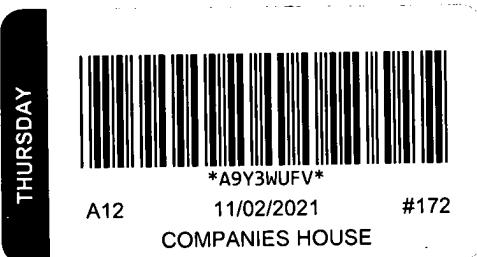


REGISTERED NUMBER: OC341326

Kelling Estate LLP
Financial statements
For the year ended
31 March 2020



Kelling Estate LLP

Financial statements

Year ended 31 March 2020

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Kelling Estate LLP

Designated members and professional advisers

Designated members

Mr G A Widdowson
Mrs B A Widdowson
Mrs H Widdowson

Registered office

Kelling Estate Office
Kelling
Norfolk
NR25 7EW

Auditor

Lovewell Blake LLP
Chartered accountants & statutory auditor
Bankside 300
Peachman Way
Broadland Business Park
Norwich
NR7 0LB

Kelling Estate LLP

Members' report

Year ended 31 March 2020

The members present their report and the financial statements of the LLP for the year ended 31 March 2020.

Principal activities

The principal activity of the LLP during the year was the operating of a country estate, including property management and farming.

Designated members

The designated members who served the LLP during the year were as follows:

Mr G A Widdowson
Mrs B A Widdowson
Kelling Trustee Ltd (Resigned 30 September 2019)

Mrs H Robertson was appointed as a designated member on 1 October 2020.

Policy regarding members' drawings and the subscription and repayment of amounts subscribed or otherwise contributed by members

Members are permitted to make drawings in anticipation of profits which will be allocated to them. The amount of such drawings is set at the beginning of each financial year, taking into account the anticipated cash needs of the LLP.

New members are required to subscribe a minimum level of capital and in subsequent years members are invited to subscribe for further capital, the amounts of which is determined by the performance and seniority of those members.

Members' responsibilities statement

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

Company law as applied to limited liability partnerships 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law as applied to limited liability partnerships 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 the profit or loss of the LLP for that period.

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

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the LLP 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 enable them to ensure that the financial statements comply with 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. 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.

Kelling Estate LLP

Members' report *(continued)*

Year ended 31 March 2020

Auditor

The auditor is deemed to have been re-appointed in accordance with section 487 of the Companies Act 2006 as applied to LLPs by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008.

This report was approved by the members on 23rd December 2020 and signed on behalf of the members by:

Mr G A Widdowson



Registered office:
Kelling Estate Office
Kelling
Norfolk
NR25 7EW

Kelling Estate LLP

Independent auditor's report to the members of Kelling Estate LLP

Year ended 31 March 2020

Opinion

We have audited the financial statements of Kelling Estate LLP (the 'LLP') for the year ended 31 March 2020 which comprise the statement of comprehensive income, statement of financial position, reconciliation of members' interests, statement of cash flows 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 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 LLP's affairs as at 31 March 2020 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 auditor's 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 UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

Kelling Estate LLP

Independent auditor's report to the members of Kelling Estate LLP *(continued)*

Year ended 31 March 2020

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 members are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

We report that the figures in relation to the comparative period have not been audited.

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, 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.

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.

Kelling Estate LLP

Independent auditor's report to the members of Kelling Estate LLP *(continued)*

Year ended 31 March 2020

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the members.
- Conclude on the appropriateness of the members' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the LLP's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the LLP to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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 to limited liability partnerships by the Limited Liability Partnerships (Accounts and Audit) (Application 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 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 LLP and the LLP's members as a body, for our audit work, for this report, or for the opinions we have formed.

Steven Scarlett

Steven Scarlett ACA (Senior Statutory Auditor)

For and on behalf of
Lovewell Blake LLP
Chartered accountants & statutory auditor
Bankside 300
Peachman Way
Broadland Business Park
Norwich
NR7 0LB

5th January 2021

Kelling Estate LLP

Statement of comprehensive income

Year ended 31 March 2020

		2020	2019
	Note	£	£
Turnover	4	4,155,330	3,751,685
Cost of sales		4,278,316	3,802,380
Gross loss		(122,986)	(50,695)
Administrative expenses		431,116	379,236
Other operating income	5	558,574	341,796
Revaluation of investment property		–	(3,531,576)
Operating profit	8	4,472	3,443,441
Loss on financial assets at fair value through profit or loss		(12,413)	(4,965)
(Loss)/profit for the financial year before members' remuneration and profit shares available for discretionary division among members		(7,941)	3,438,476
Fair value adjustment to BPS Entitlements		(12,413)	(4,965)
Other comprehensive income for the year		(12,413)	(4,965)
Total comprehensive income for the year		(20,354)	3,433,511

All the activities of the LLP are from continuing operations.

The notes on pages 12 to 19 form part of these financial statements.

Kelling Estate LLP

Statement of financial position

31 March 2020

		2020	2019
	Note	£	£
Fixed assets			
Intangible assets	10	52,135	64,548
Tangible assets	11	41,350,590	41,091,595
		<u>41,402,725</u>	<u>41,156,143</u>
Current assets			
Stocks	12	760,296	737,708
Debtors	13	190,559	128,873
Cash at bank and in hand		<u>220,897</u>	<u>405,718</u>
		<u>1,171,752</u>	<u>1,272,299</u>
Creditors: Amounts falling due within one year	14	<u>(656,323)</u>	<u>(638,333)</u>
Net current assets		<u>515,429</u>	<u>633,966</u>
Total assets less current liabilities		<u>41,918,154</u>	<u>41,790,109</u>
Net assets		<u>41,918,154</u>	<u>41,790,109</u>
Represented by:			
Loans and other debts due to members			
Other amounts		-	-
Members' other interests			
Members' capital classified as equity		38,650,310	38,501,911
Other reserves, including the fair value reserve		<u>3,267,844</u>	<u>3,288,198</u>
		<u>41,918,154</u>	<u>41,790,109</u>
Total members' interests			
Loans and other debts due to members		-	-
Members' other interests		<u>41,918,154</u>	<u>41,790,109</u>
		<u>41,918,154</u>	<u>41,790,109</u>

These financial statements were approved by the members and authorised for issue on 23 April 2020 and are signed on their behalf by:

Mr G A Widdowson
Designated Member

Registered number: OC341326

The notes on pages 12 to 19 form part of these financial statements.

Kelling Estate LLP

Reconciliation of members' interests

Year ended 31 March 2020

	Members' other interests			Loans and other debts due to members less any amounts due from members in debtors		Total members' interests
	Members' capital (classified as equity)	Other reserves, including the fair value reserve	Total	Other amounts	Total	Total 2020
	£	£	£	£	£	£
Balance at 1 April 2019	38,501,911	3,288,198	41,790,109	—	—	41,790,109
Loss for the financial year available for discretionary division among members	—	(7,941)	(7,941)	—	—	(7,941)
Members' interests after loss for the year	38,501,911	3,280,257	41,782,168	—	—	41,782,168
Introduced by members	—	—	—	355,000	355,000	355,000
Drawings	—	—	—	(219,014)	(219,014)	(219,014)
Reclassifications	135,986	—	135,986	(135,986)	(135,986)	—
Fair value adjustment to BPS Entitlements	—	(12,413)	(12,413)	—	—	(12,413)
Other movements	12,413	—	12,413	—	—	12,413
Balance at 31 March 2020	38,650,310	3,267,844	41,918,154	—	—	41,918,154

The reconciliation of members' interests continues on the following page.
The notes on pages 12 to 19 form part of these financial statements.

Kelling Estate LLP

Reconciliation of members' interests *(continued)*

Year ended 31 March 2020

	Members' other interests			Loans and other debts due to members less any amounts due from members in debtors		Total members' interests
	Members' capital (classified as equity)	Other reserves, including the fair value reserve	Total	Other amounts	Total	Total 2019
	£	£	£	£	£	£
Balance at 1 April 2018	37,091,574	(33,589)	37,057,985	—	—	37,057,985
Profit for the financial year available for discretionary division among members		3,438,476	3,438,476	—	—	3,438,476
Members' interests after profit for the year	37,091,574	3,404,887	40,496,461	—	—	40,496,461
Other division of profits		(111,724)	(111,724)	111,724	111,724	—
Introduced by members	1,405,372		1,405,372	167,681	167,681	1,573,053
Drawings				(279,405)	(279,405)	(279,405)
Reclassifications	—	—	—	—	—	—
Fair value adjustment to BPS Entitlements		(4,965)	(4,965)	—	—	(4,965)
Other movements	4,965	—	4,965	—	—	4,965
Balance at 31 March 2019	38,501,911	3,288,198	41,790,109	—	—	41,790,109

The notes on pages 12 to 19 form part of these financial statements.

Kelling Estate LLP

Statement of cash flows

Year ended 31 March 2020

	2020 £	2019 £
Cash flows from operating activities		
(Loss)/profit for the financial year	(7,941)	3,438,476
<i>Adjustments for:</i>		
Depreciation of tangible assets	213,663	212,242
Fair value adjustment of investment property	–	(3,531,576)
Government grant income	(215,053)	(164,590)
Loss on financial assets at fair value through profit or loss	12,413	4,965
Gains on disposal of tangible assets	(2,886)	(3,197)
Accrued expenses	9,307	92,377
<i>Changes in:</i>		
Stocks	(22,588)	(207,268)
Trade and other debtors	(61,686)	34,523
Trade and other creditors	8,683	10,573
Cash generated from operations	(66,088)	(113,475)
Net cash used in operating activities	(66,088)	(113,475)
Cash flows from investing activities		
Purchase of tangible assets	(473,772)	(1,314,221)
Proceeds from sale of tangible assets	4,000	36,000
Net cash used in investing activities	(469,772)	(1,278,221)
Cash flows from financing activities		
Capital introduced by members	355,000	1,573,053
Payments to members representing a return on amounts subscribed or otherwise contributed	(219,014)	(279,405)
Government grant income	215,053	164,590
Net cash from financing activities	351,039	1,458,238
Net (decrease)/increase in cash and cash equivalents	(184,821)	66,542
Cash and cash equivalents at beginning of year	405,718	339,176
Cash and cash equivalents at end of year	220,897	405,718

The notes on pages 12 to 19 form part of these financial statements.

Kelling Estate LLP

Notes to the financial statements

Year ended 31 March 2020

1. General information

The LLP is registered in England and Wales.

The address of the registered office is Kelling Estate Office, Kelling, Norfolk, NR25 7EW.

2. Statement of compliance

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', and the requirements of the Statement of Recommended Practice 'Accounting by Limited Liability Partnerships' issued in December 2018 (SORP 2018).

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Judgements 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. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax.

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

Revenue from the rendering of services is measured by reference to the stage of completion of the service transaction at the end of the reporting period provided that the outcome can be reliably estimated. When the outcome cannot be reliably estimated, revenue is recognised only to the extent that it is probable the expenses recognised will be recovered.

Members' participation rights

Members' participation rights are the rights of a member against the LLP that arise under the members' agreement (for example, in respect of amounts subscribed or otherwise contributed, remuneration and profits).

Members' participation rights in the earnings or assets of the LLP are analysed between those that are, from the LLP's perspective, either a financial liability or equity, in accordance with Section 22 of FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', and the requirements of the Statement of Recommended Practice 'Accounting by Limited Liability Partnerships'. A member's participation right results in a liability unless the right to any payment is discretionary on the part of the LLP.

Kelling Estate LLP

Notes to the financial statements *(continued)*

Year ended 31 March 2020

3. Accounting policies *(continued)*

Members' participation rights *(continued)*

Amounts subscribed or otherwise contributed by members, for example members' capital, are classed as equity if the LLP has an unconditional right to refuse payment to members. If the LLP does not have such an unconditional right, such amounts are classified as liabilities.

Where profits are automatically divided as they arise, so the LLP does not have an unconditional right to refuse payment, the amounts arising that are due to members are in the nature of liabilities. They are therefore treated as an expense in the statement of comprehensive income in the relevant year. To the extent that they remain unpaid at the year end, they are shown as liabilities in the statement of financial position.

Conversely, where profits are divided only after a decision by the LLP or its representative, so that the LLP has an unconditional right to refuse payment, such profits are classed as an appropriation of equity rather than as an expense. They are therefore shown as a residual amount available for discretionary division among members in the statement of comprehensive income and are equity appropriations in the statement of financial position.

Other amounts applied to members, for example remuneration paid under an employment contract and interest on capital balances, are treated in the same way as all other divisions of profits, as described above, according to whether the LLP has, in each case, an unconditional right to refuse payment.

All amounts due to members that are classified as liabilities are presented in the statement of financial position within 'Loans and other debts due to members' and are charged to the statement of comprehensive income within 'Members' remuneration charged as an expense'. Amounts due to members that are classified as equity are shown in the statement of financial position within 'Members' other interests'.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Agricultural buildings	-	4% straight line/15%-25% reducing balance
Plant and machinery	-	25% straight line/ 15%-25% reducing balance
Motor vehicles	-	25% reducing balance
Investment property	-	Not depreciated as held at valuation

Kelling Estate LLP

Notes to the financial statements *(continued)*

Year ended 31 March 2020

3. Accounting policies *(continued)*

Depreciation *(continued)*

Depreciation of £Nil has been charged on the commercial, holiday and long let residential properties held by the LLP as the members consider that the net realisable value of these assets is in excess of cost.

Stocks

Commodity stocks and cultivations are valued by the members at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Biological assets are initially measured at fair value less costs to sell, then subsequently revalued each year to the current fair value less costs to sell.

All other stock is held at the lower of cost and net realisable value.

Government grants

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the LLP will comply with the conditions attaching to them and the grants will be received.

Government grants are recognised using the accrual model and the performance model.

Under the accrual model, government grants relating to revenue are recognised on a systematic basis over the periods in which the LLP recognises the related costs for which the grant is intended to compensate. Grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs are recognised in income in the period in which it becomes receivable.

Grants relating to assets are recognised in income on a systematic basis over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income and not deducted from the carrying amount of the asset.

Under the performance model, where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

Kelling Estate LLP

Notes to the financial statements *(continued)*

Year ended 31 March 2020

3. Accounting policies *(continued)*

Financial instruments

(i) Financial assets

Basic financial assets, including trade and other debtors and cash and bank balances, are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest.

Such assets are subsequently measured at amortised cost.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in the statement of income immediately.

(ii) Financial liabilities

Basic financial liabilities, including trade and other creditors 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 receipts discounted at a market rate of interest.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. Trade creditors are initially recognised at transaction price and subsequently measured at amortised cost using the effective interest method.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

4. Turnover

Turnover arises from:

	2020	2019
	£	£
Sale of goods	1,781,143	1,621,637
Rendering of services	2,374,187	2,130,048
	<u>4,155,330</u>	<u>3,751,685</u>

The whole of the turnover is attributable to the principal activity of the LLP wholly undertaken in the United Kingdom.

Kelling Estate LLP

Notes to the financial statements *(continued)*

Year ended 31 March 2020

5. Other operating income

	2020	2019
	£	£
Rental income	62,160	63,707
Government grant income	215,053	164,590
Sundry income	102,094	95,766
Other operating income	179,267	17,733
	<u>558,574</u>	<u>341,796</u>

6. Staff costs

The average number of persons employed by the LLP during the year, including the members with contracts of employment, amounted to:

	2020	2019
	No.	No.
Production	<u>82</u>	<u>74</u>

The aggregate employment costs incurred during the year (excluding members) were:

	2020	2019
	£	£
Wages and salaries	1,439,824	1,219,282
Social security costs	101,618	97,406
Other pension costs	25,043	29,824
	<u>1,566,485</u>	<u>1,346,512</u>

7. Auditor's remuneration

	2020	2019
	£	£
Fees payable for the audit of the financial statements	<u>8,320</u>	<u>8,000</u>

8. Operating profit

Operating profit or loss is stated after charging/crediting:

	2020	2019
	£	£
Depreciation of tangible assets	213,663	112,216
Gains on disposal of tangible assets	<u>(2,886)</u>	<u>(3,197)</u>

9. Information in relation to members

	2020	2019
	No.	No.
Average number of members	<u>3</u>	<u>3</u>

Kelling Estate LLP

Notes to the financial statements (continued)

Year ended 31 March 2020

10. Intangible assets

	BPS Entitlements £
Cost	
At 1 April 2019	64,548
Additions	—
Other movements	(12,413)
At 31 March 2020	52,135
Amortisation	
At 1 April 2019 and 31 March 2020	—
Carrying amount	
At 31 March 2020	52,135
At 31 March 2019	64,548

11. Tangible assets

	Land and buildings £	Assets in the course of construction £	Plant, machinery and equipment £	Motor vehicles £	Investment properties £	Total £
Cost						
At 1 Apr 2019	25,973,818	848,582	1,869,403	146,806	14,150,000	42,988,609
Additions	167,931	17,116	166,478	—	122,247	473,772
Disposals	—	—	(18,150)	—	—	(18,150)
At 31 Mar 2020	26,141,749	865,698	2,017,731	146,806	14,272,247	43,444,231
Depreciation						
At 1 Apr 2019	534,362	—	1,252,633	110,019	—	1,897,014
Charge for the year	39,182	—	165,419	9,062	—	213,663
Disposals	—	—	(17,036)	—	—	(17,036)
At 31 Mar 2020	573,544	—	1,401,016	119,081	—	2,093,641
Carrying amount						
At 31 Mar 2020	25,568,205	865,698	616,715	27,725	14,272,247	41,350,590
At 31 Mar 2019	25,439,456	848,582	616,770	36,787	14,150,000	41,091,595

Included within land and buildings are farmland, woodland and properties totalling £24,813,730 (2019: £24,631,805) which are charged £Nil (2019: £Nil) depreciation.

Tangible assets held at valuation

The investment properties were revalued by the designated members at 31 March 2019 and they consider this valuation to be appropriate at 31 March 2020. The last formal valuation was carried out in October 2008.

Kelling Estate LLP

Notes to the financial statements *(continued)*

Year ended 31 March 2020

11. Tangible assets *(continued)*

In respect of tangible assets held at valuation, the aggregate cost, depreciation and comparable carrying amount that would have been recognised if the assets had been carried under the historical cost model are as follows:

	Investment properties £
At 31 March 2020	
Aggregate cost	10,779,143
Aggregate depreciation	(44,563)
Carrying value	<u>10,734,580</u>
At 31 March 2019	
Aggregate cost	10,656,896
Aggregate depreciation	(38,472)
Carrying value	<u>10,618,424</u>

12. Stocks

	2020 £	2019 £
Raw materials and consumables	53,978	33,348
Finished goods and goods for resale	439,029	409,809
Biological stock	267,289	294,551
	<u>760,296</u>	<u>737,708</u>

The biological assets relate to horses held valued at £94,000 (2019: £118,500) and cost of cultivations at the year end of £173,289 (2019: £176,051).

13. Debtors

	2020 £	2019 £
Trade debtors	51,864	56,129
Prepayments and accrued income	1,995	61,983
Other debtors	136,700	10,761
	<u>190,559</u>	<u>128,873</u>

14. Creditors: Amounts falling due within one year

	2020 £	2019 £
Trade creditors	356,364	353,046
Accruals and deferred income	273,432	264,125
Social security and other taxes	26,527	21,162
	<u>656,323</u>	<u>638,333</u>

Kelling Estate LLP

Notes to the financial statements *(continued)*

Year ended 31 March 2020

15. Employee benefits

Defined contribution plans

The amount recognised in profit or loss as an expense in relation to defined contribution plans was £25,043 (2019: £29,824).

16. Government grants

The amounts recognised in the financial statements for government grants are as follows:

	2020 £	2019 £
Recognised in other operating income:		
Government grants recognised directly in income	<u>215,053</u>	<u>164,590</u>

17. Fair value reserve

The following movements on the Fair value reserve are included within Other reserves, including the fair value reserve in Members' other interests.

	2020 £	2019 £
At start of year	(38,554)	(33,589)
Fair value adjustment to BPS Entitlements	<u>(12,413)</u>	<u>(4,965)</u>
At end of year	<u>(50,967)</u>	<u>(38,554)</u>

18. Loans and other debts due to members

Loans and other debts due to members would rank below any unsecured creditors in the event of a winding up. There are no creditors afforded protection in such an event which is legally enforceable and cannot be revoked solely by the decision of the members. There are no restrictions or limitations on the ability of the members to reduce the amounts of members' other interests.

19. Analysis of changes in net debt

	At 1 Apr 2019 £	Cash flows £	At 31 Mar 2020 £
Cash at bank and in hand	<u>405,718</u>	<u>(184,821)</u>	<u>220,897</u>
Net debt (before members' debt)	<u>405,718</u>	<u>(184,821)</u>	<u>220,897</u>
<i>Loans and other debts due to members</i>			
Net debt	<u>405,718</u>	<u>(184,821)</u>	<u>220,897</u>

20. Controlling party

Mr G A Widdowson controls the LLP.