

Company Registration No. 00502230 (England and Wales)

ALVIS BROTHERS LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021



ALVIS BROTHERS LIMITED

COMPANY INFORMATION

Directors	Mr J Alvis (Senior) Mr M Alvis Mr J Alvis (Junior) Mr P Alvis
Secretary	Mrs P Alvis
Company number	00502230
Registered office	Lye Cross Farm Redhill Wrington Bristol BS40 5RH
Auditor	Lentells Limited Ash House Cook Way Bindon Road Taunton Somerset TA2 6BJ
Business address	Lye Cross Farm Redhill Wrington Bristol BS40 5RH
Bankers	HSBC Bank plc 30 High Street Weston-Super-Mare North Somerset BS23 1JE
Solicitors	Bennetts High Street Wrington Bristol BS18 7QB

ALVIS BROTHERS LIMITED

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ALVIS BROTHERS LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 MARCH 2021

The directors present the strategic report and financial statements for the year ended 31 March 2021.

Introduction

The company's principle activity continues to be cheese making, alongside the production of food and feed grade by-products

Fair review of the business

During the year, the uncertainty created by Brexit and the threat of not securing a Free Trade Agreement overshadowed the profitability of our exports which was one of the major factors in the company generating a loss for the financial year.

This same issue has also been present in the current financial year and has been combined with the impact of Covid-19 which together have meant difficult trading conditions have faced the company.

Principal risks and uncertainties

As an established maker of cheese, the principal risks and uncertainties that the business face are related to those inherent in a commodity market.

Supply chain stability, product demand and competition in our marketplace are all a function of milk price which in turn is a function of how well the supply and demand of milk and milk-based products are matched in a global market.

Beyond monitoring global market prices and predictions it is difficult to set KPI's that appropriately monitor these risks and uncertainties. On that basis non have been included in this strategic report but these macroeconomic factors will undoubtedly have a large influence on the trading conditions that the company faces particularly in the coming financial year with heightened volatility.

The Covid-19 pandemic and the impact on business across the globe continues but to a much lesser degree than previously. Based on the current outlook, our expectation is that the majority of our customer activity levels will revert (all other things beings equal) to pre-pandemic levels in the forthcoming financial year.

On behalf of the board

Mr P Alvis
Director

22 December 2021

ALVIS BROTHERS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MARCH 2021

The directors present their annual report and financial statements for the year ended 31 March 2021.

Principal activities

The principal activity of the company continued to be that of cheese making. Food grade protein is also extracted from the whey. The remaining permeate is fed to animals and the excess water recycled. Nothing is wasted.

Milk is produced, some of which is sold if not required for cheese. The company also generates income from its other assets, especially land and buildings. The company has a 50% interest in Alvis Contracting, a limited Liability Partnership, specialising in agricultural contracting.

Results and dividends

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

Ordinary dividends were paid amounting to £26,667. 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:

Mr J Alvis (Senior)

Mr M Alvis

Mr J Alvis (Junior)

Mr P Alvis

Auditor

In accordance with the company's articles, a resolution proposing that Lentells Limited be reappointed as auditor of the company will be put at a General Meeting.

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.

On behalf of the board

Mr P Alvis

Director

22 December 2021

ALVIS BROTHERS LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 MARCH 2021

The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors 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 profit or loss of the company for that period. 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 Companies Act 2006. 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.

ALVIS BROTHERS LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF ALVIS BROTHERS LIMITED

Opinion

We have audited the financial statements of Alvis Brothers Limited (the 'company') for the year ended 31 March 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 company's affairs as at 31 March 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 Companies Act 2006.

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 company 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 company'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 other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

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.

ALVIS BROTHERS LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF ALVIS BROTHERS LIMITED

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are 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 directors determine 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 directors are responsible for assessing the company'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 directors either intend to liquidate the company 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.

As part of our audit planning we obtained an understanding of the legal and regulatory framework that is applicable to the entity and the industry/sector in which it operates to identify the key laws and regulations affecting the entity. As part of this assessment process we discussed with management the laws and regulations applicable to the company, review certification identified on the company website and other communications and considered findings from previous audits.

The key laws and regulations we identified were food standards including hygiene, labelling and traceability, environmental regulations, health and safety regulations and employment laws.

ALVIS BROTHERS LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF ALVIS BROTHERS LIMITED

We also considered those laws and regulations that have a direct impact on the preparation of the financial statements, primarily Companies Act 2006 and relevant UK tax law.

We discussed with management how the compliance with these laws and regulations is monitored and discussed policies and procedures in place.

We also identified the individuals who have responsibility for ensuring that the entity complies with laws and regulations and deal with reporting any issues if they arise.

As part of our planning procedures, we assessed the risk of any non-compliance with laws and regulations on the entity's ability to continue trading and the risk of material misstatement to the financial statements.

Based on this understanding we designed our audit procedures to identify non-compliance with such laws and regulations. Our procedures involved the following:

- Enquiries of management regarding their knowledge of any non-compliance with laws and regulations that could affect the financial statements;
- Reviewed legal and professional costs to identify any possible non-compliance or legal costs in respect of non-compliance; and
- Reviewed Board minutes

As part of our enquiries we discussed with management whether there have been any known instances, allegations or suspicions of fraud, of which management confirmed there had been none during or after the period.

We also evaluated the risk of fraud through management override. The key risks we identified were financial loan covenants, and we determined that the principal risks were related to the valuation of stock, cut-off in respect of cost recognition, classification of capital expenditure and management override of controls.

In response to the identified risk, as part of our audit work we:

- Review journal entries throughout the year, for accuracy and appropriateness;
- Reviewed estimates and judgements made in the financial statements for any indication of bias and challenged assumptions used by management in making the estimates;
- Undertook physical stock counts at the year end
- Undertook specific cut off procedures in respect of cost recognition
- Review of capital and repairs expenditure

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statement. This risk increases the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements as we are less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment, collusion, omission or misrepresentation.

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.

ALVIS BROTHERS LIMITED

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

**P A Stallard FCA (Senior Statutory Auditor)
For and on behalf of Lentells Limited**

22 December 2021

**Chartered Certified Accountants
Statutory Auditors**

Ash House
Cook Way
Bindon Road
Taunton
Somerset
TA2 6BJ

ALVIS BROTHERS LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 MARCH 2021

	Notes	2021 £	2020 £
Turnover	3	30,008,156	30,674,840
Cost of sales		(22,300,758)	(22,900,531)
Gross profit		<u>7,707,398</u>	<u>7,774,309</u>
Distribution costs		(169,119)	(338,032)
Administrative expenses		(7,417,052)	(7,631,122)
Other operating income		295,443	218,195
Operating profit	4	<u>416,670</u>	<u>23,350</u>
Interest receivable and similar income	7	223,240	113,583
Interest payable and similar expenses	8	(442,526)	(451,030)
Profit/(loss) before taxation		<u>197,384</u>	<u>(314,097)</u>
Tax on profit/(loss)	9	45,587	37,002
Profit/(loss) for the financial year		<u><u>242,971</u></u>	<u><u>(277,095)</u></u>

The profit and loss account has been prepared on the basis that all operations are continuing operations.

ALVIS BROTHERS LIMITED

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2021

	2021	2020
	£	£
Profit/(loss) for the year	242,971	(277,095)
Other comprehensive income	-	-
Total comprehensive income for the year	<u>242,971</u>	<u>(277,095)</u>

ALVIS BROTHERS LIMITED

BALANCE SHEET

AS AT 31 MARCH 2021

	Notes	2021		2020	
		£	£	£	£
Fixed assets					
Tangible assets	12	22,879,974		22,948,107	
Investments	14	1,998,744		1,974,306	
		<u>24,878,718</u>		<u>24,922,413</u>	
Current assets					
Stocks	15	14,446,500		14,068,130	
Debtors	16	4,739,689		4,820,134	
Cash at bank and in hand		534,607		7,176	
		<u>19,720,796</u>		<u>18,895,440</u>	
Creditors: amounts falling due within one year	17	<u>(7,911,252)</u>		<u>(7,316,679)</u>	
Net current assets			11,809,544		11,578,761
Total assets less current liabilities			<u>36,688,262</u>		<u>36,501,174</u>
Creditors: amounts falling due after more than one year	18		(13,809,398)		(14,029,530)
Provisions for liabilities					
Deferred tax liability	21	421,153		230,237	
		<u>(421,153)</u>		<u>(230,237)</u>	
Net assets			<u>22,457,711</u>		<u>22,241,407</u>
Capital and reserves					
Called up share capital	23	30,000		30,000	
Revaluation reserve		14,974,028		14,974,028	
Profit and loss reserves		7,453,683		7,237,379	
Total equity		<u>22,457,711</u>		<u>22,241,407</u>	

The financial statements were approved by the board of directors and authorised for issue on 22 December 2021 and are signed on its behalf by:

Mr P Alvis
Director

Company Registration No. 00502230

ALVIS BROTHERS LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2021

		Share capital	Revaluation reserve	Profit and loss reserves	Total
	Notes	£	£	£	£
Balance at 1 April 2019		30,000	14,974,406	7,540,763	22,545,169
Year ended 31 March 2020:					
Loss and total comprehensive income for the year		-	-	(277,095)	(277,095)
Dividends	10	-	-	(26,667)	(26,667)
Transfers		-	(378)	378	-
Balance at 31 March 2020		30,000	14,974,028	7,237,379	22,241,407
Year ended 31 March 2021:					
Profit and total comprehensive income for the year		-	-	242,971	242,971
Dividends	10	-	-	(26,667)	(26,667)
Balance at 31 March 2021		30,000	14,974,028	7,453,683	22,457,711

ALVIS BROTHERS LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2021

		2021	2020
	Notes	£	£
Cash flows from operating activities			
Cash generated from operations	28	728,466	1,440,293
Interest paid		(442,526)	(451,030)
Income taxes refunded/(paid)		236,503	-
Net cash inflow from operating activities		522,443	989,263
Investing activities			
Purchase of tangible fixed assets		(360,077)	(703,187)
Proceeds on disposal of tangible fixed assets		28,300	108,583
Other investment income received		198,802	-
Net cash used in investing activities		(132,975)	(594,604)
Financing activities			
Net increase in/(repayment of) bank loans		(189,088)	199,759
Net increase in/(repayment of) finance leases obligations		(53,773)	(101,612)
Dividends paid		(26,667)	(26,667)
Net cash (used in)/generated from financing activities		(269,528)	71,480
Net increase in cash and cash equivalents		119,940	466,139
Cash and cash equivalents at beginning of year		(1,914,233)	(2,380,372)
Cash and cash equivalents at end of year		(1,794,293)	(1,914,233)
Relating to:			
Cash at bank and in hand		534,607	7,176
Bank overdrafts included in creditors payable within one year		(2,328,900)	(1,921,409)

ALVIS BROTHERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

Company information

Alvis Brothers Limited is a private company limited by shares incorporated in England and Wales. The registered office is Lye Cross Farm, Redhill, Wrington, Bristol, BS40 5RH.

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.

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, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

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.

Tangible fixed assets are stated at cost or deemed cost less depreciation. Depreciation is provided at rates calculated to write off the cost or valuation or valuation less estimated residual value of each asset over its expected useful life, as follows:

Land and buildings freehold	25 or 30 years straight line on buildings only
Plant and machinery	4% - 20% straight line or reducing balance
Motor vehicles	15% or 20% reducing balance

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.

ALVIS BROTHERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

1.5 Biological assets

Biological assets are recognised only when three recognition criteria have been fulfilled:

- the entity has control over the asset as a result of past events;
- it is probable that future economic benefits associated with the asset will flow to the entity; and
- the fair value or cost of the asset can be measured reliably.

The company measures biological assets at cost less accumulated depreciation and accumulated impairment losses.

In respect of agricultural produce harvested from a biological asset, this is measured at the point of harvest at either;

- lower of cost and estimated selling price less costs to complete and sell; or
- fair value less costs to sell with any gain or loss arising on initial recognition of agricultural produce at fair value less costs to sell being included in profit or loss.

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:

Dairy herd	4 years/lactations
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1.6 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible 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.

ALVIS BROTHERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

1.7 Stocks

Cheese stock, livestock, deadstock and growing crops are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration (e.g. packaging materials) are measured at the lower of replacement cost and cost, adjusted where applicable for any loss of service potential.

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. Reversals of impairment losses are also recognised in profit or loss.

1.8 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.

1.9 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 publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

ALVIS BROTHERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

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.

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.

ALVIS BROTHERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

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

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.

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.

1.12 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.

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.

1.13 Retirement benefits

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

ALVIS BROTHERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

1 Accounting policies

(Continued)

1.14 Leases

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

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

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 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.

1.16 Foreign exchange

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to profit and loss account.

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.

ALVIS BROTHERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

3 Turnover and other revenue

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

	2021 £	2020 £
Turnover analysed by class of business		
Cheese and dairy products	24,824,436	23,896,994
Milk	1,989,575	3,253,025
Livestock and crops	882,148	1,101,203
Other	2,311,997	2,423,618
	<u>30,008,156</u>	<u>30,674,840</u>

	2021 £	2020 £
Turnover analysed by geographical market		
United Kingdom	23,502,528	23,878,748
Other	6,505,628	6,796,092
	<u>30,008,156</u>	<u>30,674,840</u>

	2021 £	2020 £
Other significant revenue		
Grants received	24,482	-
	<u>24,482</u>	<u>-</u>

4 Operating profit

	2021 £	2020 £
Operating profit for the year is stated after charging/(crediting):		
Exchange gains	(33,887)	(28,807)
Government grants	(24,482)	-
Fees payable to the company's auditor for the audit of the company's financial statements	15,000	18,000
Depreciation of owned tangible fixed assets	386,662	400,732
Depreciation of tangible fixed assets held under finance leases	30,433	78,385
Profit on disposal of tangible fixed assets	(17,185)	(25,194)
Operating lease charges	99,856	96,695
	<u>99,856</u>	<u>96,695</u>

ALVIS BROTHERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

5 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2021 Number	2020 Number
Cheese production	82	84
Farming	21	22
Retail	18	18
Sales and administration	21	21
Total	142	145

Their aggregate remuneration comprised:

	2021 £	2020 £
Wages and salaries	4,116,481	4,316,603
Social security costs	357,282	374,047
Pension costs	75,903	75,356
	4,549,666	4,766,006

6 Directors' remuneration

	2021 £	2020 £
Remuneration for qualifying services	108,199	108,995

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 2 (2020 - 2).

7 Interest receivable and similar income

	2021 £	2020 £
Income from fixed asset investments		
Income from participating interests - associates	223,240	113,583

ALVIS BROTHERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

8 Interest payable and similar expenses

	2021	2020
	£	£
Interest on financial liabilities measured at amortised cost:		
Interest on bank overdrafts and loans	429,561	434,925
Other finance costs:		
Interest on finance leases and hire purchase contracts	8,249	11,389
Other interest	4,716	4,716
	<u>442,526</u>	<u>451,030</u>

9 Taxation

	2021	2020
	£	£
Current tax		
Adjustments in respect of prior periods	(236,503)	-
	<u></u>	<u></u>
Deferred tax		
Origination and reversal of timing differences	89,839	(37,002)
Changes in tax rates	101,077	-
	<u>190,916</u>	<u>(37,002)</u>
Total deferred tax		
	<u>190,916</u>	<u>(37,002)</u>
Total tax credit	(45,587)	(37,002)
	<u></u>	<u></u>

ALVIS BROTHERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

The actual credit for the year can be reconciled to the expected charge/(credit) for the year based on the profit or loss and the standard rate of tax as follows:

	2021 £	2020 £
Profit/(loss) before taxation	197,384	(314,097)
Expected tax charge/(credit) based on the standard rate of corporation tax in the UK of 19.00% (2020: 19.00%)	37,503	(59,678)
Tax effect of expenses that are not deductible in determining taxable profit	1,441	23,617
Tax effect of income not taxable in determining taxable profit	(4,948)	(5,192)
Tax effect of utilisation of tax losses not previously recognised	(30,949)	-
Unutilised tax losses carried forward	-	2,542
Capital allowances in excess of depreciation	339	40,598
Under/(over) provided in prior years	(236,503)	-
Deferred tax adjustments	190,916	(37,002)
Income from investment	(3,386)	(831)
Revenue expenditure capitalised	-	(1,056)
Taxation credit for the year	(45,587)	(37,002)

10 Dividends

	2021 £	2020 £
Interim paid	26,667	26,667

11 Intangible fixed assets

	Goodwill £	Basic Payment Scheme Entitlement £	Total £
Cost			
At 1 April 2020 and 31 March 2021	148,724	5,645	154,369
Amortisation and impairment			
At 1 April 2020 and 31 March 2021	148,724	5,645	154,369
Carrying amount			
At 31 March 2021	-	-	-
At 31 March 2020	-	-	-

ALVIS BROTHERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

12 Tangible fixed assets

	Land and buildings freehold £	Plant and machinery £	Motor vehicles £	Total £
Cost or valuation				
At 1 April 2020	23,872,297	10,338,386	750,519	34,961,202
Additions	73,584	281,243	5,250	360,077
Disposals	-	(57,142)	(66,250)	(123,392)
At 31 March 2021	23,945,881	10,562,487	689,519	35,197,887
Depreciation and impairment				
At 1 April 2020	3,087,870	8,307,635	617,590	12,013,095
Depreciation charged in the year	133,483	260,722	22,890	417,095
Eliminated in respect of disposals	-	(57,142)	(55,135)	(112,277)
At 31 March 2021	3,221,353	8,511,215	585,345	12,317,913
Carrying amount				
At 31 March 2021	20,724,528	2,051,272	104,174	22,879,974
At 31 March 2020	20,784,427	2,030,751	132,929	22,948,107

The net carrying value of tangible fixed assets includes the following in respect of assets held under finance leases or hire purchase contracts.

	2021 £	2020 £
Plant and machinery	247,954	416,496

Freehold land and buildings with a carrying amount of £20,132,623 (2020 - £19,615,777) have been pledged to secure borrowings of the company. The company is not allowed to pledge these assets as security for other borrowings or to sell them to another entity.

Land and buildings with a carrying amount of £3,069,324 were revalued upon transition to FRS 102 to a value of £18,077,381 at the transition date, 1 April 2014. The valuations were performed by independent valuers not connected with the company on the basis of market value. The valuation conforms to International Valuation Standards and was based on recent market transactions on arm's length terms for similar properties.

A revaluation policy has not been adopted.

If revalued assets were stated on an historical cost basis rather than a fair value basis, the total amounts included would have been as follows:

ALVIS BROTHERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

12 Tangible fixed assets

(Continued)

	2021 £	2020 £
Cost	3,528,612	3,528,958
Accumulated depreciation	423,026	417,546
Carrying value	<u>3,951,638</u>	<u>3,946,504</u>

13 Biological assets

	Dairy herd £	Youngstock £	Arable £	Total £
Cost and carrying value				
At 1 April 2020	677,895	648,464	153,844	1,480,203
Additions - purchases, procreation or planting	-	154,411	162,658	317,069
Additions - purchases	-	-	-	-
Additions - business combinations	-	-	-	-
Reclassification	185,724	(185,724)	-	-
Disposals	-	-	-	-
Revaluation	(63,789)	(10,751)	-	(74,540)
Deaths, sales and harvest	(110,975)	(22,313)	(171,897)	(305,185)
Exchange adjustments	-	-	-	-
Other changes	-	-	-	-
At 31 March 2021	<u>688,855</u>	<u>584,087</u>	<u>144,605</u>	<u>1,417,547</u>

Biological assets are included within stock.

14 Fixed asset investments

	2021 £	2020 £
Unlisted investments	<u>1,998,744</u>	<u>1,974,306</u>

The company holds a 50% interest in a joint venture that is a Limited Liability Partnership called Alvis Contracting. Registered Office: Lye Cross Farm, Redhill, Bristol, BS40 5RH.

The company's share of profit is shown in the profit and loss account.

The carrying value of the investment as shown above represents the company's capital account balance in that partnership.

ALVIS BROTHERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

14	Fixed asset investments	(Continued)	
	Movements in fixed asset investments		Investments £
	Cost or valuation		
	At 1 April 2020		1,974,306
	Additions		223,240
	Payments received		(198,802)
	At 31 March 2021		1,998,744
	Carrying amount		
	At 31 March 2021		1,998,744
	At 31 March 2020		1,974,306
15	Stocks	2021 £	2020 £
	Raw materials and consumables	1,817,253	1,877,509
	Finished goods and goods for resale	12,629,247	12,190,621
		14,446,500	14,068,130
16	Debtors	2021 £	2020 £
	Amounts falling due within one year:		
	Trade debtors	4,093,806	4,241,543
	Other debtors	508,835	443,567
	Prepayments and accrued income	137,048	135,024
		4,739,689	4,820,134

ALVIS BROTHERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

17 Creditors: amounts falling due within one year

	Notes	2021 £	2020 £
Bank loans and overdrafts	19	2,601,722	2,164,512
Obligations under finance leases	20	50,312	102,760
Trade creditors		2,256,956	2,074,669
Amounts owed to connected companies		2,551,040	2,504,186
Corporation tax		(840)	(840)
Other taxation and social security		78,470	94,417
Other creditors		112,086	82,411
Accruals and deferred income		261,506	294,564
		<u>7,911,252</u>	<u>7,316,679</u>

18 Creditors: amounts falling due after more than one year

	Notes	2021 £	2020 £
Bank loans and overdrafts	19	13,698,606	13,917,413
Obligations under finance leases	20	110,792	112,117
		<u>13,809,398</u>	<u>14,029,530</u>

Amounts included above which fall due after five years are as follows:

Payable by instalments	219,539	240,938
Payable other than by instalments	6,000,000	6,000,000
	<u>6,219,539</u>	<u>6,240,938</u>

19 Loans and overdrafts

	2021 £	2020 £
Bank loans	13,971,428	14,160,516
Bank overdrafts	2,328,900	1,921,409
	<u>16,300,328</u>	<u>16,081,925</u>
Payable within one year	2,601,722	2,164,512
Payable after one year	13,698,606	13,917,413

ALVIS BROTHERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

19 Loans and overdrafts

(Continued)

The HSBC bank loans and overdrafts are secured by a first legal charge dated 6 July 2015 and 5 December 2019 over freehold properties. A debenture including a fixed charge over all present freehold and leasehold property and a first floating charge over all assets and undertakings both present and future is also held.

Further security is provided by a fixed charge over book and other debts, goodwill, uncalled capital and intellectual property. As well as a contract monies charge dated 9 June 2014.

The HSBC loans are subject to fixed interest rates of 2.73% and 2.77% for a term of 5 years.

The AMC loans are secured by a legal charge over freehold properties.

The AMC loans are interest only. Interest is fixed at 4.41% on a loan of £3 million until 2032. The other £3 million of loans is subject to interest at 1.65% above the bank base rate and are repayable in 2034.

20 Finance lease obligations

	2021	2020
	£	£
Future minimum lease payments due under finance leases:		
Within one year	50,312	102,760
In two to five years	110,792	112,117
	<u>161,104</u>	<u>214,877</u>

Finance lease payments represent rentals payable by the company for certain items of plant and machinery and motor vehicles. Leases include purchase options at the end of the lease period, and no restrictions are placed on the use of the assets. The average lease term is 4 years. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments. Interest of £8,249 (2020 - £11,389) has been charged on these finance leases.

21 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon:

	Liabilities 2021	Liabilities 2020
Balances:	£	£
Accelerated capital allowances	522,481	378,938
Tax losses	(101,328)	(148,701)
	<u>421,153</u>	<u>230,237</u>

ALVIS BROTHERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

21 Deferred taxation (Continued)

Movements in the year:	2021
	£
Liability at 1 April 2020	230,237
Charge to profit or loss	190,916
Liability at 31 March 2021	<u>421,153</u>

The deferred tax liability set out above includes accelerated capital allowances that are expected to reverse in future years.

22 Retirement benefit schemes

	2021	2020
	£	£
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	75,903	75,356
	<u>75,903</u>	<u>75,356</u>

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.

23 Share capital

	2021	2020	2021	2020
	Number	Number	£	£
Ordinary share capital				
Issued and fully paid				
Ordinary shares of £1 each	30,000	30,000	30,000	30,000
	<u>30,000</u>	<u>30,000</u>	<u>30,000</u>	<u>30,000</u>

The ordinary share capital of the company holds full voting rights and entitles the holder to capital and dividend distribution.

24 Financial commitments, guarantees and contingent liabilities

There is a contingent liability in respect of an unlimited composite cross guarantee given to secure all bank borrowings of Alvis Brothers (Lye Cross) Limited amounting to £271,581 (2020: £251,616).

ALVIS BROTHERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

25 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	71,616	93,616
Between two and five years	36,291	107,907
	<u>107,907</u>	<u>201,523</u>

26 Related party transactions

Remuneration of key management personnel

The remuneration of key management personnel is as follows.

	2021 £	2020 £
Aggregate compensation	<u>560,914</u>	<u>502,088</u>

Transactions with related parties

During the year the company entered into the following transactions with related parties:

	Sales		Purchases	
	2021	2020	2021	2020
	£	£	£	£
Company under common control	1,754,756	1,837,337	11,377,149	12,043,894
Joint venture	21,547	18,443	1,553,988	1,014,698
	<u>1,776,303</u>	<u>1,855,780</u>	<u>12,931,137</u>	<u>13,058,592</u>
	Management charges received		Rents (paid)/received	
	2021	2020	2021	2020
	£	£	£	£
Company under common control	21,000	21,000	(18,492)	(18,492)
Joint venture	-	-	12,000	12,000
Key management personnel	-	-	52,896	52,896
	<u>21,000</u>	<u>21,000</u>	<u>34,404</u>	<u>46,404</u>

ALVIS BROTHERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

26 Related party transactions

(Continued)

The following amounts were outstanding at the reporting end date:

	2021	2020
	£	£
Amounts due to related parties		
Company under common control	2,551,040	2,504,186
Joint venture	523,255	449,971
Key management personnel	-	2,566
Other related parties	81,034	66,913

The balance owed to other related parties includes an interest free loan from a close family member of the directors and an interest bearing loan a close family member of the directors on which interest of £4,716 (2020: £4,716) has been charged.

The audit and accountancy charges included in these financial statements includes the related audit costs of the company under common control.

The company also paid rent of £13,040 (2020: £13,040) to the Alvis Brothers Pension Scheme.

No guarantees have been given or received.

The following amounts were outstanding at the reporting end date:

	2021	2020
	£	£
Amounts due from related parties		
Joint venture	17,629	17,769

27 Directors' transactions

Dividends totalling £20,000 (2020 - £18,833) were paid in the year in respect of shares held by the company's directors.

The loans to/from the directors are interest free and are repayable on demand.

ALVIS BROTHERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2021

28 Cash generated from operations

	2021 £	2020 £
Profit/(loss) for the year after tax	242,971	(277,095)
Adjustments for:		
Taxation credited	(45,587)	(37,002)
Finance costs	442,526	451,030
Investment income	(223,240)	(113,583)
Gain on disposal of tangible fixed assets	(17,185)	(25,194)
Depreciation and impairment of tangible fixed assets	417,095	479,117
Movements in working capital:		
(Increase)/decrease in stocks	(378,370)	1,252,750
Decrease/(increase) in debtors	80,445	(247,791)
Increase/(decrease) in creditors	209,811	(41,939)
Cash generated from operations	728,466	1,440,293

29 Analysis of changes in net debt

	1 April 2020 £	Cash flows £	31 March 2021 £
Cash at bank and in hand	7,176	527,431	534,607
Bank overdrafts	(1,921,409)	(407,491)	(2,328,900)
	(1,914,233)	119,940	(1,794,293)
Borrowings excluding overdrafts	(14,160,516)	189,088	(13,971,428)
Obligations under finance leases	(214,877)	53,773	(161,104)
	(16,289,626)	362,801	(15,926,825)

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