

Strategic Report, Report of the Directors and  
Financial Statements for the Year Ended 28 February 2022  
for  
Newberry International Produce Ltd

Contents of the Financial Statements  
for the year ended 28 February 2022

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<b>Directors:</b>	Mrs G L Taylor S Taylor L K Rowley
<b>Registered office:</b>	Unit 6 & 7 Newent Business Park Newent Gloucestershire GL18 1DZ
<b>Registered number:</b>	03262617 (England and Wales)
<b>Senior statutory auditor:</b>	Russell John Spencer
<b>Auditors:</b>	Acre Accountancy Limited Unit 2 Foley Works Foley Industrial Estate Hereford Herefordshire HR1 2SF

Strategic Report  
for the year ended 28 February 2022

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The directors present their strategic report for the year ended 28 February 2022.

**Review of business**

The directors are pleased to report sales growth of 18% to £30.3m in a year that saw trading generally start to recover from the Covid-19 pandemic. Gross profit was broadly flat at £3.1m due to pressure on margins from significant increases in certain raw materials during the year which were not passed on to customers.

Operating expenses were tightly controlled resulting in a reduction of £144,000 in the cost base and helping the Business deliver a 5% improvement in operating profit to £1.29m.

The balance sheet has continued to be strengthened from the retained profits with net assets increasing by £536,000 to £3.26m.

**Principal risks and uncertainties**

The principal risks faced by the business continue to be the supply of quality produce, exposure to foreign exchange movements and capacity risk. These are being addressed as follows:

- Produce risks are managed through carrying increased stock in key product categories and entering into medium term agreements with the company's global supplier network;
- Foreign currency exposure is managed through entry into forward hedging products; and
- Medium term capacity risk is addressed through the acquisition of a new operating site in the UK which is set to be developed in 2023.

**Key performance indicators**

The company monitors a range of KPIs covering financial performance, working capital management, technical, health and safety, customer complaints and environmental matters.

In May 2022 Newberry was re-awarded the highest achievable AA+ quality rating from the British Retail Consortium reflecting the focus on quality assurance and food safety throughout the company.

**Future developments**

The company has delivered significant growth since the period under review and the directors consider the Business well placed for further expansion over the next 18 months. Growth is largely underpinned by contracted revenues with key customers through to 2024.

**On behalf of the board:**

Mrs G L Taylor - Director

25 November 2022

The directors present their report with the financial statements of the company for the year ended 28 February 2022.

**Principal activity**

The principal activity of the company in the year under review was that of trading of fruit and vegetable products.

**Dividends**

Interim dividends of £1,123.596 (2021 £1,104.869 )per share were declared by the directors.

The total distribution of dividends for the year ended 28 February 2022 was £300,000 (2021 £295,000).

**Directors**

The directors shown below have held office during the whole of the period from 1 March 2021 to the date of this report.

Mrs G L Taylor  
S Taylor  
L K Rowley

**Risks and uncertainties**

The Directors have assessed the impact of COVID-19 and consider this to be a short-term risk to the business.

**Statement of directors' responsibilities**

The directors are responsible for preparing the Strategic Report, the Report of the Directors 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;
- 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.

**Statement as to disclosure of information to auditors**

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

**Auditors**

The auditors, Acre Accountancy Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting.

**On behalf of the board:**

Mrs G L Taylor - Director

25 November 2022

### **Opinion**

We have audited the financial statements of Newberry International Produce Ltd (the 'company') for the year ended 28 February 2022 which comprise the Profit and Loss Account, Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and Notes to the Cash Flow Statement, Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 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 28 February 2022 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 Auditors' 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 directors are responsible for the other information. The other information comprises the information in the Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

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.

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 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 the audit:

- the information given in the Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

#### **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 or the Report of the Directors.

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 directors' 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 Statement of Directors' Responsibilities set out on page three, 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 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.

#### **Auditors' 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 a Report of the Auditors 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

We enquired with management about the legal framework that the company operates in. We also enquired about the risk of fraud and whether they were aware of any instances of fraud.

We communicated the outcome of this risk assessment with the audit team and planned our audit work accordingly. Our work in these areas is limited to analytical procedures and inspection of relevant documentation. Where a breach of operational regulations is not disclosed to us, or it is not evident from documentation that we receive during the audit, an audit will not detect that breach.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Report of the Auditors.



**Use of our report**

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Russell John Spencer (Senior Statutory Auditor)  
for and on behalf of Acre Accountancy Limited  
Unit 2 Foley Works  
Foley Industrial Estate  
Hereford  
Herefordshire  
HR1 2SF

25 November 2022

Profit and Loss Account  
for the year ended 28 February 2022

	Notes	2022 £	2021 £
<b>TURNOVER</b>		30,274,851	25,572,506
Cost of sales		<u>(27,172,260)</u>	<u>(22,402,096)</u>
<b>GROSS PROFIT</b>		3,102,591	3,170,410
Administrative expenses		<u>(1,810,420)</u>	<u>(1,955,192)</u>
		1,292,171	1,215,218
Other operating income		<u>2,322</u>	<u>12,878</u>
<b>OPERATING PROFIT</b>	5	1,294,493	1,228,096
Interest receivable and similar income		<u>454</u>	<u>20</u>
		1,294,947	1,228,116
Interest payable and similar expenses	6	<u>(270,262)</u>	<u>(234,816)</u>
<b>PROFIT BEFORE TAXATION</b>		1,024,685	993,300
Tax on profit	7	<u>(188,601)</u>	<u>(195,777)</u>
<b>PROFIT FOR THE FINANCIAL YEAR</b>		<u>836,084</u>	<u>797,523</u>

The notes form part of these financial statements

Other Comprehensive Income  
for the year ended 28 February 2022

	Notes	2022 £	2021 £
<b>PROFIT FOR THE YEAR</b>		836,084	797,523
<b>OTHER COMPREHENSIVE INCOME</b>		<u>-</u>	<u>-</u>
<b>TOTAL COMPREHENSIVE INCOME FOR THE YEAR</b>		<u>836,084</u>	<u>797,523</u>

The notes form part of these financial statements

Balance Sheet  
28 February 2022

	Notes	2022 £	2021 £
<b>FIXED ASSETS</b>			
Tangible assets	9	3,956,262	3,909,756
Investments	10	43,478	43,478
		<u>3,999,740</u>	<u>3,953,234</u>
<b>CURRENT ASSETS</b>			
Stocks	11	7,178,659	5,837,986
Debtors	12	5,614,015	2,910,499
Cash at bank		956,687	531,390
		<u>13,749,361</u>	<u>9,279,875</u>
<b>CREDITORS</b>			
Amounts falling due within one year	13	(11,512,048)	(7,102,849)
<b>NET CURRENT ASSETS</b>		<u>2,237,313</u>	<u>2,177,026</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		6,237,053	6,130,260
<b>CREDITORS</b>			
Amounts falling due after more than one year	14	(2,743,928)	(3,218,985)
<b>PROVISIONS FOR LIABILITIES</b>	18	(229,304)	(183,538)
<b>NET ASSETS</b>		<u>3,263,821</u>	<u>2,727,737</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	19	267	267
Share premium	20	289,765	289,765
Capital redemption reserve	20	1,084	1,084
Retained earnings	20	2,972,705	2,436,621
<b>SHAREHOLDERS' FUNDS</b>		<u>3,263,821</u>	<u>2,727,737</u>

The financial statements were approved by the Board of Directors and authorised for issue on 25 November 2022 and were signed on its behalf by:

Mrs G L Taylor - Director

Statement of Changes in Equity  
for the year ended 28 February 2022

	Called up share capital £	Retained earnings £	Share premium £	Capital redemption reserve £	Total equity £
<b>Balance at 1 March 2020</b>	267	1,934,098	289,765	1,084	2,225,214
<b>Changes in equity</b>					
Dividends	-	(295,000)	-	-	(295,000)
Total comprehensive income	-	797,523	-	-	797,523
<b>Balance at 28 February 2021</b>	267	2,436,621	289,765	1,084	2,727,737
<b>Changes in equity</b>					
Dividends	-	(300,000)	-	-	(300,000)
Total comprehensive income	-	836,084	-	-	836,084
<b>Balance at 28 February 2022</b>	267	2,972,705	289,765	1,084	3,263,821

The notes form part of these financial statements

Cash Flow Statement  
for the year ended 28 February 2022

	Notes	2022 £	2021 £
<b>Cash flows from operating activities</b>			
Cash generated from operations	1	(2,498,179)	1,990,988
Interest paid		(233,841)	(216,786)
Interest element of hire purchase payments paid		(36,421)	(18,030)
Amount loaned to joint venture		(63,961)	(46,500)
Tax paid		(207,420)	(309,523)
Taxation refund		19,257	33,689
Government grants		2,322	12,878
Net cash from operating activities		<u>(3,018,243)</u>	<u>1,446,716</u>
<b>Cash flows from investing activities</b>			
Purchase of tangible fixed assets		(260,910)	(151,674)
Purchase of fixed asset investments		-	(43,478)
Sale of tangible fixed assets		39,924	-
Interest received		454	20
Net cash from investing activities		<u>(220,532)</u>	<u>(195,132)</u>
<b>Cash flows from financing activities</b>			
New loans in year		-	1,350,000
Loan repayments in year		(177,775)	(51,248)
Capital repayments in year		(215,879)	(113,288)
Amount withdrawn by directors		(9,173)	-
Additional finance lease capital		50,265	30,668
Equity dividends paid		(300,000)	(295,000)
Net cash from financing activities		<u>(652,562)</u>	<u>921,132</u>
<b>(Decrease)/increase in cash and cash equivalents</b>		<u>(3,891,337)</u>	<u>2,172,716</u>
<b>Cash and cash equivalents at beginning of year</b>	2	(2,414,533)	(4,587,249)
<b>Cash and cash equivalents at end of year</b>	2	<u><u>(6,305,870)</u></u>	<u><u>(2,414,533)</u></u>

The notes form part of these financial statements

Notes to the Cash Flow Statement  
for the year ended 28 February 2022**1. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS**

	2022 £	2021 £
Profit before taxation	1,024,685	993,300
Depreciation charges	186,955	188,103
Profit on disposal of fixed assets	(12,476)	-
Government grants	(2,322)	(12,878)
Finance costs	270,262	234,816
Finance income	(454)	(20)
	<u>1,466,650</u>	<u>1,403,321</u>
(Increase)/decrease in stocks	(1,340,673)	271,804
(Increase)/decrease in trade and other debtors	(2,639,554)	243,253
Increase in trade and other creditors	15,398	72,610
<b>Cash generated from operations</b>	<u>(2,498,179)</u>	<u>1,990,988</u>

**2. CASH AND CASH EQUIVALENTS**

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

**Year ended 28 February 2022**

	28.2.22 £	1.3.21 £
Cash and cash equivalents	956,687	531,390
Bank overdrafts	<u>(7,262,557)</u>	<u>(2,945,923)</u>
	<u>(6,305,870)</u>	<u>(2,414,533)</u>

**Year ended 28 February 2021**

	28.2.21 £	1.3.20 £
Cash and cash equivalents	531,390	540,096
Bank overdrafts	<u>(2,945,923)</u>	<u>(5,127,345)</u>
	<u>(2,414,533)</u>	<u>(4,587,249)</u>

Notes to the Cash Flow Statement  
for the year ended 28 February 2022

3. ANALYSIS OF CHANGES IN NET DEBT

	At 1.3.21 £	Cash flow £	At 28.2.22 £
<b>Net cash</b>			
Cash at bank	531,390	425,297	956,687
Bank overdrafts	<u>(2,945,923)</u>	<u>(4,316,634)</u>	<u>(7,262,557)</u>
	<u>(2,414,533)</u>	<u>(3,891,337)</u>	<u>(6,305,870)</u>
<b>Debt</b>			
Finance leases	(502,615)	165,614	(337,001)
Debts falling due within 1 year	(203,365)	(184,735)	(388,100)
Debts falling due after 1 year	<u>(2,910,334)</u>	<u>362,510</u>	<u>(2,547,824)</u>
	<u>(3,616,314)</u>	<u>343,389</u>	<u>(3,272,925)</u>
<b>Total</b>	<u>(6,030,847)</u>	<u>(3,547,948)</u>	<u>(9,578,795)</u>



1. **STATUTORY INFORMATION**

Newberry International Produce Ltd is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. **STATEMENT OF COMPLIANCE**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006.

3. **ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

The financial statements have been prepared under the historical cost convention.

The directors have considered the trading conditions faced by the company during the COVID-19 global pandemic. The company has been able to continue to operate profitably throughout and financial projections indicate that this will continue into the foreseeable future. As a result, the going concern basis of preparation has been used in the preparation of these accounts.

**Turnover**

Turnover is recognised at the fair value of the consideration received or receivable for sales of goods and services in the ordinary course of the business. Turnover is shown net of Value Added Tax, for goods and services provided to customers. In the case of long term contracts, turnover is recognised appropriate to the stage of completion where the outcome of the contract can be ascertained with reasonable certainty.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Freehold property	- 2% on cost
Improvements to property	- 20% on cost
Plant and machinery	- 10% on cost
Motor vehicles	- 20% on cost
Office equipment	- 15% on cost

**Stocks**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

**Taxation**

Taxation for the year comprises current and deferred tax. Tax is recognised in the Profit and Loss Account, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

**3. ACCOUNTING POLICIES - continued****Deferred tax**

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

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

**Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Forward foreign exchange gains and losses are assessed and provided for at the balance sheet date.

**Hire purchase and leasing commitments**

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

**Pension costs and other post-retirement benefits**

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

**Financial instruments**

Financial instruments are classified and accounted for according to the substance of the contractual arrangement. They are classified as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

**4. EMPLOYEES AND DIRECTORS**

	2022	2021
	£	£
Wages and salaries	1,627,531	1,707,661
Social security costs	124,127	128,367
Other pension costs	29,237	28,763
	<u>1,780,895</u>	<u>1,864,791</u>

The average number of employees during the year was as follows:

	2022	2021
Directors	3	3
Admin	17	22
Production	42	45
	<u>62</u>	<u>70</u>

**4. EMPLOYEES AND DIRECTORS - continued**

	2022	2021
	£	£
Directors' remuneration	101,424	101,896
Directors' pension contributions to money purchase schemes	<u>7,464</u>	<u>7,458</u>

**5. OPERATING PROFIT**

The operating profit is stated after charging/(crediting):

	2022	2021
	£	£
Other operating leases	25,950	27,334
Depreciation - owned assets	186,956	188,102
Profit on disposal of fixed assets	(12,476)	-
Auditors' remuneration	11,450	10,250
Foreign exchange differences	<u>109,098</u>	<u>168,788</u>

**6. INTEREST PAYABLE AND SIMILAR EXPENSES**

	2022	2021
	£	£
Bank interest	175,140	155,323
Mortgage	58,701	61,463
Hire purchase	<u>36,421</u>	<u>18,030</u>
	<u>270,262</u>	<u>234,816</u>

**7. TAXATION****Analysis of the tax charge**

The tax charge on the profit for the year was as follows:

	2022	2021
	£	£
Current tax:		
UK corporation tax	181,263	207,420
Over/under provision	<u>(38,428)</u>	<u>(33,689)</u>
Total current tax	142,835	173,731
Deferred tax	<u>45,766</u>	<u>22,046</u>
Tax on profit	<u>188,601</u>	<u>195,777</u>

**7. TAXATION - continued****Reconciliation of total tax charge included in profit and loss**

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	2022 £	2021 £
Profit before tax	<u>1,024,685</u>	<u>993,300</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2021 - 19%)	194,690	188,727
Effects of:		
Expenses not deductible for tax purposes	534	2,500
Depreciation in excess of capital allowances	1,764	-
Adjustments to tax charge in respect of previous periods	(38,428)	4,550
Increasing deferred tax provision rate to 25%	55,033	-
Effect of superdeduction claims	(1,474)	-
Capital allowances claimed on non depreciable assets	(23,518)	-
Total tax charge	<u>188,601</u>	<u>195,777</u>

**8. DIVIDENDS**

	2022 £	2021 £
Ordinary shares of £1 each		
Interim	<u>300,000</u>	<u>295,000</u>

The above dividends were paid to the directors of the company.

**9. TANGIBLE FIXED ASSETS**

	Freehold property £	Improvements to property £	Plant and machinery £
<b>Cost</b>			
At 1 March 2021	2,861,333	81,710	1,573,457
Additions	197,015	2,556	44,141
Disposals	-	-	(49,905)
At 28 February 2022	<u>3,058,348</u>	<u>84,266</u>	<u>1,567,693</u>
<b>Depreciation</b>			
At 1 March 2021	-	50,122	604,166
Charge for year	-	15,796	153,917
Eliminated on disposal	-	-	(22,457)
At 28 February 2022	<u>-</u>	<u>65,918</u>	<u>735,626</u>
<b>Net book value</b>			
At 28 February 2022	<u>3,058,348</u>	<u>18,348</u>	<u>832,067</u>
At 28 February 2021	<u>2,861,333</u>	<u>31,588</u>	<u>969,291</u>
	Motor vehicles £	Office equipment £	Totals £
<b>Cost</b>			
At 1 March 2021	54,640	86,822	4,657,962
Additions	-	17,198	260,910
Disposals	-	-	(49,905)
At 28 February 2022	<u>54,640</u>	<u>104,020</u>	<u>4,868,967</u>
<b>Depreciation</b>			
At 1 March 2021	40,779	53,139	748,206
Charge for year	6,864	10,379	186,956
Eliminated on disposal	-	-	(22,457)
At 28 February 2022	<u>47,643</u>	<u>63,518</u>	<u>912,705</u>
<b>Net book value</b>			
At 28 February 2022	<u>6,997</u>	<u>40,502</u>	<u>3,956,262</u>
At 28 February 2021	<u>13,861</u>	<u>33,683</u>	<u>3,909,756</u>

The netbook value of assets held under hire purchase or finance leases and included above was £617,395 (2021: £710,918). The depreciation charged in respect of the assets held under hire purchase or finance lease agreements was £120,125 (2021: £123,565).

Freehold property has not depreciated in the year as it had not been brought into use at the balance sheet date.

**10. FIXED ASSET INVESTMENTS**

	Interest in joint venture £
<b>Cost</b>	
At 1 March 2021	
and 28 February 2022	<u>43,478</u>
<b>Net book value</b>	
At 28 February 2022	<u>43,478</u>
At 28 February 2021	<u>43,478</u>

The company's investments at the Balance Sheet date in the share capital of companies include the following:

**Joint venture****Love Life Smoothies & Fruit Solutions S.L.**

Registered office: Spain

Nature of business: Wholesale of fruit and vegetables

	% holding	31/12/21 £
Class of shares:		
Ordinary	50.00	
Aggregate capital and reserves		20,335
Loss for the year		<u>(10,968)</u>

After the balance sheet date, the company acquired the remaining 50% of the joint venture Love Life Smoothies & Fruit Solutions S.L for a cost of £42,194.

**11. STOCKS**

	2022 £	2021 £
Stocks	<u>7,178,659</u>	<u>5,837,986</u>

**12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2022 £	2021 £
Trade debtors	4,664,744	2,338,492
Amounts owed by joint ventures	110,462	46,500
Other debtors	11,652	15,564
Smoothie delicious loan	92,322	92,322
VAT	651,623	343,493
Prepayments	83,212	74,128
	<u>5,614,015</u>	<u>2,910,499</u>

**13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2022	2021
	£	£
Bank loans and overdrafts (see note 15)	7,650,657	3,149,288
Hire purchase contracts (see note 16)	140,897	193,964
Trade creditors	3,078,708	3,047,527
Tax	162,092	207,420
Social security and other taxes	27,780	25,093
Other creditors	28,954	21,208
Directors' loan accounts	161,007	170,180
Accrued expenses	261,953	288,169
	<u>11,512,048</u>	<u>7,102,849</u>

**14. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2022	2021
	£	£
Bank loans (see note 15)	2,547,824	2,910,334
Hire purchase contracts (see note 16)	196,104	308,651
	<u>2,743,928</u>	<u>3,218,985</u>

**15. LOANS**

An analysis of the maturity of loans is given below:

	2022	2021
	£	£
Amounts falling due within one year or on demand:		
Bank overdrafts	7,262,557	2,945,923
Bank loans	<u>388,100</u>	<u>203,365</u>
	<u>7,650,657</u>	<u>3,149,288</u>
Amounts falling due between one and two years:		
Bank loans - 1-2 years	<u>399,971</u>	<u>388,172</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	<u>1,081,625</u>	<u>1,196,038</u>
Amounts falling due in more than five years:		
Repayable by instalments		
Bank loans payable after more than 5 years		
by instalments	<u>1,066,228</u>	<u>1,326,124</u>

Notes to the Financial Statements - continued  
for the year ended 28 February 2022**16. LEASING AGREEMENTS**

Minimum lease payments fall due as follows:

	Hire purchase contracts	
	2022	2021
	£	£
Net obligations repayable:		
Within one year	140,897	193,964
Between one and five years	<u>196,104</u>	<u>308,651</u>
	<u>337,001</u>	<u>502,615</u>
	Non-cancellable operating leases	
	2022	2021
	£	£
Within one year	13,948	10,531
Between one and five years	<u>15,832</u>	<u>5,445</u>
	<u>29,780</u>	<u>15,976</u>

**17. SECURED DEBTS**

The following secured debts are included within creditors:

	2022	2021
	£	£
Bank overdrafts	7,262,557	2,945,923
Bank loans	2,935,924	3,113,699
Hire purchase contracts	<u>337,001</u>	<u>502,615</u>
	<u>10,535,482</u>	<u>6,562,237</u>

The companies bank borrowings are secured by fixed and floating charges over the assets of the company. There is a right of set-off between the bank overdraft and credit balances held in the same bank. The bank overdraft disclosed above includes £6,950,211 (2021: £2,945,923) in respect of borrowings provided under a confidential invoice discounting facility (that is secured on the trade debtors of the company) and an import finance facility.

Coronavirus Business Interruption Loans were taken out in 2021 with guarantees given by the UK Government under CBILS (The CBILS Guarantee).

Hire purchase creditors are secured on fixed assets to which they relate.

**18. PROVISIONS FOR LIABILITIES**

	2022	2021
	£	£
Deferred tax - accelerated capital allowances	<u>229,304</u>	<u>183,538</u>
	<u>229,304</u>	<u>183,538</u>



**18. PROVISIONS FOR LIABILITIES - continued**

	Deferred tax £
Balance at 1 March 2021	183,538
Provided during year	45,766
Balance at 28 February 2022	<u>229,304</u>

**19. CALLED UP SHARE CAPITAL**

Allotted, issued and fully paid:		Nominal value:	2022 £	2021 £
Number:	Class:			
267	Ordinary	£1	<u>267</u>	<u>267</u>

**20. RESERVES**

	Retained earnings £	Share premium £	Capital redemption reserve £	Totals £
At 1 March 2021	2,436,621	289,765	1,084	2,727,470
Profit for the year	836,084			836,084
Dividends	<u>(300,000)</u>			<u>(300,000)</u>
At 28 February 2022	<u>2,972,705</u>	<u>289,765</u>	<u>1,084</u>	<u>3,263,554</u>

**21. RELATED PARTY DISCLOSURES**

Smootheelicious Limited is a company, the shareholdings in which are the same as for Newberry International Produce Limited.

In addition to transactions and trading balances that are conducted on an arms-length basis, the company has also provided a loan to Smootheelicious Limited that is not subject to interest. The balance as at 28 February 2022 was £92,322 (2021 - £92,322).

Mrs G L Taylor, a director and shareholder Newberry International Produce Limited, has provided a loan to the company during the period. At the year end the amount due from the company was £161,007 (2021: £170,180). There is no interest charged on the loan and the outstanding amount is repayable on demand.

During 2021 Newberry International Produce Limited entered into a Joint Venture and acquired 50% of the share capital of Love Life Smoothies & Fruit Solutions S.L. In order to assist with the working capital the company has provided a loan to Love Life Smoothies & Fruit Solutions S.L. that is not subject to interest. The balance as at 28th February 2022 was £110,462 (2021 £46,500). The company also supplies Love Life Smoothies & Fruit Solutions S.L. on an arms length basis, as at 28th February 2022 an amount of £138,915 (2021 £45,765) is included in trade debtors in respect of amounts owing to Newberry International Produce Limited.

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