>156,646</u>	<u>361,680</u>

3 Employees

The average monthly number of persons (including directors) employed by the company during the period was 2 (2020: 2).

CUMNOCK INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2020

4 Dividends

	2020 £	2020 £
Interim paid	-	38,000
	<u> </u>	<u> </u>

5 Debtors

	2020 £	2020 £
Amounts falling due within one year:		
Trade debtors	10,000	-
Corporation tax recoverable	-	834
Other debtors	12,941	2,806
	<u> </u>	<u> </u>
	<u>22,941</u>	<u>3,640</u>

6 Creditors: amounts falling due within one year

	2020 £	2020 £
Bank loans	13,424	8,184
Trade creditors	5,457	7,486
Corporation tax	8,618	-
Other creditors	380,325	756,674
	<u> </u>	<u> </u>
	<u>407,824</u>	<u>772,344</u>

The bank loans are secured by a fixed and floating charge over the assets of the company.

7 Creditors: amounts falling due after more than one year

	2020 £	2020 £
Bank loans	511,821	527,490
	<u> </u>	<u> </u>

The bank loans are secured by a fixed and floating charge over the assets of the company.

Creditors which fall due after five years are as follows:

	2020 £	2020 £
Payable by instalments	5,000	-
	<u> </u>	<u> </u>

CUMNOCK INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE PERIOD ENDED 31 DECEMBER 2020

8 Called up share capital

	2020 Number	2020 Number	2020 £	2020 £
Ordinary share capital				
Issued and fully paid				
Ordinary A shares of £1 each	50	50	50	50
Ordinary B shares of £1 each	50	50	50	50
	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

9 Related party transactions

Included within other creditors is an amount of £163,331 (2020: £308,331) owed to the director.

10 Parent company

The parent company is Blackcroft Properties Limited, a company registered in England and Wales, which is exempt from the requirement to prepare consolidated financial statements.

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.