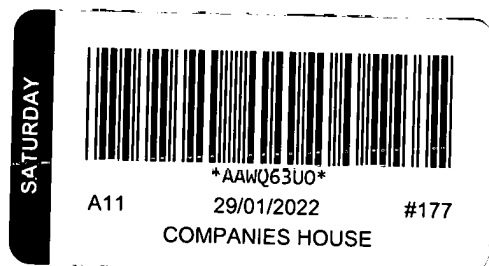


Company Registration No. 02799556 (England and Wales)

LEN WRIGHT LTD.

**ANNUAL REPORT AND FINANCIAL
STATEMENTS**

FOR THE YEAR ENDED 30 APRIL 2021



LEN WRIGHT LTD.

COMPANY INFORMATION

Directors	L Wright C P Wright K F Wright
Secretary	C P Wright
Company number	02799556
Registered office	Rutland Taylors Meanygate Tarleton Preston Lancashire PR4 6XB
Auditor	Jackson Stephen LLP James House Stonecross Business Park Yew Tree Way Warrington Cheshire WA3 3JD
Business address	Rutland Taylors Meanygate Tarleton Preston Lancashire PR4 6XB
Bankers	HSBC Bank plc 49a Fishergate Preston Lancashire PR1 8BH

LEN WRIGHT LTD.

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LEN WRIGHT LTD.

STRATEGIC REPORT

FOR THE YEAR ENDED 30 APRIL 2021

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

Fair review of the business

On 12 May 2020, the group acquired a further 6.6% shareholding in Len Wright Salads Limited, bringing its shareholding up to 50.74%, bringing the company back into the group.

The directors were satisfied with the results for the year given the effect that the global pandemic had on the economy which resulted in a complete variation in the sales mix to what was previously seen as normal. Growth in sales is expected to continue into 2022 as once again customer feedback shows that the group continues to perform well in both the supply chain and quality of products offered despite the challenges posed by Covid-19.

The group has again passed all of its external audits from BRC, Red Tractor, F2F, Leaf Marque along with all of the audits carried out by customers. The group was subjected to its annual ethical audit, which it met and again passed all the standards set down.

Principal risks and uncertainties

The current pandemic continues to cause fluctuations in volumes of products sold making forecasting difficult.

Brexit has brought issues with the staffing situation, lack of good quality, knowledgeable staff will also remain an issue for the coming year and costs of employment are expected to rise as a consequence. Exchange rate fluctuations continue to cause issues but careful monitoring and planning have helped.

Key performance indicators

As noted above, the financial key performance indicators monitored this year are sales values and gross margin. Other important financial key performance indicators as also noted above include performance at all external audits in relation to the group's processes and procedures. All were passed with no issues noted.

Future performance

The group expects to continue to invest in companies in the supply chain of food production.

2021/22 will see a further investment in our warehousing capacity, enabling further future growth. This year's performance is testament to the hard work and dedication to our staff.

Section 172(1) Statement

The directors of Len Wright Ltd. consider that they have acted in the way they consider, in good faith, would be most likely to promote the success of the group for the benefit of its members as a whole (having regard to the stakeholders and matters set out in S172(1) (a) - (f) of the Companies Act 2006) in the decisions taken during the year ended 30 April 2021:

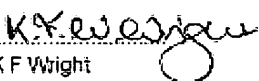
- Our plan was designed to have a long term beneficial impact on the group and to contribute to its success in delivering a high quality of service across all areas of our business.
- Our team members are fundamental to the delivery of our plan. We aim to be a responsible employer in our approach to the pay and benefits our team members receive. The health, safety and well being of our team members is one of our primary considerations in the way we do business.
- Engagement with suppliers and customers is key to our success. We meet with our key stakeholders regularly throughout the year and take appropriate action, where necessary, to prevent involvement in modern slavery, corruption, bribery and breaches of competition law.
- Our plan takes into account the impact of the group operations on the community, environment and our wider social responsibilities, in particular how we comply with environmental legislation, pursue waste saving opportunities and react promptly to local community concerns.
- Our intention is to behave responsibly and ensure that management operate the business in a responsible manner. Operating within the high standards of business conduct and good governance expected for a business such as ours and in doing so, will contribute to the delivery of our plan. The intention is to nurture our reputation, through both the construction and delivery of our plan, that reflects our responsible behaviour.

LEN WRIGHT LTD.

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2021

On behalf of the board


K F Wright

Director

28 January 2022

LEN WRIGHT LTD.

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 APRIL 2021

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

Results and dividends

The results for the year are set out on page 10.

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

Directors

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

L Wright
C P Wright
K F Wright

Financial instruments

Treasury operations and financial instruments

The group operates a treasury function which is responsible for managing the liquidity, interest, foreign currency and credit risks associated with the group's activities.

The group's principal financial instruments include derivative financial instruments, the purpose of which is to manage currency risks and interest rate risks arising from the group's activities. In addition, the group has various other financial assets and liabilities such as trade debtors and trade creditors arising directly from its operations. Derivative transactions which the group enters into principally comprise forward exchange contracts. In accordance with group's treasury policy, derivative instruments are not entered into for speculative purposes.

Liquidity risk

The group manages its cash and borrowing requirements in order to maximise interest income and minimise interest expense, whilst ensuring the group has sufficient liquid resources to meet the operating needs of the business.

Interest rate risk

The group is exposed to fair value interest rate risk on its fixed rate borrowings and cash flow interest rate risk on floating rate deposits, bank overdrafts and loans. The group uses interest rate derivatives to manage the mix of fixed and variable rate debt so as to reduce its exposure to changes in interest rates.

Foreign currency risk

The group's principal foreign currency exposures arise from trading with overseas companies. Group policy permits but does not demand that these exposures be hedged in order to fix the cost in sterling. This hedging activity involves the use of foreign exchange forward contracts.

Credit risk

Investments of cash surpluses, borrowings and derivative instruments are made through banks and companies which must fulfil credit rating criteria approved by the Board.

All customers who wish to trade on credit terms are subject to credit verification procedures. Trade debtors are monitored on an ongoing basis and provision is made for doubtful debts where necessary.

LEN WRIGHT LTD.

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2021

Business relationships

Stakeholder	Why it is important to engage	Ways to engage	Stakeholders key interest
Customers	Engagement with our customers enables us to understand our customers' needs, empowers us to deliver relevant produce along with an excellent level of service whilst retaining existing customers and attracting new ones.	Social media, website and satisfaction surveys. Regular meetings to build long-term relationships and product updates.	Availability of a range of products and prices.
Employees	Our employees are fundamental in delivering the customer experience and the key to our business success.	Recognition and reward environment, regular training and apprenticeship programmes along with bonus schemes. Group forums and completion of annual surveys.	Career progression, remuneration and benefits, training and development, employee interaction and well-being.
Suppliers	Engagement with our supply chain ensures that we are able to supply our customers with the products they desire whilst maintaining supply security as much as possible.	Regular supplier meetings, in some cases daily, and discussions to enable us to build long term relationships and assess continuity and security of supply.	Logistical efficiencies, cost efficiencies, maintenance of quality product supply and good working relationships.
Government	Policies and regulatory changes may provide opportunities or pose risks to our operations.	Engaging with HMRC and HSE etc. Submission of tax returns and payment of all taxes.	Payment of the correct tax at the correct times. Compliance with laws and regulations.

Auditor

The auditor, Jackson Stephen LLP, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

Energy and carbon report

This section includes our mandatory reporting of energy and greenhouse gas emissions for the period 1 May 2020 to 30 April 2021, pursuant to the Companies (Directors Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018, implementing the Government's Streamlined Energy and Carbon Reporting (SECR) policy.

Statement of carbon emissions in compliance with Streamlined Energy and Carbon Reporting (SECR) covering energy use and associated greenhouse gas emissions relating to gas, electricity and transport, intensity ratios and information relating to energy efficiency actions.

We report using a financial control approach to define our organisational boundary. We have reported all material emission sources required by the regulations for which we deem ourselves to be responsible and have maintained records of all source data and calculations.

The table below provides a summary of all energy consumption for the relevant scope and associated carbon emissions.

LEN WRIGHT LTD.

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 30 APRIL 2021

	2021 kWh
<i>Energy consumption</i>	
Aggregate of energy consumption in the year	4,316,747
	2021 metric tonnes
<i>Emissions of CO2 equivalent</i>	
Scope 1 - direct emissions	
- Gas combustion	8.17
- Fuel consumed for owned transport	9.49
	17.66
Scope 2 - indirect emissions	
- Electricity purchased	1,006.53
Scope 3 - other indirect emissions	
- Fuel consumed for transport not owned by the	-
Total gross emissions	1,024.19
<i>Intensity ratio</i>	
Tonnes CO2e per average employee	4.6

Quantification and reporting methodology

The group has followed the 2019 HM Government Environmental Reporting Guidelines. The group has also used the GHG Reporting Protocol – Corporate Standard and have used the 2020 UK Government's Conversion Factors for Company Reporting

Intensity measurement

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO2e per average employee.

Measures taken to improve energy efficiency

We have installed 100kw PV solar energy panels and are in negotiations to install a further 600Kwh. We are replacing our lighting throughout the building with LED lighting and we have begun installing electric vehicle hook-up points. We monitor and promote car sharing with staff who travel by car to work. We are reducing water consumption by installing remote electronic measuring equipment. We have engaged a consultancy company, "Made Smarter", who provide assistance with manufacturers to develop technology to improve efficiency in their processes.

LEN WRIGHT LTD.

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 APRIL 2021

Statement of directors' responsibilities

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

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 group and company, and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and 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 group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

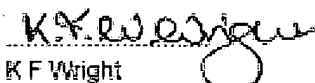
Strategic report

The group has chosen in accordance with Companies Act 2006, s. 414C(11) to set out in the group's strategic report information required by Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, Sch. 7 to be contained in the directors' report.

Statement of disclosure to auditor

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

On behalf of the board



K F Wright
Director

28 January 2022

LEN WRIGHT LTD.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF LEN WRIGHT LTD.

Opinion

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

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent company's affairs as at 30 April 2021 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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

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

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

LEN WRIGHT LTD.

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF LEN WRIGHT LTD.

Opinions on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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 directors' responsibilities statement included within the directors' report, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the parent 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 group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Based on our understanding of the group and sector, we identified that the principal risks of non-compliance with laws and regulations related to, but was not limited to, the Companies Act 2006, UK tax legislation and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls) and determined that the principal risks were related to management bias in accounting estimates and judgements, cut-off, purchases and stock.

LEN WRIGHT LTD.

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF LEN WRIGHT LTD.

Our procedures to respond to risks identified included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- enquiring of management about actual and potential litigation and claims;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- obtaining an understanding of provisions and holding discussions with management to understand the basis of recognition or non-recognition of tax provisions;
- reviewed post year end documentation and transactions surrounding the year end to ensure cut-off has been correctly applied; and
- in addressing the risk of fraud through management override of controls: testing the appropriateness of journal entries; assessing whether the accounting estimates, judgements and decisions made by management are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any. Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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

Use of our report

This report is made solely to the 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 an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Jackson Stephen LLP

Peter Atkinson F.C.A. (Senior Statutory Auditor)
For and on behalf of Jackson Stephen LLP

Date: 28 January 2022

Chartered Accountants
Statutory Auditor

James House
Stonecross Business Park
Yew Tree Way
Warrington
Cheshire
WA3 3JD

LEN WRIGHT LTD.

GROUP STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 APRIL 2021

	Notes	2021 £	2020 £
Turnover	3	43,474,524	-
Cost of sales		(35,429,700)	-
Gross profit		8,044,824	-
Administrative expenses		(5,657,713)	(19,452)
Other operating income		48,528	-
Operating profit/(loss)	4	2,435,639	(19,452)
Share of results of associates and joint ventures		-	(358,062)
Interest receivable and similar income	8	-	1,914
Interest payable and similar expenses	9	(323,981)	-
Profit/(loss) before taxation		2,111,658	(375,600)
Tax on profit/(loss)	10	(59,430)	-
Profit/(loss) for the financial year	25	2,052,228	(375,600)
Profit/(loss) for the financial year is attributable to:			
- Owners of the parent company		935,101	(375,600)
- Non-controlling interests		1,117,127	-
		2,052,228	(375,600)
Total comprehensive income for the year is attributable to:			
- Owners of the parent company		935,101	(375,600)
- Non-controlling interests		1,117,127	-
		2,052,228	(375,600)

The statement of comprehensive income has been prepared on the basis that all operations are continuing operations.

LEN WRIGHT LTD.

GROUP BALANCE SHEET

AS AT 30 APRIL 2021

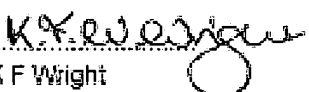
	Notes	2021 £	£	2020 £	£
Fixed assets					
Goodwill	11	183,916		-	
Tangible assets	12	12,968,354		11,450	
Investments	13	672,399		1,303,696	
			13,824,669		1,315,146
Current assets					
Stocks	15	499,261		-	
Debtors	16	4,601,989		1,084,213	
Cash at bank and in hand		1,888,848		458,858	
			6,990,098		1,543,071
Creditors: amounts falling due within one year	17	(6,062,629)		(10,687)	
Net current assets			927,469		1,532,384
Total assets less current liabilities			14,752,138		2,847,530
Creditors: amounts falling due after more than one year	18	(6,954,751)			-
Provisions for liabilities					
Deferred tax liability	21	391,979		1,947	
			(391,979)		(1,947)
Government grants	22		(1,297,363)		-
Net assets			6,108,045		2,845,583
Capital and reserves					
Called up share capital	24		3		3
Capital redemption reserve	25		1		1
Profit and loss reserves	25		3,780,680		2,845,579
Equity attributable to owners of the parent company			3,780,684		2,845,583
Non-controlling interests			2,327,361		-
			6,108,045		2,845,583

LEN WRIGHT LTD.

GROUP BALANCE SHEET (CONTINUED)

AS AT 30 APRIL 2021

The financial statements were approved by the board of directors and authorised for issue on 28 January 2022 and are signed on its behalf by:


K F Wright
Director

LEN WRIGHT LTD.

COMPANY BALANCE SHEET

AS AT 30 APRIL 2021

	Notes	2021 £	£	2020 £	£
Fixed assets					
Tangible assets	12	11,450		11,450	
Investments	13	1,252,750		552,750	
		<u>1,264,200</u>		<u>564,200</u>	
Current assets					
Debtors	16	407,040		1,084,213	
Cash at bank and in hand		232,036		458,858	
		<u>639,076</u>		<u>1,543,071</u>	
Creditors: amounts falling due within one year	17	(1,846)		(10,687)	
Net current assets		<u>637,230</u>		<u>1,532,384</u>	
Total assets less current liabilities		<u>1,901,430</u>		<u>2,096,584</u>	
Provisions for liabilities					
Deferred tax liability	21	1,947		1,947	
		<u>(1,947)</u>		<u>(1,947)</u>	
Net assets		<u>1,899,483</u>		<u>2,094,637</u>	
Capital and reserves					
Called up share capital	24	3		3	
Capital redemption reserve	25	1		1	
Profit and loss reserves	25	1,899,479		2,094,633	
Total equity		<u>1,899,483</u>		<u>2,094,637</u>	

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's loss for the year was £195,154 (2020 - £17,538 loss).

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

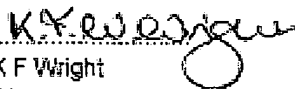
These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

LEN WRIGHT LTD.

COMPANY BALANCE SHEET (CONTINUED)

AS AT 30 APRIL 2021

The financial statements were approved by the board of directors and authorised for issue on 28 January 2022 and are signed on its behalf by:


K F Wright
Director

Company Registration No. 02799556

LEN WRIGHT LTD.

**GROUP STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 APRIL 2021**

	Share capital £	Capital redemption reserve £	Profit and loss reserves £	Total controlling interest £	Non- controlling interest £	Total £
Balance at 1 May 2019	3	1	3,221,179	3,221,183	-	3,221,183
Year ended 30 April 2020:						
Loss and total comprehensive income for the year	-	-	(375,600)	(375,600)	-	(375,600)
Balance at 30 April 2020	3	1	2,845,579	2,845,583	-	2,845,583
Year ended 30 April 2021:						
Profit and total comprehensive income for the year	-	-	935,101	935,101	1,117,127	2,052,228
Acquisition of subsidiary	-	-	-	-	1,210,234	1,210,234
Balance at 30 April 2021	3	1	3,780,680	3,780,684	2,327,361	6,108,045

LEN WRIGHT LTD.

COMPANY STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 APRIL 2021

	Share capital £	Capital redemption reserve £	Profit and loss reserves £	Total £
Balance at 1 May 2019	3	1	2,112,171	2,112,175
Year ended 30 April 2020:				
Loss and total comprehensive income for the year	-	-	(17,538)	(17,538)
Balance at 30 April 2020	3	1	2,094,633	2,094,637
Year ended 30 April 2021:				
Loss and total comprehensive income for the year	-	-	(195,154)	(195,154)
Balance at 30 April 2021	3	1	1,899,479	1,899,483

LEN WRIGHT LTD.

GROUP STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 APRIL 2021

	Notes	2021 £	£	2020 £	£
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	31	3,023,926		(14,139)	
Interest paid		(323,981)		-	
Income taxes refunded/(paid)		94,703		-	
Net cash inflow/(outflow) from operating activities		2,794,648		(14,139)	
Investing activities					
Purchase of tangible fixed assets		(558,332)		-	
Proceeds on disposal of tangible fixed assets		7,555		-	
Cash inflow on acquisition of subsidiaries		148,756		-	
Interest received		-		1,914	
Net cash (used in)/generated from investing activities		(402,021)		1,914	
Financing activities					
Repayment of borrowings		(72,075)		-	
Repayment of bank loans		(886,813)		-	
Payment of finance leases obligations		(3,749)		-	
Net cash used in financing activities		(962,637)		-	
Net increase/(decrease) in cash and cash equivalents		1,429,990		(12,225)	
Cash and cash equivalents at beginning of year		458,858		471,083	
Cash and cash equivalents at end of year		1,888,848		458,858	

LEN WRIGHT LTD.

NOTES TO THE GROUP FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 APRIL 2021

1 Accounting policies

Company information

Len Wright Ltd. ("the company") is a private company limited by shares incorporated in England and Wales. The registered office and principal place of business is Rutland, Taylors Meanygate, Tarleton, Preston, Lancashire, PR4 6XB.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The group consists of Len Wright Ltd. and all of its subsidiaries.

1.1 Accounting convention

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

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

The company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements for parent company information presented within the consolidated financial statements:

- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues: Interest income/expense and net gains/losses for financial instruments not measured at fair value; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 26 'Share based Payment': Share-based payment expense charged to profit or loss, reconciliation of opening and closing number and weighted average exercise price of share options, how the fair value of options granted was measured, measurement and carrying amount of liabilities for cash-settled share-based payments, explanation of modifications to arrangements;
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

1.2 Basis of consolidation

The consolidated group financial statements consist of the financial statements of the parent company Len Wright Ltd. together with all entities controlled by the parent company (its subsidiaries) and the group's share of its interests in joint ventures and associates.

All financial statements are made up to 30 April 2021. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

1.3 Going concern

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

LEN WRIGHT LTD.

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

1 Accounting policies

(Continued)

1.4 Turnover

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

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

1.5 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of a business over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is 10 years.

For the purposes of impairment testing, goodwill is allocated to the cash-generating units expected to benefit from the acquisition. Cash-generating units to which goodwill has been allocated are tested for impairment at least annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

1.6 Tangible fixed assets

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

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

Freehold land and buildings	2% straight line basis
Plant and equipment	10% straight line basis
Fixtures and fittings	20% and 33% per annum straight line basis
Motor vehicles	25% per annum reducing balance basis

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

1.7 Fixed asset investments

Equity investments are measured at fair value through profit or loss, except for those equity investments that are not publicly traded and whose fair value cannot otherwise be measured reliably, which are recognised at cost less impairment until a reliable measure of fair value becomes available.

In the parent company financial statements, investments in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

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

LEN WRIGHT LTD.

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

1 Accounting policies

(Continued)

1.8 Impairment of fixed assets

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

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

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

1.9 Stocks

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

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.10 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.11 Financial instruments

The group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the group's balance sheet when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

LEN WRIGHT LTD.

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

1 Accounting policies

(Continued)

Other financial assets

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

Impairment of financial assets

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

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

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

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the group transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

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

LEN WRIGHT LTD.

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

1 Accounting policies

(Continued)

1.12 Equity instruments

Equity instruments issued by the group are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the group.

1.13 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset if, and only if, there is a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.14 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.15 Retirement benefits

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

LEN WRIGHT LTD.

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

1 Accounting policies

(Continued)

1.16 Leases

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

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

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

1.17 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

Income from the Coronavirus Job Retention Scheme is included within other operating income and is accounted for on a receivable basis.

1.18 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

2 Judgements and key sources of estimation uncertainty

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

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

The directors consider there to be the following area of significant estimation:

Estimated useful lives and residual value of fixed assets - depreciation of tangible fixed assets has been based on estimated useful lives and residual values deemed appropriate by the directors.

LEN WRIGHT LTD.

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

3 Turnover and other revenue

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

	2021 £	2020 £
Turnover analysed by class of business		
Produce sales	39,753,049	-
Handling and distribution	3,609,190	-
Other income	112,285	-
	<u>43,474,524</u>	<u>-</u>

	2021 £	2020 £
Turnover analysed by geographical market		
United Kingdom	43,373,996	-
Europe	100,528	-
	<u>43,474,524</u>	<u>-</u>

	2021 £	2020 £
Other significant revenue		
Interest income	-	1,914
Grants received	80,191	-
	<u>80,191</u>	<u>-</u>

4 Operating profit/(loss)

	2021 £	2020 £
Operating profit/(loss) for the year is stated after charging/(crediting):		
Exchange gains	(89,440)	-
Government grants	(80,191)	-
Depreciation of owned tangible fixed assets	1,047,153	-
Depreciation of tangible fixed assets held under finance leases	1,874	-
Loss on disposal of tangible fixed assets	55,846	-
Amortisation of intangible assets	20,435	-
	<u>1,045,677</u>	<u>-</u>

5 Auditor's remuneration

	2021 £	2020 £
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the group and company	3,000	2,725
Audit of the financial statements of the company's subsidiaries	8,750	-
	<u>11,750</u>	<u>2,725</u>

LEN WRIGHT LTD.

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

5 Auditor's remuneration (Continued)

For other services

Taxation compliance services	1,275	-
Other taxation services	11,000	-
All other non-audit services	21,680	-
	<u>33,955</u>	<u>-</u>

6 Employees

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

	Group 2021 Number	2020 Number	Company 2021 Number	2020 Number
Administration	16	3	3	3
Production	209	-	-	-
	<u>225</u>	<u>3</u>	<u>3</u>	<u>3</u>

Their aggregate remuneration comprised:

	Group 2021 £	2020 £	Company 2021 £	2020 £
Wages and salaries	4,756,641	-	-	-
Social security costs	395,411	-	-	-
Pension costs	209,737	-	-	-
	<u>5,361,789</u>	<u>-</u>	<u>-</u>	<u>-</u>

7 Directors' remuneration

	2021 £	2020 £
Remuneration for qualifying services	<u>50,000</u>	<u>-</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 2 (2020 - 0).

LEN WRIGHT LTD.

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

8 Interest receivable and similar income

	2021	2020
	£	£
Interest income		
Interest on bank deposits	-	1,914
	<u> </u>	<u> </u>

9 Interest payable and similar expenses

	2021	2020
	£	£
Interest on bank overdrafts and loans	61,273	-
Interest on finance leases and hire purchase contracts	578	-
Other interest	262,130	-
	<u> </u>	<u> </u>
Total finance costs	323,981	-
	<u> </u>	<u> </u>

LEN WRIGHT LTD.

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

10 Taxation

	2021 £	2020 £
Deferred tax		
Origination and reversal of timing differences	59,430	-

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

	2021 £	2020 £
Profit/(loss) before taxation	2,111,658	(375,600)
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2020: 0%)	401,215	-
Tax effect of expenses that are not deductible in determining taxable profit	3,058	-
Tax effect of income not taxable in determining taxable profit	(46,644)	-
Tax effect of utilisation of tax losses not previously recognised	(425,290)	-
Unutilised tax losses carried forward	68,845	-
Change in unrecognised deferred tax assets	25,721	-
Depreciation on assets not qualifying for tax allowances	28,642	-
Amortisation on assets not qualifying for tax allowances	3,883	-
Taxation charge	59,430	-

Deferred tax has been calculated using a rate of 19% (2020: 19%).

A UK corporation tax rate of 25% was announced in the Chancellor's Budget of 3 March 2021, along with a temporary extension to the loss carry-back rules allowing up to £2m of tax losses to be carried back to the preceding 3 periods. The 25% rate will apply from 1 April 2023 and the carry-back of losses is expected to apply to the year ending 30 April 2021 only.

11 Intangible fixed assets

Group	Goodwill £
Cost	
At 1 May 2020	-
Additions	204,351
At 30 April 2021	204,351
Amortisation and impairment	
At 1 May 2020	-
Amortisation charged for the year	20,435
At 30 April 2021	20,435

LEN WRIGHT LTD.

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

11 Intangible fixed assets (Continued)

Carrying amount	
At 30 April 2021	183,916
At 30 April 2020	-

The company had no intangible fixed assets at 30 April 2021 or 30 April 2020.

12 Tangible fixed assets

Group	Freehold land and buildings £	Plant and equipment £	Fixtures and fittings £	Motor vehicles £	Total £
Cost					
At 1 May 2020	-	11,450	-	-	11,450
Additions	161,030	-	51,608	22,790	558,332
Additions on acquisition of subsidiaries	7,381,802	9,003,711	414,698	64,273	16,864,484
Disposals	(5,318)	(72,213)	-	(29,460)	(106,991)
At 30 April 2021	7,537,514	9,265,852	466,306	57,603	17,327,275
Depreciation and impairment					
At 1 May 2020	-	-	-	-	-
Depreciation charged in the year	145,989	814,605	80,152	8,281	1,049,027
Transferred in on acquisition of subsidiary	488,178	2,598,349	216,321	50,636	3,353,484
Eliminated in respect of disposals	(106)	(21,918)	-	(21,566)	(43,590)
At 30 April 2021	634,061	3,391,036	296,473	37,351	4,358,921
Carrying amount					
At 30 April 2021	6,903,453	5,874,816	169,833	20,252	12,968,354
At 30 April 2020	-	11,450	-	-	11,450

LEN WRIGHT LTD.

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

12 Tangible fixed assets (Continued)

Company	Plant and equipment £
Cost	
At 1 May 2020 and 30 April 2021	11,450
Depreciation and impairment	
At 1 May 2020 and 30 April 2021	-
Carrying amount	
At 30 April 2021	11,450
At 30 April 2020	11,450

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

	Group 2021 £	2020 £	Company 2021 £	2020 £
Plant and equipment	10,308	-	-	-

13 Fixed asset investments

	Notes	Group 2021 £	2020 £	Company 2021 £	2020 £
Investments in subsidiaries	14	-	-	700,000	-
Investments in associates		-	750,946	-	-
Unlisted investments		672,399	552,750	552,750	552,750
		672,399	1,303,696	1,252,750	552,750

LEN WRIGHT LTD.

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

13 Fixed asset investments

(Continued)

Movements in fixed asset investments Group

	Shares in group undertakings and participating interests	Other investments other than loans	Total
	£	£	£
Cost or valuation			
At 1 May 2020	750,946	552,750	1,303,696
Additions on acquisition of subsidiary	-	119,649	119,649
Adjustments to carrying value of associate	(750,946)	-	(750,946)
At 30 April 2021	-	672,399	672,399
Carrying amount			
At 30 April 2021	-	672,399	672,399
At 30 April 2020	750,946	552,750	1,303,696

Movements in fixed asset investments Company

	Shares in group undertakings	Other investments other than loans	Total
	£	£	£
Cost or valuation			
At 1 May 2020	-	552,750	552,750
Additions	700,000	-	700,000
At 30 April 2021	700,000	552,750	1,252,750
Carrying amount			
At 30 April 2021	700,000	552,750	1,252,750
At 30 April 2020	-	552,750	552,750

14 Subsidiaries

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

Name of undertaking	Registered office	Class of shares held	% Held Direct
Len Wright Salads Limited (06512836)	England and Wales	Ordinary	50.74

LEN WRIGHT LTD.

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

15 Stocks

	Group 2021 £	2020 £	Company 2021 £	2020 £
Finished goods and goods for resale	499,261	-	-	-

16 Debtors

	Group 2021 £	2020 £	Company 2021 £	2020 £
Amounts falling due within one year:				
Trade debtors	3,723,812	-	-	-
Other debtors	581,846	1,084,213	407,040	1,084,213
Prepayments and accrued income	154,110	-	-	-
	4,459,768	1,084,213	407,040	1,084,213

Amounts falling due after more than one year:

Deferred tax asset (note 21)	142,221	-	-	-
Total debtors	4,601,989	1,084,213	407,040	1,084,213

The movement on the debtor provisions in the year was:

	Group 2021 £	2020 £	Company 2021 £	2020 £
Balance at 1 May	12,386	-	-	-
Provided in the year	56,605	-	-	-
Reversed in the year	-	-	-	-
Balance at 30 April	68,991	-	-	-

LEN WRIGHT LTD.

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

17 Creditors: amounts falling due within one year

	Notes	Group 2021 £	2020 £	Company 2021 £	2020 £
Bank loans	19	886,737	-	-	-
Obligations under finance leases	20	3,843	-	-	-
Other borrowings	19	68,748	-	-	-
Trade creditors		4,098,232	-	-	-
Other taxation and social security		108,954	1,636	295	1,636
Other creditors		3,777	7,590	90	7,590
Accruals and deferred income		892,338	1,461	1,461	1,461
		<u>6,062,629</u>	<u>10,687</u>	<u>1,846</u>	<u>10,687</u>

18 Creditors: amounts falling due after more than one year

	Notes	Group 2021 £	2020 £	Company 2021 £	2020 £
Bank loans	19	6,842,112	-	-	-
Obligations under finance leases	20	7,714	-	-	-
Other borrowings	19	104,925	-	-	-
		<u>6,954,751</u>	<u>-</u>	<u>-</u>	<u>-</u>

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

Payable by instalments	2,069,235	-	-	-
	<u>2,069,235</u>	<u>-</u>	<u>-</u>	<u>-</u>

19 Loans and overdrafts

	Group 2021 £	2020 £	Company 2021 £	2020 £
Bank loans	7,728,849	-	-	-
Other loans	173,673	-	-	-
	<u>7,902,522</u>	<u>-</u>	<u>-</u>	<u>-</u>
Payable within one year	955,485	-	-	-
Payable after one year	6,947,037	-	-	-
	<u>6,947,037</u>	<u>-</u>	<u>-</u>	<u>-</u>

Bank loans and overdrafts and certain other loans are secured by way of a fixed and floating charge over the assets of the company. The bank loans are due to be repaid in full by 2038 and have an interest rate of 2.05% over base or 4.5% fixed. The other loans have an interest rate of 4.75% fixed.

LEN WRIGHT LTD.

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

20 Finance lease obligations

	Group 2021 £	2020 £	Company 2021 £	2020 £
Future minimum lease payments due under finance leases:				
Within one year	3,843	-	-	-
In two to five years	7,714	-	-	-
	<u>11,557</u>	<u>-</u>	<u>-</u>	<u>-</u>

Finance lease payments represent rentals payable by the company or group for certain items of plant and machinery. No restrictions are placed on the use of the assets. The average lease term is 3 years. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

Obligations under finance leases are secured upon the assets to which they relate.

21 Deferred taxation

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

Group	Liabilities 2021 £	Liabilities 2020 £	Assets 2021 £	Assets 2020 £
Accelerated capital allowances	391,979	1,947	-	-
Tax losses	-	-	142,221	-
	<u>391,979</u>	<u>1,947</u>	<u>142,221</u>	<u>-</u>
Company	Liabilities 2021 £	Liabilities 2020 £	Assets 2021 £	Assets 2020 £
Accelerated capital allowances	1,947	1,947	-	-
	<u>1,947</u>	<u>1,947</u>	<u>-</u>	<u>-</u>
			Group 2021 £	Company 2021 £
Movements in the year:				
Liability at 1 May 2020			1,947	1,947
Charge to profit or loss			59,430	-
Transfer in on acquisition of subsidiary			188,381	-
Liability at 30 April 2021			<u>249,758</u>	<u>1,947</u>

LEN WRIGHT LTD.

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

21 Deferred taxation

(Continued)

The deferred tax asset set out above is expected to reverse within 12 months and relates to the utilisation of tax losses against future expected profits of the same period. The deferred tax liability set out above is expected to reverse within 2 years and relates to accelerated capital allowances that are expected to mature within the same period.

22 Government grants

	Group 2021 £	2020 £	Company 2021 £	2020 £
Arising from government grants	1,297,363	-	-	-

23 Retirement benefit schemes

	2021 £	2020 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	209,737	-

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

At the reporting date there were outstanding contributions amounting to £1,984 (2020: £Nil).

24 Share capital

Group and company	2021 Number	2020 Number	2021 £	2020 £
Ordinary share capital Issued and fully paid				
Ordinary shares of £1 each	3	3	3	3

25 Reserves

Capital redemption reserve

The capital redemption reserve arose on previous transactions in relation to shareholding and is non distributable.

Profit and loss reserves

Profit and loss reserves represent the cumulative profits and losses, net of distributions to shareholders.

LEN WRIGHT LTD.

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

26 Acquisition of a business

On 12 May 2020, the company acquired a further 6.6 per cent of the ordinary share capital of Len Wright Salads Limited, increasing its share holding to 50.74 per cent. The consideration for the shares was settled by converting a loan due from the subsidiary in the amount of £700,000.

Net assets acquired	Book Value £	Adjustments £	Fair Value £
Fixed assets	13,511,000	-	13,511,000
Investments	119,649	-	119,649
Stock	485,570	-	485,570
Trade and other receivables	4,088,710	-	4,088,710
Cash and cash equivalents	148,756	-	148,756
Borrowings	(8,861,410)	-	(8,861,410)
Obligations under finance lease	(15,306)	-	(15,306)
Trade and other payables	(5,585,230)	-	(5,585,230)
Tax assets	94,703	-	94,703
Provisions	(1,341,232)	-	(1,341,232)
Deferred tax	(188,381)	-	(188,381)
Less carrying value of associate	-	(750,946)	(750,946)
Total identifiable net assets	<u>2,456,829</u>	<u>(750,946)</u>	<u>1,705,883</u>
Non-controlling interests			(1,210,234)
Goodwill			204,351
Total consideration			<u>700,000</u>

Contribution by the acquired business for the reporting period included in the group statement of comprehensive income since acquisition:

	£
Turnover	43,474,524
Profit after tax	<u>2,047,668</u>

LEN WRIGHT LTD.

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

27 Operating lease commitments

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

	Group		Company	
	2021	2020	2021	2020
	£	£	£	£
Within one year	30,750	-	-	-
Between two and five years	16,479	-	-	-
	<u>47,229</u>	<u>-</u>	<u>-</u>	<u>-</u>

28 Related party transactions

Transactions with related parties

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

	Sales		Purchases	
	2021	2020	2021	2020
	£	£	£	£
Group				
Other related parties	<u>964,679</u>	<u>-</u>	<u>3,544,420</u>	<u>-</u>

The following amounts were outstanding at the reporting end date:

Amounts due to related parties	2021	2020
	£	£
Group		
Other related parties	<u>133,860</u>	<u>-</u>

The following amounts were outstanding at the reporting end date:

Amounts due from related parties	2021	2020
	Balance	Balance
	£	£
Group		
Other related parties	<u>134,508</u>	<u>-</u>

LEN WRIGHT LTD.

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

29 Directors' transactions

Advances or credits have been granted by the group to its directors as follows:

Description	% Rate	Opening balance £	Amounts repaid £	Closing balance £
L Wright - Director	-	10,644	(10,644)	-
		<u>10,644</u>	<u>(10,644)</u>	<u>-</u>

The advance was interest free, repayable on demand and the group held no security in its respect.

30 Controlling party

The ultimate controlling party is L Wright.

31 Cash generated from/(absorbed by) group operations

	2021 £	2020 £
Profit/(loss) for the year after tax	2,052,228	(375,600)
Adjustments for:		
Share of results of associates and joint ventures	-	358,062
Taxation charged	59,430	-
Finance costs	323,981	-
Investment income	-	(1,914)
Loss on disposal of tangible fixed assets	55,846	-
Amortisation and impairment of intangible assets	20,435	-
Depreciation and impairment of tangible fixed assets	1,049,027	-
Decrease in provisions	(43,869)	-
Adjustment to carrying value in associate	(750,946)	-
Loss arising on conversion of associate	50,946	-
Movements in working capital:		
Increase in stocks	(13,691)	-
Decrease in debtors	713,155	-
(Decrease)/increase in creditors	(492,616)	5,313
Cash generated from/(absorbed by) operations	<u>3,023,926</u>	<u>(14,139)</u>

LEN WRIGHT LTD.

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

32 Analysis of changes in net funds/(debt) - group

	1 May 2020	Cash flows	Acquisitions and disposals	30 April 2021
	£	£	£	£
Cash at bank and in hand	458,858	1,429,990	-	1,888,848
Borrowings excluding overdrafts	-	958,888	(8,861,410)	(7,902,522)
Obligations under finance leases	-	3,749	(15,306)	(11,557)
	<u>458,858</u>	<u>2,392,627</u>	<u>(8,876,716)</u>	<u>(6,025,231)</u>