

Company Registration No. 23873R (England and Wales)

TYNEGRAIN LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021

TYNEGRAIN LIMITED

COMPANY INFORMATION

| | | |
|--------------------------|--|------------------------------|
| Directors | P.A. Jackson R.J. Davison G.J. Bright C.J. Stephenson G.O. Alderslade R. Allinson A.R. Graham D.W. Hall D.J. Gibson M.W. Hutchinson | (Appointed 18 February 2021) |
| Secretary | W M Wood | |
| Company number | 23873R | |
| Registered office | Tyne Dock South Shields Tyne & Wear NE34 9PL | |
| Auditor | Greaves West & Ayre 17 Walkergate Berwick-upon-Tweed Northumberland TD15 1DJ | |

TYNEGRAIN LIMITED

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TYNEGRAIN LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 30 JUNE 2021

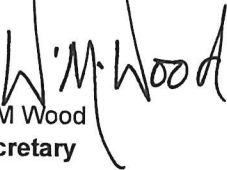
The directors present the strategic report for the year ended 30 June 2021.

Fair review of the business

The board's strategy of investing in the storage complex upgrade over the last three years has been completed. The store is now capable of running at maximum efficiency in handling grain and oilseeds and delivering the best service to its farmer members. Turnaround times have been significantly reduced and drying capacity is now at its highest level in the company's history.

The Board continues to seek further opportunities that would add value to the membership directly or indirectly through Tynegrain Limited or its subsidiaries.

By order of the board



W M Wood
Secretary

6 October 2021

TYNEGRAIN LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2021

The directors present their annual report and financial statements for the year ended 30 June 2021.

Principal activities

The Society is registered under the Co-operative and Community Benefit Societies Act 2014. It operates as an Agricultural Co-operative Society on behalf of its members and is responsible for drying, grading and storing members' grain.

Results and dividends

The results for the year are set out on page 8.

No dividends have been paid or proposed during the year (2020 £Nil).

Members Rebate

During the year the company returned £305,250 (2020 £294,179) to its members by way of a £5 (2020 £5) per tonne rebate.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

| | |
|-----------------|------------------------------|
| P.A. Jackson | |
| Dr. W. Taylor | (Resigned 18 December 2020) |
| R.J. Davison | |
| G.J. Bright | |
| C.J. Stephenson | |
| G.O. Alderslade | |
| R. Allinson | |
| A.R. Graham | |
| D.W. Hall | |
| D.J. Gibson | |
| M.W. Hutchinson | (Appointed 18 February 2021) |

Auditor

Greaves West & Ayre will remain in office until such time that a resolution has been passed at a general meeting of the society to appoint someone instead of them or providing expressly that they shall not be re-appointed.

Energy and carbon report

As the company has not consumed more than 40,000 kWh of energy in this reporting period, it qualifies as a low energy user under these regulations and is not required to report on its emissions, energy consumption or energy efficiency activities.

TYNEGRAIN LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

Statement of directors' responsibilities

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations. The Co-operative and Community Benefit Societies Act 2014 requires the directors to prepare financial statements for each financial year and they 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 surplus or deficit of the company for that year. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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 Co-operative and Community Benefit Societies Act 2014. 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.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

By order of the board


W M Wood
Secretary

6 October 2021

TYNEGRAIN LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TYNEGRAIN LIMITED

Opinion

We have audited the financial statements of Tynegrain Limited (the 'society') for the year ended 30 June 2021 which comprise the profit and loss account, the statement of comprehensive income, the balance sheet, the statement of changes in equity, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the society's affairs as at 30 June 2021 and of its profit 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 Co-operative and Community Benefit Societies Act 2014.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the society in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the society's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

TYNEGRAIN LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF TYNEGRAIN LIMITED

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Co-operative and Community Benefit Societies Act 2014 requires us to report to you if, in our opinion:

- the society has not kept proper books of account, and not maintained a satisfactory system of control over its transactions, in accordance with the requirements of the legislation;
- proper returns adequate for the audit have not been received from branches not visited;
- the revenue account, any other accounts to which our report relates, and the balance sheet are not in agreement with the society's books of account; or
- we have not obtained all the information and explanations necessary for the purposes of our audit.

Responsibilities of directors

As explained more fully in the Board's Responsibilities Statement, the Board is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Board determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board is responsible for assessing the group's and the parent society's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board either intends to liquidate the group or the parent society or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

TYNEGRAIN LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF TYNEGRAIN LIMITED

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience of the sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including legislation such as the Companies Act 2006, taxation legislation, employment legislation and data protection;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management, contacting the entity's solicitor for any details of non-compliance and inspecting current year legal expenditure; and
- identified laws and regulations of particular relevance were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, including any fraud associated with revenue recognition, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias;
- traced a sample of sales transactions from source documentation to nominal ledgers;
- traced a sample of sales around the year-end from source documentation to invoice to ensure cut-off is operating correctly;
- traced a sample of sales credit notes throughout the year and around the year-end in order to confirm their commercial justification; and
- evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims against the company; and
- reviewing correspondence with HMRC and the company's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

TYNEGRAIN LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF TYNEGRAIN LIMITED

The laws and regulations which are considered to be significant to the entity relate to health and safety. Discussions are held with management to determine whether any breaches have occurred as well as legal expenditure being scrutinised for any evidence on non-compliance.

The audit was considered capable of identifying irregularities only to the extent of the substantive testing performed and from discussions with management.

As part of an audit in accordance with ISAs (UK), we exercise professional judgement and maintain professional scepticism throughout the audit.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

This report is made solely to the society's members, as a body, in accordance with section 87 of the Co-operative and Community Benefit Societies Act 2014. Our audit work has been undertaken so that we might state to the society'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 society and the society's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Craig Little CA (Senior Statutory Auditor)
For and on behalf of Greaves West & Ayre

6 October 2021

Chartered Accountants
Statutory Auditor

17 Walkergate
Berwick-upon-Tweed
Northumberland
TD15 1DJ

TYNEGRAIN LIMITED

REVENUE ACCOUNT

FOR THE YEAR ENDED 30 JUNE 2021

| | Notes | 2021 £ | 2020 £ |
|--|----------|-------------|-------------|
| Income | 3 | 1,554,704 | 1,733,079 |
| Administrative expenses | | (1,733,709) | (1,989,482) |
| Other operating income | | 434,931 | 435,046 |
| Operating income | 4 | 255,926 | 178,643 |
| Interest receivable and similar income | 7 | 34 | 1,330 |
| Income before taxation | | 255,960 | 179,973 |
| Taxation | 8 | (18,228) | (4,813) |
| Income for the financial year | | 237,732 | 175,160 |

The Revenue Account has been prepared on the basis that all operations are continuing operations.

TYNEGRAIN LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2021

| | 2021 £ | 2020 £ |
|--|----------------|----------------|
| Income for the year | 237,732 | 175,160 |
| Other comprehensive income | - | - |
| Total comprehensive income for the year | <u>237,732</u> | <u>175,160</u> |

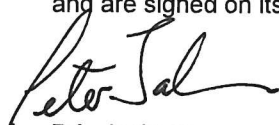
TYNEGRAIN LIMITED

BALANCE SHEET

AS AT 30 JUNE 2021

| | Notes | 2021 | | 2020 | |
|---|-------|------------------|---|------------------|---|
| | | £ | £ | £ | £ |
| Fixed assets | | | | | |
| Tangible assets | 9 | 3,478,600 | | 3,211,550 | |
| Investments | 10 | 1,750,002 | | 1,750,002 | |
| | | <u>5,228,602</u> | | <u>4,961,552</u> | |
| Current assets | | | | | |
| Stocks | 14 | 25,246 | | 34,555 | |
| Debtors | 15 | 131,550 | | 874,730 | |
| Cash at bank and in hand | | 1,839,107 | | 1,369,707 | |
| | | <u>1,995,903</u> | | <u>2,278,992</u> | |
| Creditors: amounts falling due within one year | 16 | <u>(240,969)</u> | | <u>(689,958)</u> | |
| Net current assets | | <u>1,754,934</u> | | <u>1,589,034</u> | |
| Total assets less current liabilities | | <u>6,983,536</u> | | <u>6,550,586</u> | |
| Deferred income | 17 | <u>(688,444)</u> | | <u>(487,229)</u> | |
| Net assets | | <u>6,295,092</u> | | <u>6,063,357</u> | |
| Capital and reserves | | | | | |
| Called up share capital | 19 | 115 | | 115 | |
| Other reserves | 20 | 1,796,663 | | 1,802,660 | |
| Profit and loss reserves | | 4,498,314 | | 4,260,582 | |
| Total equity | | <u>6,295,092</u> | | <u>6,063,357</u> | |

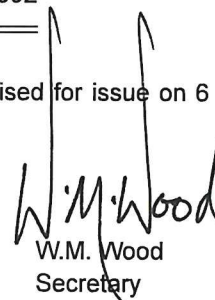
The financial statements were approved by the board of directors and authorised for issue on 6 October 2021 and are signed on its behalf by:



P.A. Jackson
Director



G.J. Bright
Director



W.M. Wood
Secretary

Company Registration No. 23873R

TYNEGRAIN LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2021

| | Notes | Share capital £ | Other reserves £ | Profit and loss reserves £ | Total £ |
|--|-------|--------------------|---------------------|-------------------------------|------------|
| Balance at 1 July 2019 | | 114 | 1,805,904 | 4,085,422 | 5,891,440 |
| Year ended 30 June 2020: | | | | | |
| Profit and total comprehensive income for the year | | - | - | 175,160 | 175,160 |
| Issue of share capital | 19 | 4 | - | - | 4 |
| Redemption of shares | 19 | (3) | - | - | (3) |
| Other movements | | - | (3,244) | - | (3,244) |
| Balance at 30 June 2020 | | 115 | 1,802,660 | 4,260,582 | 6,063,357 |
| Year ended 30 June 2021: | | | | | |
| Profit and total comprehensive income for the year | | - | - | 237,732 | 237,732 |
| Issue of share capital | 19 | 3 | - | - | 3 |
| Redemption of shares | 19 | (3) | - | - | (3) |
| Other movements | | - | (5,997) | - | (5,997) |
| Balance at 30 June 2021 | | 115 | 1,796,663 | 4,498,314 | 6,295,092 |

TYNEGRAIN LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2021

| | Notes | 2021 £ | £ | 2020 £ | £ |
|--|-------|------------------|---|------------------|---|
| Cash flows from operating activities | | | | | |
| Cash generated from operations | 26 | 1,021,720 | | 769,178 | |
| Income taxes paid | | (4,813) | | (5,664) | |
| | | <u>1,016,907</u> | | <u>763,514</u> | |
| Investing activities | | | | | |
| Purchase of tangible fixed assets | | (541,543) | | (671,494) | |
| Interest received | | 34 | | 1,330 | |
| | | <u>(541,509)</u> | | <u>(670,164)</u> | |
| Financing activities | | | | | |
| Proceeds from issue of shares | | 3 | | 14,004 | |
| Redemption of shares | | (6,001) | | (17,243) | |
| | | <u>(5,998)</u> | | <u>(3,239)</u> | |
| Net increase in cash and cash equivalents | | | | | |
| | | <u>469,400</u> | | <u>90,111</u> | |
| Cash and cash equivalents at beginning of year | | 1,369,707 | | 1,279,596 | |
| Cash and cash equivalents at end of year | | | | | |
| | | <u>1,839,107</u> | | <u>1,369,707</u> | |
| Relating to: | | | | | |
| Cash at bank and in hand | | <u>1,839,107</u> | | <u>1,369,707</u> | |

TYNEGRAIN LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2021

1 Accounting policies

Company information

Tynegrain Limited is a private company limited by shares incorporated in England and Wales. The registered office is Tyne Dock, South Shields, Tyne & Wear, NE34 9PL.

1.1 Accounting convention

These financial statements have been prepared for the parent company only and do not consolidate the results of any group companies. They are 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 Co-operative and Community Benefit Societies Act 2014.

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 pound sterling.

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

1.2 Going concern

These financial statements are prepared on the going concern basis. The directors have a reasonable expectation that the company will continue in operational existence for the foreseeable future.

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

| | |
|---------------------------------|------------------------|
| Silos and Buildings | 3% - 20% Straight Line |
| Plant and machinery | 4% - 33% Straight Line |
| Office and Laboratory Equipment | 10 - 33% Straight Line |

No depreciation is applied to assets under construction.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

TYNEGRAIN LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

1 Accounting policies

(Continued)

1.5 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The company considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Entities in which the company has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

1.6 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.7 Stocks

Stocks are stated at the lower of cost and recoverable value.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its recoverable value is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

TYNEGRAIN LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

1 Accounting policies (Continued)

1.8 Cash at bank and in hand

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.

1.9 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.

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.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publically traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

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.

TYNEGRAIN LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

1 Accounting policies

(Continued)

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.

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

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

1.10 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.

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

1.11 Taxation

Current tax

The society is an agricultural co-operative carrying on mutual trading and its trading activities are therefore not taxable. Tax is payable on rental income and interest receivable only.

TYNEGRAIN LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

1 Accounting policies

(Continued)

1.12 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.

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.

1.13 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.14 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

1.15 Government grants

Government grants are recognised using the accrual model 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.

Grant income currently recognised in the accounts relates to grants relating to capital expenditure. The amount of grant income recognised in the accounts is disclosed in note 4 to the accounts.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Turnover and other revenue

An analysis of the company's turnover is as follows:

| | 2021 | 2020 |
|---|------------------|------------------|
| | £ | £ |
| Turnover analysed by class of business | | |
| Drying, storage and related activities | 1,554,704 | 1,733,079 |
| | <u>1,554,704</u> | <u>1,733,079</u> |

TYNEGRAIN LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2021

| | | | |
|----------|--|--------------------|-------------------|
| 3 | Turnover and other revenue | (Continued) | |
| | | 2021 | 2020 |
| | | £ | £ |
| | Other significant revenue | | |
| | Interest income | 34 | 1,330 |
| | Grants received | 42,296 | 38,988 |
| | | <u> </u> | <u> </u> |
| | | 2021 | 2020 |
| | | £ | £ |
| | Turnover analysed by geographical market | | |
| | United Kingdom | 1,554,704 | 1,733,079 |
| | | <u> </u> | <u> </u> |
| 4 | Operating profit | | |
| | | 2021 | 2020 |
| | | £ | £ |
| | Operating profit for the year is stated after charging/(crediting): | | |
| | Government grants | (42,296) | (38,988) |
| | Fees payable to the company's auditor for the audit of the company's financial statements | 13,930 | 12,510 |
| | Depreciation of owned tangible fixed assets | 274,493 | 241,639 |
| | (Profit)/loss on disposal of tangible fixed assets | - | 4,130 |
| | Operating lease charges | 75,000 | 75,000 |
| | | <u> </u> | <u> </u> |
| 5 | Employees | | |
| | The average monthly number of persons (including directors) employed by the company during the year was: | | |
| | | 2021 | 2020 |
| | | Number | Number |
| | Average number of employees | 11 | 9 |
| | | <u> </u> | <u> </u> |
| | Their aggregate remuneration, plus rehired labour from other companies, totalled: | | |
| | | 2021 | 2020 |
| | | £ | £ |
| | Wages and salaries | 306,466 | 294,485 |
| | Social security costs | 24,162 | 27,551 |
| | Pension costs | 15,338 | 14,364 |
| | | <u> </u> | <u> </u> |
| | | 345,966 | 336,400 |
| | | <u> </u> | <u> </u> |

TYNEGRAIN LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2021

| | | | |
|----------|---|-------------------|-------------------|
| 6 | Directors' remuneration | 2021 | 2020 |
| | | £ | £ |
| | Remuneration for qualifying services | 7,200 | 7,200 |
| | | <u> </u> | <u> </u> |
| 7 | Interest receivable and similar income | 2021 | 2020 |
| | | £ | £ |
| | Interest income | | |
| | Interest on bank deposits | 34 | 1,330 |
| | | <u> </u> | <u> </u> |
| | Investment income includes the following: | | |
| | Interest on financial assets not measured at fair value through profit or loss | 34 | 1,330 |
| | | <u> </u> | <u> </u> |
| 8 | Taxation | 2021 | 2020 |
| | | £ | £ |
| | Current tax | | |
| | UK corporation tax on profits for the current period | 18,228 | 4,813 |
| | | <u> </u> | <u> </u> |
| | The actual charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows: | | |
| | | 2021 | 2020 |
| | | £ | £ |
| | Profit before taxation | 255,960 | 179,973 |
| | | <u> </u> | <u> </u> |
| | Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2020: 19.00%) | 48,632 | 34,195 |
| | Non-taxable income from mutual trading | (30,404) | (29,382) |
| | | <u> </u> | <u> </u> |
| | Taxation charge for the year | 18,228 | 4,813 |
| | | <u> </u> | <u> </u> |

TYNEGRAIN LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

9 Tangible fixed assets

| | Silos and Buildings | Assets under construction | Plant and machinery | Office and Laboratory Equipment | Total |
|------------------------------------|------------------------|------------------------------|------------------------|---------------------------------------|------------|
| | £ | £ | £ | £ | £ |
| Cost | | | | | |
| At 1 July 2020 | 5,147,446 | 409,318 | 4,017,826 | 187,988 | 9,762,578 |
| Additions | 115,056 | - | 419,109 | 7,378 | 541,543 |
| Transfers | - | (409,318) | 409,318 | - | - |
| At 30 June 2021 | 5,262,502 | - | 4,846,253 | 195,366 | 10,304,121 |
| Depreciation and impairment | | | | | |
| At 1 July 2020 | 3,908,736 | - | 2,470,977 | 171,315 | 6,551,028 |
| Depreciation charged in the year | 104,744 | - | 162,421 | 7,328 | 274,493 |
| At 30 June 2021 | 4,013,480 | - | 2,633,398 | 178,643 | 6,825,521 |
| Carrying amount | | | | | |
| At 30 June 2021 | 1,249,022 | - | 2,212,855 | 16,723 | 3,478,600 |
| At 30 June 2020 | 1,238,710 | 409,318 | 1,546,849 | 16,673 | 3,211,550 |

10 Fixed asset investments

| | Notes | 2021 £ | 2020 £ |
|-------------------------------|-------|-----------|-----------|
| Investments in subsidiaries | 11 | 1,750,001 | 1,750,001 |
| Investments in joint ventures | 13 | 1 | 1 |
| | | 1,750,002 | 1,750,002 |

Fixed asset investments not carried at market value

Unlisted investments are held at cost. Given the net asset value of the companies, the directors are satisfied that the market value is not less than the cost of the investments.

11 Subsidiaries

These financial statements are separate company financial statements for Tynegrain Limited.

Details of the company's subsidiaries at 30 June 2021 are as follows:

TYNEGRAIN LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

11 Subsidiaries

(Continued)

| Name of undertaking | Address | Class of shares held | % Held | |
|---|---------|----------------------|--------|----------|
| | | | Direct | Indirect |
| Grainco Limited | 1 | Ordinary | 100.00 | - |
| Meldon Village Storage and Drying Limited | 1 | Ordinary | 100.00 | - |
| Grainco Scotland Limited | 1 | Ordinary | - | 100.00 |
| Maritime Shipping and Logistics Ltd | 1 | Ordinary | - | 100.00 |
| Forestco Limited | 1 | Ordinary | - | 100.00 |
| Pellet Co Limited | 1 | Ordinary | - | 100.00 |

Registered office addresses (all UK unless otherwise indicated):

1 Tyne Dock, South Shields, Tyne and Wear, NE34 9PL

The aggregate capital and reserves and the result for the year of the subsidiaries noted above was as follows:

| Name of undertaking | Capital and Reserves | Profit/(Loss) |
|---|----------------------|---------------|
| | £ | £ |
| Grainco Limited | 20,610,712 | 298,788 |
| Meldon Village Storage and Drying Limited | 60,622 | (82,487) |
| Grainco Scotland Limited | 90 | - |
| Maritime Shipping and Logistics Ltd | 1 | - |
| Forestco Limited | (354,145) | (9,881) |
| Pellet Co Limited | 268,605 | 268,030 |

12 Associates

The company had no associates at 30 June 2021 due to the acquisition of the remainder of Pellet Co Limited's shares during the year by Grainco Limited. Pellet Co Limited is now a subsidiary of Grainco Limited and indirect subsidiary of Tynegrain Limited.

13 Joint ventures

These financial statements are separate company financial statements for Tynegrain Limited.

Details of the company's joint ventures at 30 June 2021 are as follows:

| Name of undertaking | Registered office | Interest | % Held |
|---------------------|-------------------|----------|--------|
| | | held | Direct |
| Tri-Grain Ltd | England | Ordinary | 33.33 |

TYNEGRAIN LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

| 14 Stocks | 2021 | 2020 |
|---|----------------|----------------|
| | £ | £ |
| Finished goods and goods for resale | 25,246 | 34,555 |
| | <u>25,246</u> | <u>34,555</u> |
| | | |
| 15 Debtors | 2021 | 2020 |
| Amounts falling due within one year: | £ | £ |
| Trade debtors | 46 | 150 |
| Amounts owed by group undertakings | 65,508 | 804,237 |
| Other debtors | 32,351 | 34,840 |
| Prepayments and accrued income | 33,645 | 35,503 |
| | <u>131,550</u> | <u>874,730</u> |
| | <u>131,550</u> | <u>874,730</u> |
| | | |
| 16 Creditors: amounts falling due within one year | 2021 | 2020 |
| | £ | £ |
| Trade creditors | 80,720 | 502,890 |
| Amounts owed to group undertakings | 2,350 | 83,123 |
| Corporation tax | 18,228 | 4,813 |
| Other taxation and social security | 107,370 | - |
| Other creditors | 6,849 | 69,086 |
| Accruals and deferred income | 25,452 | 30,046 |
| | <u>240,969</u> | <u>689,958</u> |
| | <u>240,969</u> | <u>689,958</u> |
| | | |
| 17 Government grants | 2021 | 2020 |
| | £ | £ |
| Arising from government grants | 688,444 | 487,229 |
| | <u>688,444</u> | <u>487,229</u> |
| | <u>688,444</u> | <u>487,229</u> |
| | | |
| Deferred income is included in the financial statements as follows: | 2021 | 2020 |
| | £ | £ |
| Shown as deferred income on the face of the balance sheet | 688,444 | 487,229 |
| | <u>688,444</u> | <u>487,229</u> |
| | <u>688,444</u> | <u>487,229</u> |

TYNEGRAIN LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2021

18 Retirement benefit schemes

| | 2021 | 2020 |
|---|--------|--------|
| Defined contribution schemes | £ | £ |
| Charge to profit or loss in respect of defined contribution schemes | 15,338 | 14,364 |

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

19 Share capital

| | 2021 | 2020 | 2021 | 2020 |
|---|--------|--------|------|------|
| Ordinary share capital Issued and fully paid | Number | Number | £ | £ |
| Shares of £1 each | 115 | 115 | 115 | 115 |

The shares carry voting rights but, no fixed entitlement to income.

During the year, 3 ordinary shares were issued at par and 3 were redeemed.

20 Other reserves

| | Members' loans £ |
|------------------------------------|------------------------|
| At the beginning of the prior year | 1,805,904 |
| Other movements | (3,244) |
| At the end of the prior year | 1,802,660 |
| Other movements | (5,997) |
| At the end of the current year | 1,796,663 |

21 Financial commitments, guarantees and contingent liabilities

An unlimited cross guarantee exists between the company and Meldon Village Storage and Drying Limited.

A further unlimited composite guarantee exists between the company and Tynegrain Agriculture Limited.

A guarantee limited to £500,000 exists between the company and Grainco Limited.

TYNEGRAIN LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2021

22 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

| | 2021 £ | 2020 £ |
|----------------------------|------------------|------------------|
| Within one year | 75,000 | 75,000 |
| Between two and five years | 300,000 | 300,000 |
| In over five years | 1,260,000 | 1,335,000 |
| | <u>1,635,000</u> | <u>1,710,000</u> |

23 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

| | 2021 £ | 2020 £ |
|------------------------|-----------|-----------|
| Aggregate compensation | 20,483 | 56,640 |

24 Directors' transactions

Dividends totalling £0 (2020 - £0) were paid in the year in respect of shares held by the company's directors.

All transactions with the directors were in the normal course of business and were conducted on an "arms length" basis.

During the year, sales totalling £106,048 were made to the directors or their representative businesses (2020 £199,675). At the year end the directors, or their representative businesses, were cumulatively due to the company the sum of £Nil (2020 £Nil) which is included within trade debtors. Purchases of £Nil (2020 £112,346) were made from the directors. £Nil was outstanding at the year end (2020 £65,767).

The outstanding balances are unsecured and are expected to be recovered and paid at their full value.

25 Ultimate controlling party

There is no ultimate controlling party as the shares of the company are held by 115 individuals, each holding one share.

TYNEGRAIN LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2021

26 Cash generated from operations

| | 2021 £ | 2020 £ |
|--|------------------|----------------|
| Profit for the year after tax | 237,732 | 175,160 |
| Adjustments for: | | |
| Taxation charged | 18,228 | 4,813 |
| Investment income | (34) | (1,330) |
| (Gain)/loss on disposal of tangible fixed assets | - | 4,130 |
| Depreciation and impairment of tangible fixed assets | 274,493 | 241,639 |
| Increase/(decrease) in deferred income | 201,215 | (38,988) |
| Movements in working capital: | | |
| Decrease/(increase) in stocks | 9,310 | (20,488) |
| Decrease in debtors | 743,180 | 322,155 |
| (Decrease)/increase in creditors | (462,404) | 82,087 |
| Cash generated from operations | <u>1,021,720</u> | <u>769,178</u> |

27 Analysis of changes in net funds

| | 1 July 2020 £ | Cash flows £ | 30 June 2021 £ |
|--------------------------|------------------|-----------------|-------------------|
| Cash at bank and in hand | 1,369,707 | 469,400 | 1,839,107 |

TYNEGRAIN LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2021

28 Other related party relationships and transactions

| | 2021 | 2020 |
|---|------------------|------------------|
| | £ | £ |
| Purchases | | |
| Tynegrain Agriculture Limited | 310,769 | 343,370 |
| Grainco Limited | 583,008 | 969,322 |
| Meldon Village Storage and Drying Limited | 24,920 | 41,507 |
| PelletCo Limited | - | - |
| | <u>918,697</u> | <u>1,354,199</u> |
| | <u>918,697</u> | <u>1,354,199</u> |
| | | |
| | 2021 | 2020 |
| | £ | £ |
| Sales | | |
| Tynegrain Agriculture Limited | 2,000 | 2,495 |
| Grainco Limited | 1,851,061 | 1,785,092 |
| Meldon Village Storage and Drying Limited | 11,500 | 56,946 |
| PelletCo Limited | 21,376 | 17,023 |
| Forestco Limited | - | - |
| | <u>1,885,937</u> | <u>1,861,556</u> |
| | <u>1,885,937</u> | <u>1,861,556</u> |

At the year end the following amounts were due by or to the company:-

| | Creditors | | Debtors | |
|---|--------------|----------------|---------------|----------------|
| | 2021 | 2020 | 2021 | 2020 |
| | £ | £ | £ | £ |
| Tynegrain Agriculture Limited | - | 62,238 | - | - |
| Grainco Limited | 2,350 | 82,764 | 60,513 | 124,237 |
| Meldon Village Storage and Drying Limited | - | 358 | 3,840 | 680,000 |
| PelletCo Limited | - | - | 1,155 | - |
| | <u>2,350</u> | <u>145,360</u> | <u>65,508</u> | <u>804,237</u> |
| | <u>2,350</u> | <u>145,360</u> | <u>65,508</u> | <u>804,237</u> |

The amounts above are unsecured and interest free.

TYNEGRAIN LIMITED

DETAILED TRADING AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 30 JUNE 2021

| | £ | 2021 £ | £ | 2020 £ |
|--|---------|--------------------|---------|--------------------|
| Turnover | | | | |
| Drying and storage | | 847,371 | | 1,105,731 |
| Haulage | | 217,267 | | 305,451 |
| Weighbridge fees | | 8,337 | | 26,930 |
| Biomass income | | 118,991 | | 267,243 |
| Sunflower pellets handling | | - | | 27,722 |
| Oat handling income | | 25,000 | | - |
| LPL income | | 337,739 | | - |
| | | <u>1,554,705</u> | | <u>1,733,077</u> |
| Administrative Expenses | | | | |
| Wages, salaries and recruitment | 299,266 | | 287,285 | |
| Social security costs | 24,162 | | 27,551 | |
| Secretary's fees and expenses | 6,610 | | 5,424 | |
| Staff pension costs defined contribution | 15,338 | | 14,364 | |
| Management fees | 36,800 | | 36,800 | |
| Rent | 75,000 | | 75,000 | |
| Rates and insurances | 69,575 | | 70,086 | |
| Fuel and electricity | 254,116 | | 269,380 | |
| Repairs and maintenance | 269,492 | | 159,484 | |
| Computer expenditure | 9,779 | | 7,210 | |
| Haulage cost | 215,401 | | 321,963 | |
| Biomass costs | 2,503 | | 11,162 | |
| Printing, stationery and postage | 6,214 | | 6,000 | |
| Third party drying costs | 103,545 | | 400,992 | |
| Audit fees | 13,930 | | 12,510 | |
| Bank charges | 182 | | 208 | |
| Oat handling costs | 4,135 | | - | |
| Communications and promotions | 10,868 | | 23,378 | |
| Miscellaneous | 35,099 | | 7,716 | |
| | | <u>(1,452,015)</u> | | <u>(1,736,513)</u> |
| Balance Carried Forward | | 102,689 | | (3,434) |

TYNEGRAIN LIMITED

DETAILED TRADING AND PROFIT AND LOSS ACCOUNT (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2021

| | | 2021 | | 2020 |
|--------------------------------|---------|----------------|---------|----------------|
| | £ | £ | £ | £ |
| Balance Brought Forward | | 102,689 | | (3,434) |
| Depreciation | | | | |
| Silos and buildings | 104,744 | | 108,013 | |
| Plant and machinery | 162,421 | | 132,382 | |
| Office equipment | 7,329 | | 1,244 | |
| Loss on sale of fixed assets | - | | 4,130 | |
| | | | | |
| | | (274,494) | | (245,769) |
| Directors Remuneration | | | | |
| Directors' expenses | | (7,200) | | (7,200) |
| | | | | |
| Other Operating Income | | | | |
| Grant income | 42,296 | | 38,988 | |
| Miscellaneous | 392,635 | | 396,058 | |
| | | | | |
| | | 434,931 | | 435,046 |
| | | | | |
| Operating Profit | | 255,926 | | 178,643 |
| | | | | |
| Other Income | | | | |
| Bank interest received | | 34 | | 1,330 |
| | | | | |
| Net Profit for the Year | | 255,960 | | 179,973 |
