

J R HOLLAND PRODUCE LLP

REPORT AND FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 28 APRIL 2021

J R HOLLAND PRODUCE LLP

INFORMATION

Designated Members

J Holland
H2H (Produce) Limited

LLP registered number

OC331566

Registered office

78-84 North East Wholesale Fruit & Vegetable Market
Team Valley Trading Estate
Gateshead
Tyne & Wear
NE11 0RF
United Kingdom

Independent auditors

Ryecroft Glenton
Chartered Accountants
Statutory Auditors
32 Portland Terrace
Newcastle upon Tyne
NE2 1QP

Bankers

Santander UK plc
Bridle Road
Bootle
L30 4GB

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**MEMBERS' REPORT
FOR THE PERIOD ENDED 28 APRIL 2021**

The members present their annual report together with the audited financial statements of J R Holland Produce LLP (the "LLP") for the period ended 28 April 2021.

Principal activities

The principal activity of the LLP is the wholesale of fruit and vegetables.

Going concern

The members have considered the LLP's current and future prospects and its availability of financing, and are satisfied that the LLP can continue to pay its liabilities as they fall due for a period of at least 12 months from the date of approval of these financial statements. For this reason the members continue to adopt the going concern basis of preparation for these financial statements.

The LLP meets its working capital requirements through its bank facilities. The members perform regular reviews to ensure that these facilities remain sufficient for the business.

At the balance sheet date, the LLP had net assets of £1,787,261, net current assets of £184,048 and cash resources of £1,203,396.

At the date of approval of these financial statements, the COVID-19 pandemic has had an impact on the business but the members are confident that revenues and cash flows remain strong and the LLP has continued to trade profitably, as well as being able to fund the post year end acquisition of an additional premises. Whilst the members recognise that significant uncertainties remain, there are a number of mitigating actions that could be taken to realise additional cost savings and preserve cash.

The members have been in contact with the LLP's bank and have taken appropriate steps to utilise the various support mechanisms instigated by the UK government. Accordingly, the LLP continues to adopt the going concern basis in preparing these financial statements.

Designated Members

J Holland and H2H (Produce) Limited were designated members of the LLP throughout the period.

Transactions with Members

The designated members participate fully in the profits and share the risks of the business. All members subscribe to the LLP's capital.

An individual member's capital requirement is linked to their membership status and the financing requirements of the LLP. There is no opportunity for appreciation of the capital subscribed. Just as incoming members introduce their capital at "par", so retiring members are repaid their capital at "par". Details of changes in members' capital in the period ended 28 April 2021 are set out in the financial statements.

Members are remunerated from the profits of the LLP and are required to make their own provision for pensions and other benefits. Profits are allocated and divided between members after finalisation of the financial statements. The drawings policy is to allow a member to draw a proportion of their profit share in twelve monthly instalments with the balance of their profits being paid once the financial statements for the period have been formally adopted by the members. All payments are made subject to the cash requirements of the LLP.

MEMBERS' REPORT (CONTINUED)
FOR THE PERIOD ENDED 28 APRIL 2021

Disclosure of information to auditors

Each of the persons who are members at the time when this Members' Report is approved has confirmed that:

- so far as that member is aware, there is no relevant audit information of which the LLP's auditors are unaware, and
- that member has taken all the steps that ought to have been taken as a member in order to be aware of any relevant audit information and to establish that the LLP's auditors are aware of that information.

Auditors

The auditors during the period were Ryecroft Glenton.

Auditors will be proposed for appointment at the Members Annual Meeting.

This report was approved by the members on 1 June 2022 and signed on their behalf by:

.....
J Holland
Designated member

**MEMBERS' RESPONSIBILITIES STATEMENT
FOR THE PERIOD ENDED 28 APRIL 2021**

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

Company law, (as applied by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008), requires the members to prepare financial statements for each financial year. Under that law the members have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law, as applied to LLPs, the members 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 LLP and of the profit or loss of the LLP for that period.

In preparing these financial statements, the members are required to:

- select suitable accounting policies for the LLP's financial statements and then apply them consistently;
- make judgments 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 entity will continue in business.

The members are responsible for keeping adequate accounting records that are sufficient to show and explain the LLP's transactions and disclose with reasonable accuracy at any time the financial position of the LLP and to enable them to ensure that the financial statements comply with the Limited Liability Partnerships (Accounts and Audit) (Application of the Companies Act 2006) Regulations 2008. They are also responsible for safeguarding the assets of the LLP and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF J R HOLLAND PRODUCE LLP

Opinion

We have audited the financial statements of J R Holland Produce LLP (the 'LLP') for the period ended 28 April 2021, which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Cash Flows, the Reconciliation of Members' Interests and the related notes, 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 LLP's affairs as at 28 April 2021 and of its profit for the period 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, as applied to limited liability partnerships by The Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008.

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 LLP in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 members' 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 LLP'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 members with respect to going concern are described in the relevant sections of this report.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF J R HOLLAND PRODUCE LLP (CONTINUED)

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' Report thereon. The members are responsible for the other information contained within the Annual Report. Our opinion on the financial statements does not cover the other information and 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.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006, as applied to limited liability partnerships, 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
- we have not received all the information and explanations we require for our audit.

Responsibilities of members

As explained more fully in the Members' Responsibilities Statement on page 3, the members 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 members 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 members are responsible for assessing the LLP'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 members either intend to liquidate the LLP or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF J R HOLLAND PRODUCE LLP (CONTINUED)

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 an Auditors' 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:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the LLP through discussions with the members and other management, and from our commercial knowledge and experience of the sector in which the LLP operates;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the LLP, including the Companies Act 2006 and the Statement of Recommended Practice "Accounting by Limited Liability Partnerships";
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- we ensured that the identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

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

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF J R HOLLAND PRODUCE LLP (CONTINUED)

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions; and
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias.

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

- agreeing financial statement disclosures to underlying supporting documentation;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC and the LLP's legal advisers where appropriate.

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

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

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 Auditors' Report.

Use of our report

This report is made solely to the LLP's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006, as applied by Part 12 of The Limited Liability Partnerships (Accounts and Audit) (Applications of Companies Act 2006) Regulations 2008. Our audit work has been undertaken so that we might state to the LLP's members those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the LLP and the LLP's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Andrew Cameron (Senior Statutory Auditor)

for and on behalf of

Ryecroft Glenton

Chartered Accountants
Statutory Auditors

32 Portland Terrace

Newcastle upon Tyne

NE2 1QP

1 June 2022

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 28 APRIL 2021**

	Note	52 weeks ended 28 April 2021 £	53 weeks ended 29 April 2020 £
Turnover	4	17,821,629	20,969,286
Cost of sales		(15,623,523)	(18,446,927)
Gross profit		2,198,106	2,522,359
Distribution costs		(633,629)	(663,339)
Administrative expenses		(1,406,682)	(1,426,207)
Other operating income	5	248,937	106,515
Operating profit	6	406,732	539,328
Interest receivable and similar income	8	927	1,629
Interest payable and similar expenses	9	(3,469)	(4,315)
Profit before tax		404,190	536,642
Profit for the period before members' remuneration and profit shares available for discretionary division among members		404,190	536,642

There were no recognised gains and losses for 2021 or 2020 other than those included in the statement of comprehensive income.

There was no other comprehensive income for 2021(2020:£NIL).

The notes on pages 14 to 28 form part of these financial statements.

BALANCE SHEET
AS AT 28 APRIL 2021

	Note	28 April 2021 £	28 April 2021 £	29 April 2020 £	29 April 2020 £
Fixed assets					
Intangible assets	10		213,560		213,230
Tangible assets	11		276,816		201,005
Investment property	12		1,187,220		255,000
			<u>1,677,596</u>		<u>669,235</u>
Current assets					
Stocks	13	154,479		157,658	
Debtors: amounts falling due within one year	14	2,526,266		2,783,150	
Cash at bank and in hand	15	1,203,396		1,708,994	
		<u>3,884,141</u>		<u>4,649,802</u>	
Creditors: Amounts Falling Due Within One Year	16	(3,700,093)		(3,620,880)	
Net current assets			<u>184,048</u>		<u>1,028,922</u>
Total assets less current liabilities			<u>1,861,644</u>		<u>1,698,157</u>
Creditors: amounts falling due after more than one year	17		(74,383)		(73,496)
			<u>1,787,261</u>		<u>1,624,661</u>
Net assets			<u><u>1,787,261</u></u>		<u><u>1,624,661</u></u>

BALANCE SHEET (CONTINUED)
AS AT 28 APRIL 2021

	Note	28 April 2021 £	28 April 2021 £	29 April 2020 £	29 April 2020 £
Represented by:					
Loans and other debts due to members within one year					
Members' other interests					
Members' capital classified as equity		297,000		297,000	
Other reserves classified as equity		1,490,261		1,327,661	
			1,787,261		1,624,661
			1,787,261		1,624,661
Total members' interests					
Amounts due from members (included in debtors)	14		(1,369,069)		(1,244,241)
Members' other interests			1,787,261		1,624,661
			418,192		380,420

The financial statements were approved and authorised for issue by the members and were signed on their behalf on 1 June 2022.

.....
J Holland
Designated member

The notes on pages 14 to 28 form part of these financial statements.

**RECONCILIATION OF MEMBERS' INTERESTS
FOR THE PERIOD ENDED 28 APRIL 2021**

	EQUITY		DEBT		Total members' interests	
	Members' other interests		Loans and other debts due to members less any amounts due from members in debtors			
	Members' capital and other reserves	Other amounts	Total loans and other debts due to members	Amounts due from members	Total	Total
	£	£	£	£	£	£
Amounts due from members				(1,229,447)	(1,229,447)	
Balance at 1 May 2019	297,000	1,207,781	1,504,781	(1,229,447)	(1,229,447)	275,334
Profit for the period available for discretionary division among members	-	536,642	536,642	-	-	536,642
Members' interests after profit for the period	297,000	1,744,423	2,041,423	(1,229,447)	(1,229,447)	811,976
Other division of profits	-	(388,642)	(388,642)	388,642	388,642	-
Movement in reserves	-	(28,120)	(28,120)	-	-	(28,120)
Amounts introduced by members	-	-	-	414,419	414,419	414,419
Drawings	-	-	-	(817,854)	(817,854)	(817,854)
Amounts due from members				(1,244,241)	(1,244,241)	
Balance at 29 April 2020	297,000	1,327,661	1,624,661	(1,244,241)	(1,244,241)	380,420
Profit for the period available for discretionary division among members	-	404,189	404,189	-	-	404,189
Members' interests after profit for the period	297,000	1,731,850	2,028,850	(1,244,241)	(1,244,241)	784,609
Other division of profits	-	(213,469)	(213,469)	213,469	213,469	-
Movement in reserves	-	(28,120)	(28,120)	-	-	(28,120)
Amounts introduced by members	-	-	-	414,419	414,419	414,419

				(752,715	(752,715	
Drawings	-	-	-))	(752,715)
				(1,369,069	(1,369,069	
))	
Amounts due from members				_____	_____	
Balance at 28 April 2021	<u>297,000</u>	<u>1,490,261</u>	<u>1,787,261</u>	<u>(1,369,069)</u>	<u>(1,369,069)</u>	<u>418,192</u>

The notes on pages 14 to 28 form part of these financial statements.

There are no existing restrictions or limitations which impact the ability of the members of the LLP to reduce the amount of Members' other interests.

**STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 28 APRIL 2021**

	2021 £	2020 £
Cash flows from operating activities		
Profit for the financial period	404,190	536,642
Adjustments for:		
Amortisation of intangible assets	30,920	28,750
Depreciation of tangible assets	116,069	100,619
Loss on disposal of tangible assets	-	(8,120)
Government grants	(134,938)	(10,862)
Interest paid	3,469	4,315
Interest received	(927)	(1,629)
Decrease in stocks	3,179	48,751
Decrease in debtors	381,711	263,261
Increase/(decrease) in creditors	61,533	(80,065)
Net cash generated from operating activities before transactions with members	865,206	881,662
Cash flows from investing activities		
Purchase of intangible fixed assets	(31,250)	-
Purchase of tangible fixed assets	(191,880)	(115,469)
Sale of tangible fixed assets	-	111,575
Purchase of investment properties	(932,220)	-
Government grants received	134,938	10,862
Interest received	927	1,627
HP interest paid	(3,469)	(4,313)
Net cash from investing activities	(1,022,954)	4,282

STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE PERIOD ENDED 28 APRIL 2021

	28 April 2021 £	29 April 2020 £
Cash flows from financing activities		
Repayment of/new finance leases	17,611	(39,590)
Distribution paid to members	(366,416)	(431,556)
Net cash used in financing activities	(348,805)	(471,146)
Net (decrease)/increase in cash and cash equivalents	(506,553)	414,798
Cash and cash equivalents at beginning of period	1,708,994	1,294,196
Cash and cash equivalents at the end of period	1,202,441	1,708,994
Cash and cash equivalents at the end of period comprise:		
Cash at bank and in hand	1,203,396	1,708,994
Bank overdrafts	(955)	-
	1,202,441	1,708,994

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 28 APRIL 2021**

1. General information

J R Holland Produce LLP is a Limited Liability Partnership incorporated in England and Wales (no. OC331566). The Registered Office is 78-84 North East Wholesale Fruit and Vegetable Market, Team Valley Trading Estate, Gateshead, Tyne and Wear, NE11 0RF, United Kingdom. The principal activity of the LLP is the wholesale of fruit and vegetables.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006 and the requirements of the Statement of Recommended Practice "Accounting by Limited Liability Partnerships".

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the LLP's accounting policies (see note 3).

The financial statements have been prepared in accordance with applicable accounting standards. The financial statements are drawn up to the nearest Wednesday to the 30 April each year.

The financial statements are prepared in GBP sterling, rounded to the nearest £, which is the functional currency of the LLP.

The following principal accounting policies have been applied:

2.2 Going concern

The members have considered the LLP's current and future prospects and its availability of financing, and are satisfied that the LLP can continue to pay its liabilities as they fall due for a period of at least 12 months from the date of approval of these financial statements. For this reason the members continue to adopt the going concern basis of preparation for these financial statements.

The LLP meets its working capital requirements through its bank facilities. The members perform regular reviews to ensure that these facilities remain sufficient for the business.

At the balance sheet date, the LLP had net assets of £1,787,261, net current assets of £184,048 and cash resources of £1,203,396.

At the date of approval of these financial statements, the COVID-19 pandemic has had an impact on the business but the members are confident that revenues and cash flows remain strong and the LLP has continued to trade profitably, as well as being able to fund the post year end acquisition of an additional premises. Whilst the members recognise that significant uncertainties remain, there are a number of mitigating actions that could be taken to realise additional cost savings and preserve cash.

The members have been in contact with the LLP's bank and have taken appropriate steps to utilise the various support mechanisms instigated by the UK government. Accordingly, the LLP continues to adopt the going concern basis in preparing these financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 28 APRIL 2021**

2. Accounting policies (continued)

2.3 Foreign currency translation

Functional and presentation currency

The LLP's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

2.4 Revenue

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the LLP and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before turnover is recognised:

Sale of goods

Turnover from the sale of goods is recognised when all of the following conditions are satisfied:

- the LLP has transferred the significant risks and rewards of ownership to the buyer;
- the LLP retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of turnover can be measured reliably;
- it is probable that the LLP will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

2.5 Leasing and hire purchase commitments

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

2.6 Government grants

Grants of a revenue nature are recognised in the Statement of Comprehensive Income in the same period as the related expenditure

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 28 APRIL 2021

2. Accounting policies (continued)

2.7 Pensions

Defined contribution pension plan

The LLP operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the LLP pays fixed contributions into a separate entity. Once the contributions have been paid the LLP has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the LLP in independently administered funds.

2.8 Intangible assets

Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight-line basis to the Statement of Comprehensive Income over its useful economic life.

Other intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

The estimated useful lives range as follows:

Goodwill	-	Over 20 years
Computer software	-	Over 3 years

2.9 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 28 APRIL 2021**

2. Accounting policies (continued)

2.9 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Plant and machinery	- Over 4 to 5 years
Motor vehicles	- Over 4 to 5 years
Fixtures and fittings	- Over 2 to 4 years

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.10 Investment property

Investment properties are carried at fair value reviewed annually by the members, with reference to external valuers if necessary and derived from current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the Statement of Comprehensive Income.

2.11 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.12 Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.13 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the LLP's cash management.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 28 APRIL 2021**

2. Accounting policies (continued)

2.14 Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.15 Financial instruments

The LLP only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

2.16 Tax provisions

The taxation payable on profits is the personal liability of the members and is not provided for in these financial statements.

3. Judgements in applying accounting policies and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date, and the amounts reported for revenues and expenses during the period.

The following judgements and estimates can have a significant effect on the financial statements:

Discounts payable to customers

Provision for discounts payable to customers is made through the Statement of Comprehensive Income in the period that the associated sale occurs. Provisions are made in line with agreed discount rates.

Investment property valuation

Investment properties are carried at fair value reviewed annually by the members, with reference to external valuers if necessary and derived from current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in the Statement of Comprehensive Income.

4. Turnover

Turnover, which is stated net of value added tax, represents amounts invoiced to third parties, usually on delivery of the goods, in the United Kingdom, and is attributable to the continuing principal activity of the LLP.

All turnover arose within the United Kingdom.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 28 APRIL 2021**

5. Other operating income

	52 weeks ended 28 April 2021 £	53 weeks ended 29 April 2020 £
Net rental income from investment property	88,999	95,653
Government grants receivable	134,938	10,862
Sundry income	25,000	-
	<u>248,937</u>	<u>106,515</u>

6. Operating profit

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

	52 weeks ended 28 April 2021 £	53 weeks ended 29 April 2020 £
Auditor's remuneration - audit services	10,000	9,500
Auditor's remuneration - non-audit services	4,000	3,750
Operating lease payments - land and buildings	112,320	112,320
Operating lease payments - other	(201)	2,314
Amortisation of intangible assets	30,920	28,750
Depreciation of owned assets	58,213	54,765
Depreciation of assets held under hire purchase agreements	57,856	45,856
Profit on disposal of tangible fixed assets	<u>-</u>	<u>(8,120)</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 28 APRIL 2021**

7. Employees

Staff costs, including members' remuneration, were as follows:

	52 weeks ended 28 April 2021 £	53 weeks ended 29 April 2020 £
Wages and salaries	1,008,310	990,559
Social security costs	92,948	98,966
Cost of defined contribution scheme	28,950	25,204
	<u>1,130,208</u>	<u>1,114,729</u>

The average monthly number of employees during the period was 37 (2020 - 35).

8. Interest receivable

	52 weeks ended 28 April 2021 £	53 weeks ended 29 April 2020 £
Other interest receivable	927	1,629
	<u>927</u>	<u>1,629</u>

9. Interest payable and similar expenses

	52 weeks ended 28 April 2021 £	53 weeks ended 29 April 2020 £
Finance leases and hire purchase contracts	3,469	4,315
	<u>3,469</u>	<u>4,315</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 28 APRIL 2021

10. Intangible assets

	Computer software £	Goodwill £	Total £
Cost			
At 30 April 2020	-	575,000	575,000
Additions	31,250	-	31,250
At 28 April 2021	31,250	575,000	606,250
Amortisation			
At 30 April 2020	-	361,770	361,770
Charge for the period on owned assets	2,170	28,750	30,920
At 28 April 2021	2,170	390,520	392,690
Net book value			
At 28 April 2021	29,080	184,480	213,560
At 29 April 2020	-	213,230	213,230

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 28 APRIL 2021

11. Tangible fixed assets

	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Total £
Cost or valuation				
At 30 April 2020	214,113	288,906	142,634	645,653
Additions	27,880	164,000	-	191,880
At 28 April 2021	241,993	452,906	142,634	837,533
Depreciation				
At 30 April 2020	175,959	166,461	102,228	444,648
Charge for the period on owned assets	18,834	23,000	16,379	58,213
Charge for the period on financed assets	-	57,856	-	57,856
At 28 April 2021	194,793	247,317	118,607	560,717
Net book value				
At 28 April 2021	47,200	205,589	24,027	276,816
At 29 April 2020	38,154	122,445	40,406	201,005

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	28 April 2021 £	29 April 2020 £
Motor vehicles	136,589	122,445
	136,589	122,445

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 28 APRIL 2021

12. Investment property

	Freehold investment property £
Valuation	
At 30 April 2020	255,000
Additions at cost	932,220
	<u>1,187,220</u>
At 28 April 2021	<u>1,187,220</u>

The 2021 valuations were made by the designated members, on a fair value basis.

If the Investment properties had been accounted for under the historic cost accounting rules, the properties would have been measured as follows:

	28 April 2021 £	29 April 2020 £
Historic cost	1,187,220	255,000
	<u>1,187,220</u>	<u>255,000</u>

13. Stocks

	28 April 2021 £	29 April 2020 £
Finished goods and goods for resale	154,479	157,658
	<u>154,479</u>	<u>157,658</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 28 APRIL 2021

14. Debtors

	28 April 2021 £	29 April 2020 £
Trade debtors	909,193	1,229,517
Other debtors	207,117	268,507
Prepayments and accrued income	40,888	40,885
Amounts due from members	1,369,069	1,244,241
	<u>2,526,267</u>	<u>2,783,150</u>

15. Cash and cash equivalents

	28 April 2021 £	29 April 2020 £
Cash at bank and in hand	1,203,396	1,708,994
Less: bank overdrafts	(955)	-
	<u>1,202,441</u>	<u>1,708,994</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 28 APRIL 2021**

16. Creditors: Amounts falling due within one year

	28 April 2021 £	<i>29 April 2020 £</i>
Bank overdrafts	955	-
Trade creditors	2,343,608	2,622,163
Amounts owed to related parties	1,071,354	806,233
Other taxation and social security	8,117	58,821
Obligations under finance lease and hire purchase contracts	58,615	41,891
Accruals and deferred income	217,444	91,772
	<u>3,700,093</u>	<i><u>3,620,880</u></i>

The following liabilities were secured:

	28 April 2021 £	<i>29 April 2020 £</i>
Obligations under finance lease and hire purchase contracts	58,615	41,891
	<u>58,615</u>	<i><u>41,891</u></i>

Obligations under finance leases and hire purchase contracts are secured on the assets to which they relate.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 28 APRIL 2021

17. Creditors: Amounts falling due after more than one year

	28 April 2021 £	29 April 2020 £
Net obligations under finance leases and hire purchase contracts	74,383	73,496
	<u>74,383</u>	<u>73,496</u>

The following liabilities were secured:

	28 April 2021 £	29 April 2020 £
Net obligations under finance leases and hire purchase contracts	74,383	73,496
	<u>74,383</u>	<u>73,496</u>

Obligations under finance leases and hire purchase contracts are secured on the assets to which they relate.

18. Hire purchase and finance leases

	28 April 2021 £	29 April 2020 £
Within one year	58,615	41,891
Between 1-5 years	34,692	43,260
Over 5 years	39,691	30,236
	<u>132,998</u>	<u>115,387</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 28 APRIL 2021**

19. Loans and other debts due to members

	28 April 2021 £	<i>29 April 2020 £</i>
Members' capital treated as debt	1,267,000	<i>1,267,000</i>
Other amounts due to members	1,447,541	<i>1,327,661</i>
Other reserves	(970,000)	<i>(970,000)</i>
	<hr/> 1,744,541 <hr/>	<hr/> <i>1,624,661</i> <hr/>

All amounts fall due within one year.

The profits are divided and allocated retrospectively by agreement amongst the members. Accordingly, there is no automatic allocation of profits amongst designated members at the balance sheet date. As a result, profits available for allocation amongst the designated members at the balance sheet date is included in members' other interests. Allocated profits in excess of members' drawings are classified as amounts due to members.

Members' other interests rank after unsecured creditors, and loans and other debts due to members rank *pari passu* with unsecured creditors in the event of a winding up. The amount of capital each member is required to subscribe is determined by the membership agreement. A member may only withdraw capital when they cease to be a member.

One of the members of the LLP, H2H (Produce) Limited has contributed its business at fair value in return for an income and capital interest. H2H (Produce) Limited is entitled to a priority return of its capital contribution of £1,262,000 on a sale or winding up of the LLP.

20. Pension commitments

The entity operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the entity in an independently administered fund. The pension cost charge represents contributions payable by the entity to the fund and amounted to £28,950 (2020 - £25,204). Contributions totalling £Nil (2020 - £Nil) were payable to the fund at the balance sheet date and are included in creditors.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 28 APRIL 2021**

21. Commitments under operating leases

At 28 April 2021 the LLP had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	28 April 2021 £	<i>29 April 2020 £</i>
Not later than 1 year	112,320	<i>112,320</i>
Later than 1 year and not later than 5 years	177,840	<i>290,160</i>
	<u>290,160</u>	<i><u>402,480</u></i>

22. Related party transactions

During the period the LLP made sales, net of value added tax, of £1,819,400 (2020 - £2,509,002) to a company under common control. £175,707 (2020 - £159,614) inclusive of value added tax was outstanding at the period end and is included within trade debtors.

The LLP made purchases, net of value added tax, of £183,686 (2020 - £191,616) from the same entity under common control. £833 (2020 - £243,998) inclusive of value added tax was outstanding at the period end and is included within trade creditors.

In addition, an amount of £90,790 (2020 - £125,450), exclusive of value added tax, has been included in the financial statements in respect of a volume rebate. Unpaid rebates and recharges totalling £897,204 (2020 - £806,233) are included within 'amounts due to related parties', inclusive of value added tax.

Rent of £112,320 (2020 - £112,320) was paid to a member's pension scheme during the period, none of which was outstanding at the period end.

Included within other debtors is an amount of £93,777 (2020 - £85,042) due from an LLP in which a member is also a member. The loan is interest free and repayable on demand.

23. Post balance sheet events

After the period end date the LLP disposed of an investment property, valued at £932,220 in these financial statements, to a related party. The transaction took place at fair value.

24. Controlling party

In the opinion of the members, Mr J Holland has ultimate control of the LLP.

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