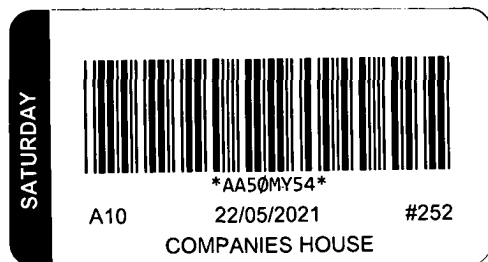


**STRATEGIC REPORT, REPORT OF THE DIRECTORS AND
FINANCIAL STATEMENTS FOR THE YEAR ENDED 25 OCTOBER 2020
FOR
HOLMES HALLS (PROCESSORS) LIMITED**



**CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 25 OCTOBER 2020**

	Page
Company Information	1
Strategic Report	2
Report of the Directors	3
Report of the Independent Auditors	5
Income Statement	8
Other Comprehensive Income	9
Balance Sheet	10
Statement of Changes in Equity	11
Cash Flow Statement	12
Notes to the Cash Flow Statement	13
Notes to the Financial Statements	15

HOLMES HALLS (PROCESSORS) LIMITED

**COMPANY INFORMATION
FOR THE YEAR ENDED 25 OCTOBER 2020**

DIRECTORS:

H Johnson
P E Crossley
S Breen
P M Walsh

SECRETARY:

M Sykes

REGISTERED OFFICE:

Sculcoates Tannery
Sculcoates
Hull
East Yorkshire
HU5 1RL

REGISTERED NUMBER:

04206555 (England and Wales)

AUDITORS:

Brosnans
Chartered Accountants
and Statutory Auditors
Birkby House
Bailiff Bridge
Brighouse
West Yorkshire
HD6 4JJ

**STRATEGIC REPORT
FOR THE YEAR ENDED 25 OCTOBER 2020**

The directors present their strategic report for the year ended 25 October 2020.

REVIEW OF BUSINESS

The company continues its principal activity of processing raw animal hide to the wetblue stage.

Turnover for the year was £6,420,114, this was a decrease of 19.9% on the previous year.

The company faced a challenging year due to the Covid-19 pandemic and due to this received additional finance in the form of a CIBL loan and mortgage from the bank. Additional finance costs have therefore been included during the year. Due to the above, the company made a pre-tax loss for the year of £504,106.

PRINCIPAL RISKS AND UNCERTAINTIES

Financial risk management objectives and policies

The company operates in the UK market and overseas mainly exporting to Italy. The company seeks to mitigate exposure to all forms of risk both internal and external.

Customers and suppliers

The company is not wholly dependent on any one supplier or customer.

Foreign exchange

The majority of transactions are undertaken in sterling. If other currency transactions occur the use of Forward Exchange contracts are used to overcome any currency exchange risks.

Credit risk

The company has little exposure to credit risk as the majority of debts are covered by credit insurance.

Laws and regulations

The company endeavour to comply with all animal health regulations to operate a tannery within the law. It is in frequent contact with the animal health and veterinary agency regarding changes in the law.

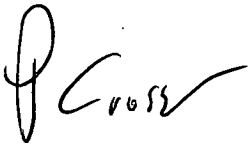
The company takes its health, safety and environmental responsibilities very seriously.

Employees

The average number of employees throughout the year was 42.

The company continues to be an Equal Opportunities Employer. In employment related decisions the company complies with anti discrimination requirements concerning matters of race, colour, national origin, marital status, sexual orientation, religious belief, age and physical or mental ability. Disabled people are given full and equal consideration for employment and their development is assisted and encouraged.

ON BEHALF OF THE BOARD:



P E Crossley - Director

31 March 2021

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 25 OCTOBER 2020**

The directors present their report with the financial statements of the company for the year ended 25 October 2020.

DIVIDENDS

No dividends will be distributed for the year ended 25 October 2020.

DIRECTORS

H Johnson has held office during the whole of the period from 26 October 2019 to the date of this report.

Other changes in directors holding office are as follows:

C G N Barker - resigned 30 November 2019

P E Crossley - appointed 2 December 2019

S Breen and P M Walsh were appointed as directors after 25 October 2020 but prior to the date of this report.

R A Brady , Mrs J E Platt , Miss S A Ward and J Woodward ceased to be directors after 25 October 2020 but prior to the date of this report.

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

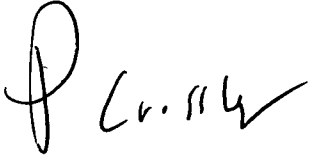
So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant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

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 25 OCTOBER 2020**

AUDITORS

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

ON BEHALF OF THE BOARD:

A handwritten signature in black ink, appearing to read 'P E Crossley', followed by a checkmark.

P E Crossley - Director

31 March 2021

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
HOLMES HALLS (PROCESSORS) LIMITED**

Opinion

We have audited the financial statements of Holmes Halls (Processors) Limited (the 'company') for the year ended 25 October 2020 which comprise the Income Statement, 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 25 October 2020 and of its loss 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

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

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 there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF HOLMES HALLS (PROCESSORS) LIMITED

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

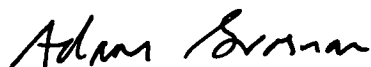
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee 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.

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. This description forms part of our Report of the Auditors.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF
HOLMES HALLS (PROCESSORS) LIMITED**

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.



Adam John Brosnan (Senior Statutory Auditor)
for and on behalf of Brosnans
Chartered Accountants
and Statutory Auditors
Birkby House
Bailiff Bridge
Brighouse
West Yorkshire
HD6 4JJ

31 March 2021

**INCOME STATEMENT
FOR THE YEAR ENDED 25 OCTOBER 2020**

	Notes	2020 £	2019 £
TURNOVER	3	6,420,114	8,013,928
Cost of sales		(6,078,940)	(7,313,669)
GROSS PROFIT		341,174	700,259
Administrative expenses		(870,201)	(796,572)
		(529,027)	(96,313)
Other operating income		63,355	55,625
OPERATING LOSS	5	(465,672)	(40,688)
Interest receivable and similar income		81	664
		(465,591)	(40,024)
Interest payable and similar expenses	6	(38,515)	-
LOSS BEFORE TAXATION		(504,106)	(40,024)
Tax on loss	7	94,536	2,368
LOSS FOR THE FINANCIAL YEAR		(409,570)	(37,656)

The notes form part of these financial statements

HOLMES HALLS (PROCESSORS) LIMITED (REGISTERED NUMBER: 04206555)

**OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 25 OCTOBER 2020**

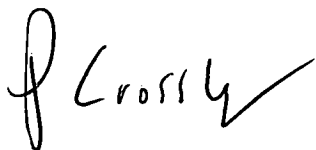
	Notes	2020 £	2019 £
LOSS FOR THE YEAR		(409,570)	(37,656)
OTHER COMPREHENSIVE INCOME		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>(409,570)</u>	<u>(37,656)</u>

The notes form part of these financial statements

BALANCE SHEET
25 OCTOBER 2020

	Notes	2020 £	2019 £
FIXED ASSETS			
Tangible assets	8	2,501,510	2,374,576
CURRENT ASSETS			
Stocks	9	423,872	646,717
Debtors	10	1,074,560	1,115,454
Cash at bank and in hand		481,701	281,852
		<u>1,980,133</u>	<u>2,044,023</u>
CREDITORS			
Amounts falling due within one year	11	(831,647)	(1,453,987)
NET CURRENT ASSETS		<u>1,148,486</u>	<u>590,036</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>3,649,996</u>	<u>2,964,612</u>
CREDITORS			
Amounts falling due after more than one year	12	(2,399,490)	(1,210,000)
PROVISIONS FOR LIABILITIES	16	(27,224)	(121,760)
NET ASSETS		<u><u>1,223,282</u></u>	<u><u>1,632,852</u></u>
CAPITAL AND RESERVES			
Called up share capital	17	500,000	500,000
Share premium	18	250,000	250,000
Capital redemption reserve	18	100,000	100,000
Retained earnings	18	373,282	782,852
SHAREHOLDERS' FUNDS		<u><u>1,223,282</u></u>	<u><u>1,632,852</u></u>

The financial statements were approved by the Board of Directors and authorised for issue on 31 March 2021 and were signed on its behalf by:



P E Crossley - Director

HOLMES HALLS (PROCESSORS) LIMITED (REGISTERED NUMBER: 04206555)

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 25 OCTOBER 2020**

	Called up share capital £	Retained earnings £	Share premium £	Capital redemption reserve £	Total equity £
Balance at 26 October 2018	500,000	820,508	250,000	100,000	1,670,508
Changes in equity					
Total comprehensive income	-	(37,656)	-	-	(37,656)
Balance at 25 October 2019	500,000	782,852	250,000	100,000	1,632,852
Changes in equity					
Total comprehensive income	-	(409,570)	-	-	(409,570)
Balance at 25 October 2020	500,000	373,282	250,000	100,000	1,223,282

The notes form part of these financial statements

**CASH FLOW STATEMENT
FOR THE YEAR ENDED 25 OCTOBER 2020**

	Notes	2020 £	2019 £
Cash flows from operating activities			
Cash generated from operations	1	(680,294)	252,050
Interest paid		(38,515)	-
Tax paid		-	(16,922)
Net cash from operating activities		<u>(718,809)</u>	<u>235,128</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(383,937)	(237,143)
Interest received		81	664
Net cash from investing activities		<u>(383,856)</u>	<u>(236,479)</u>
Cash flows from financing activities			
New loans in year		1,315,750	-
Loan repayments in year		(13,236)	-
Net cash from financing activities		<u>1,302,514</u>	<u>-</u>
Increase/(decrease) in cash and cash equivalents		<u>199,849</u>	<u>(1,351)</u>
Cash and cash equivalents at beginning of year	2	<u>281,852</u>	<u>283,203</u>
Cash and cash equivalents at end of year	2	<u><u>481,701</u></u>	<u><u>281,852</u></u>

The notes form part of these financial statements

NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 25 OCTOBER 2020

1. RECONCILIATION OF LOSS BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	2020	2019
	£	£
Loss before taxation	(504,106)	(40,024)
Depreciation charges	247,672	237,492
Loss on disposal of fixed assets	9,331	-
Finance costs	38,515	-
Finance income	(81)	(664)
	<u>(208,669)</u>	<u>196,804</u>
Decrease in stocks	222,845	39,677
Decrease in trade and other debtors	40,894	28,737
Decrease in trade and other creditors	<u>(735,364)</u>	<u>(13,168)</u>
Cash generated from operations	<u><u>(680,294)</u></u>	<u><u>252,050</u></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 25 October 2020

	25.10.20	26.10.19
	£	£
Cash and cash equivalents	<u><u>481,701</u></u>	<u><u>281,852</u></u>

Year ended 25 October 2019

	25.10.19	26.10.18
	£	£
Cash and cash equivalents	281,852	303,782
Bank overdrafts	-	(20,579)
	<u><u>281,852</u></u>	<u><u>283,203</u></u>

The notes form part of these financial statements

NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 25 OCTOBER 2020

3. ANALYSIS OF CHANGES IN NET DEBT

	At 26.10.19 £	Cash flow £	At 25.10.20 £
Net cash			
Cash at bank and in hand	281,852	199,849	481,701
	<u>281,852</u>	<u>199,849</u>	<u>481,701</u>
Debt			
Debts falling due within 1 year	-	(113,024)	(113,024)
Debts falling due after 1 year	(1,210,000)	(1,189,490)	(2,399,490)
	<u>(1,210,000)</u>	<u>(1,302,514)</u>	<u>(2,512,514)</u>
Total	<u>(928,148)</u>	<u>(1,102,665)</u>	<u>(2,030,813)</u>

The notes form part of these financial statements

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 25 OCTOBER 2020**

1. STATUTORY INFORMATION

Holmes Halls (Processors) Limited 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.

The presentation currency of the financial statements is the Pound Sterling (£).

The significant accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

2. ACCOUNTING POLICIES

BASIS OF PREPARING THE FINANCIAL STATEMENTS

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

TURNOVER

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

TANGIBLE FIXED ASSETS

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

Freehold property	- 2% on cost
Plant and machinery	- 25% on cost and 10% on cost
Motor vehicles	- 25% on cost
Computer equipment	- 25% on cost

Land has not been depreciated.

STOCKS

Stocks are valued at the lower of average cost and estimated net realisable value. Cost comprises direct materials and labour costs together with the relevant factory overheads on the basis of normal activity levels.

TAXATION

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, 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.

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 25 OCTOBER 2020

2. 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.

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 contributes to personal pension schemes individual to the employees and the pension charge represents the amount payable by the company to these schemes in respect of the year. Pension contributions outstanding at the year end were £2,421 (2019 - £4,102).

3. **TURNOVER**

The turnover and loss before taxation are attributable to the one principal activity of the company.

An analysis of turnover by geographical market is given below:

	2020	2019
	£	£
United Kingdom	4,794,398	5,910,803
Europe	1,567,326	2,103,125
Rest of the world	58,390	-
	<u>6,420,114</u>	<u>8,013,928</u>

4. **EMPLOYEES AND DIRECTORS**

	2020	2019
	£	£
Wages and salaries	1,071,562	1,015,701
Social security costs	90,584	85,409
Other pension costs	39,175	30,515
	<u>1,201,321</u>	<u>1,131,625</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 25 OCTOBER 2020

4. EMPLOYEES AND DIRECTORS - continued

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

	2020	2019
Management and administration	4	4
Production	4	3
Works	34	34
	<u>42</u>	<u>41</u>

	2020	2019
	£	£
Directors' remuneration	99,212	72,689
Directors' pension contributions to money purchase schemes	<u>12,334</u>	<u>6,990</u>

The number of directors to whom retirement benefits were accruing was as follows:

	2020	2019
Money purchase schemes	<u>1</u>	<u>1</u>

5. OPERATING LOSS

The operating loss is stated after charging:

	2020	2019
	£	£
Hire of plant and machinery	63,931	60,861
Depreciation - owned assets	247,672	237,492
Loss on disposal of fixed assets	9,331	-
Auditors' remuneration	<u>8,453</u>	<u>8,253</u>

6. INTEREST PAYABLE AND SIMILAR EXPENSES

	2020	2019
	£	£
Bank interest	18	-
Bank loan interest and charges	<u>38,497</u>	<u>-</u>
	<u>38,515</u>	<u>-</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 25 OCTOBER 2020

7. TAXATION

Analysis of the tax credit

The tax credit on the loss for the year was as follows:

	2020 £	2019 £
Current tax:		
UK corporation tax	-	(16,922)
Deferred tax	(94,536)	14,554
Tax on loss	<u>(94,536)</u>	<u>(2,368)</u>

RECONCILIATION OF TOTAL TAX CREDIT INCLUDED IN PROFIT AND LOSS

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

	2020 £	2019 £
Loss before tax	<u>(504,106)</u>	<u>(40,024)</u>
Loss multiplied by the standard rate of corporation tax in the UK of 19% (2019 - 19%)	(95,780)	(7,605)
Effects of:		
Expenses not deductible for tax purposes	(780)	3,213
Capital allowances in excess of depreciation	(45,747)	(26,311)
Deferred tax charge	(94,536)	14,554
Tax losses carried forward	<u>142,307</u>	<u>13,781</u>
Total tax credit	<u>(94,536)</u>	<u>(2,368)</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 25 OCTOBER 2020

8. TANGIBLE FIXED ASSETS

	Freehold property £	Plant and machinery £	Motor vehicles £	Computer equipment £	Totals £
COST					
At 26 October 2019	1,090,701	2,779,728	15,996	4,643	3,891,068
Additions	-	367,070	15,500	1,367	383,937
Disposals	-	-	(15,996)	-	(15,996)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 25 October 2020	1,090,701	3,146,798	15,500	6,010	4,259,009
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
DEPRECIATION					
At 26 October 2019	61,945	1,445,013	6,665	2,869	1,516,492
Charge for year	10,651	231,589	3,875	1,557	247,672
Eliminated on disposal	-	-	(6,665)	-	(6,665)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 25 October 2020	72,596	1,676,602	3,875	4,426	1,757,499
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
NET BOOK VALUE					
At 25 October 2020	1,018,105	1,470,196	11,625	1,584	2,501,510
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
At 25 October 2019	1,028,756	1,334,715	9,331	1,774	2,374,576
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

Included in cost of land and buildings is freehold land of £558,131 (2019 - £558,131) which is not depreciated.

9. STOCKS

	2020 £	2019 £
Raw materials	423,872	646,717
	<hr/>	<hr/>

Stock recognised as cost of sales in the year amounted to £3,331,561 (2019 - £4,471,764).

10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020 £	2019 £
Trade debtors	870,744	951,305
Other debtors	38,361	24,132
Tax	16,922	16,922
Prepayments and accrued income	148,533	123,095
	<hr/>	<hr/>
	1,074,560	1,115,454
	<hr/>	<hr/>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 25 OCTOBER 2020

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2020	2019
	£	£
Bank loans and overdrafts (see note 13)	113,024	-
Trade creditors	383,541	883,669
Social security and other taxes	20,631	25,538
VAT	4,004	38,395
Other creditors	82,303	60,924
Wages control	9,928	12,643
Accrued expenses	218,216	432,818
	<u>831,647</u>	<u>1,453,987</u>

12. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2020	2019
	£	£
Bank loans (see note 13)	1,189,490	-
Other loans (see note 13)	1,210,000	1,210,000
	<u>2,399,490</u>	<u>1,210,000</u>

13. LOANS

An analysis of the maturity of loans is given below:

	2020	2019
	£	£
Amounts falling due within one year or on demand:		
Bank loans	<u>113,024</u>	<u>-</u>
Amounts falling due between one and two years:		
Bank loans - 1-2 years	113,024	-
Bradford Hide Company Limited	210,000	210,000
H A Byrne	210,000	210,000
Other loans	140,000	140,000
Adelaide	650,000	650,000
	<u>1,323,024</u>	<u>1,210,000</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	<u>354,223</u>	<u>-</u>

Amounts falling due in more than five years:

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 25 OCTOBER 2020

13. LOANS - continued

	2020	2019
	£	£
Amounts falling due in more than five years:		
Repayable by instalments		
Bank loans more 5 yr by instal	722,243	-
	<u>722,243</u>	<u>-</u>

14. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2020	2019
	£	£
Within one year	20,017	38,745
Between one and five years	-	20,017
	<u>20,017</u>	<u>58,762</u>

15. SECURED DEBTS

The following secured debts are included within creditors:

	2020	2019
	£	£
Bank loans	1,302,514	-
Other loans	420,000	420,000
	<u>1,722,514</u>	<u>420,000</u>

The loans from Bradford Hide Company Limited and from H A Byrne are secured by a second charge on the freehold property.

During the year the company received a CIBL bank loan of £250,000 repayable by instalments over 66 months commencing 7 months following drawdown. The interest rate is 3.15% above base rate.

During the year the company received a mortgage from the bank of £1,065,750 repayable by instalments over 180 months. The interest rate is 3.71% above base rate.

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

16. PROVISIONS FOR LIABILITIES

	2020	2019
	£	£
Deferred tax	27,224	121,760
	<u>27,224</u>	<u>121,760</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 25 OCTOBER 2020

16. PROVISIONS FOR LIABILITIES - continued

	Deferred tax £
Balance at 26 October 2019	121,760
Accelerated capital allowances	47,771
Increase in tax losses	(142,307)
Balance at 25 October 2020	<u>27,224</u>

17. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2020 £	2019 £
500,000	Ordinary	1	<u>500,000</u>	<u>500,000</u>

18. RESERVES

	Retained earnings £	Share premium £	Capital redemption reserve £	Totals £
At 26 October 2019	782,852	250,000	100,000	1,132,852
Deficit for the year	(409,570)			(409,570)
At 25 October 2020	<u>373,282</u>	<u>250,000</u>	<u>100,000</u>	<u>723,282</u>

19. PENSION COMMITMENTS

The company contributes to personal pension schemes individual to the employees and the pension charge represents the amount payable by the company to these schemes in respect of the year. Pension contributions during the year amounted to £39,175 (2019 - £30,515). Pension contributions outstanding at the year end were £2,421 (2019 - £4,102).

20. CAPITAL COMMITMENTS

	2020 £	2019 £
Contracted but not provided for in the financial statements	<u>270,000</u>	<u>60,330</u>

NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 25 OCTOBER 2020

21. RELATED PARTY DISCLOSURES

Included in trade debtors and trade creditors are the following related party balances detailed together with associated sales and purchase transactions.

Year ended 25 October 2020	Sales	Debtors	Purchases	Creditor
Bradford Hide Company Limited	70,680	-	423,065	-
Dee Baylis Limited	280	-	-	-
Devonia Sheepskins & Tannery Limited	5,040	-	-	-
Eastern Counties Leather	340	-	24,000	-
West Yorkshire Fellmongers Limited	128,226	-	276,051	17,493
Adelaide S.P.A (UK) Limited	3,369,800	300,754	156,022	83,016
Year ended 25 October 2019				
Bradford Hide Company Limited	238,986	17,712	865,794	112,640
Dee Baylis Limited	59,107	-	48,218	-
Devonia Sheepskins & Tannery Limited	4,200	-	-	-
Eastern Counties Leather	100	-	10,000	12,000
Rudston Products (Int) Limited	-	-	-	-
West Yorkshire Fellmongers Limited	91,543	12,649	683,534	123,228
Adelaide S.P.A. (UK) Limited	3,364,242	360,222	10,000	12,000

All transactions have been conducted under the company's normal terms and conditions and no amounts have been written off in the year.

Mrs S A Ward, a director, was also a director of Devonia Sheepskins & Tannery Limited.

Mrs J E Platt, a director, was also a director of Dee Baylis Limited

Mr J A Woodward, a director, was also a director of Bradford Hide Company Limited and Dee Baylis Limited

Mr R Brady, a director, was also a director of West Yorkshire Fellmongers Limited

Mr H Johnson, a director, was also a director of Adelaide S.P.A (UK) Limited.

The company has a loan which is due in more than one year of £210,000 (2019 - £210,000) from Bradford Hide Company Limited. This amount is secured by a charge over the freehold property. The loan bears no interest and has no fixed repayment date.

The company has a loan which is due in more than one year of £210,000 (2019 - £210,000) from Mr H A Byrne. This amount is secured by a charge over the freehold property. The loan bears no interest and has no fixed repayment date.

The company has a loan which is due in more than one year of £650,000 (2019 - £650,000) from Adelaide S.P.A (UK) Limited. The loan bears no interest and has no fixed repayment date.

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 25 OCTOBER 2020**

22. ULTIMATE CONTROLLING PARTY

There is no ultimate controlling party.

23. GOVERNMENT GRANTS

The company received grants in relation to property improvements and plant additions in 2018 and 2019 of £64,177. There are no unfilled conditions relating to the grants.