

REGISTERED NUMBER: OC413499 (England and Wales)

Lower Hope Farms LLP
Unaudited Financial Statements
for the Period
1 September 2016 to 31 March 2017

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for the Period 1 September 2016 to 31 March 2017**

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Lower Hope Farms LLP

General Information

for the Period 1 September 2016 to 31 March 2017

DESIGNATED MEMBERS:

WSC Richards OBE DL FCA FCMA
Mrs SA Richards

REGISTERED OFFICE:

Lower Hope
Ullingswick
Hereford
HR1 3JF

REGISTERED NUMBER:

OC413499 (England and Wales)

ACCOUNTANTS:

The Hutchinson Partnership Limited
trading as The Hutchinson Partnership
Chartered Accountants
The Bull Pen
Amberley Court
Sutton St Nicholas
Hereford
Herefordshire
HR1 3BX

**Chartered Accountants' Report to the Members
on the Unaudited Financial Statements of
Lower Hope Farms LLP**

The following reproduces the text of the report prepared for the members in respect of the LLP's annual unaudited financial statements. In accordance with the Companies Act 2006, the LLP is only required to file a Balance Sheet. Readers are cautioned that the Profit and Loss Account and certain other primary statements and the Report of the Members are not required to be filed with the Registrar of Companies.

In order to assist you to fulfil your duties under the Companies Act 2006 as applied to LLPs by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008, we have prepared for your approval the financial statements of Lower Hope Farms LLP for the period ended 31 March 2017 which comprise the Income Statement, Balance Sheet, and the related notes from the LLP's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed within the ICAEW's regulations and guidance at <http://www.icaew.com/en/membership/regulations-standards-and-guidance>.

This report is made solely to the members of Lower Hope Farms LLP, as a body, in accordance with our terms of engagement. Our work has been undertaken solely to prepare for your approval the financial statements of Lower Hope Farms LLP and state those matters that we have agreed to state to the members of Lower Hope Farms LLP, as a body, in this report in accordance with ICAEW Technical Release 07/16AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Lower Hope Farms LLP members, as a body, for our work or for this report.

It is your duty to ensure that Lower Hope Farms LLP has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and loss of Lower Hope Farms LLP. You consider that Lower Hope Farms LLP is exempt from the statutory audit requirement for the period.

We have not been instructed to carry out an audit or a review of the financial statements of Lower Hope Farms LLP. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

The Hutchinson Partnership Limited
trading as The Hutchinson Partnership
Chartered Accountants
The Bull Pen
Amberley Court
Sutton St Nicholas
Hereford
Herefordshire
HR1 3BX

8 December 2017

Lower Hope Farms LLP (Registered number: OC413499)

Balance Sheet
31 March 2017

	Notes	£	£
FIXED ASSETS			
Tangible assets	5		1,198,095
CURRENT ASSETS			
Stocks		398,065	
Debtors	6	2,290,498	
Cash at bank and in hand		<u>2,919</u>	
		2,691,482	
CREDITORS			
Amounts falling due within one year	7	<u>1,332,773</u>	
NET CURRENT ASSETS			<u>1,358,709</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			2,556,804
CREDITORS			
Amounts falling due after more than one year	8		<u>2,556,802</u>
NET ASSETS ATTRIBUTABLE TO MEMBERS			<u><u>2</u></u>
LOANS AND OTHER DEBTS DUE TO MEMBERS			-
MEMBERS' OTHER INTERESTS			
Capital accounts			<u><u>2</u></u>
TOTAL MEMBERS' INTERESTS			<u><u>2</u></u>
Members' other interests			2
Amounts due from members	6	<u>(1,793,058)</u>	
		<u><u>(1,793,056)</u></u>	

The LLP is entitled to exemption from audit under Section 477 of the Companies Act 2006 as applied to LLPs by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 for the period ended 31 March 2017.

The members acknowledge their responsibilities for:

- ensuring that the LLP keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 as applied to LLPs by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 and
- preparing financial statements which give a true and fair view of the state of affairs of the LLP as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 as applied to LLPs by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 relating to financial statements, so far as applicable to the LLP.

The notes form part of these financial statements

Balance Sheet - continued
31 March 2017

The financial statements have been prepared and delivered in accordance with the provisions of Part 15 of the Companies Act 2006 as applied to LLPs by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008 relating to small LLPs.

In accordance with Section 444 of the Companies Act 2006 as applied to LLPs by the Limited Liability Partnerships (Accounts and Audit) (Application of Companies Act 2006) Regulations 2008, the Income Statement has not been delivered.

The financial statements were approved for issue by the members of the LLP on 8 December 2017 and were signed by:

WSC Richards OBE DL FCA FCMA - Designated member

**Notes to the Financial Statements
for the Period 1 September 2016 to 31 March 2017**

1. STATUTORY INFORMATION

Lower Hope Farms LLP is registered in England and Wales. The LLP's registered number and registered office address can be found on the General Information page.

2. STATEMENT OF COMPLIANCE

These financial statements have been prepared in accordance with the provisions of Section 1A "Small Entities" of Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the requirements of the Statement of Recommended Practice, Accounting by Limited Liability Partnerships.

3. ACCOUNTING POLICIES

Basis of preparing the financial statements

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

Going concern

At the period end the LLP has negative members' interests. This has arisen following the transfer of the trade from Lower Hope Farms partnership on 1 October 2016. All partnership assets and liabilities have been transferred with the exception of investments and land and property. This will take place in the next financial year which will restore the balance sheet to a positive members' interest position. The land and buildings are owned by the members and are still in use by the LLP. They are also used as security against the LLP's borrowings. Based on this the members believe that it is appropriate to prepare the financial statements on the going concern

The members have considered the financial requirements of the LLP and consider that it will be able to operate within its agreed finance facilities for the next 12 months. The members therefore consider it appropriate to prepare the accounts on the going concern basis.

Turnover

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

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Plant and machinery	- 33% on cost, 20% on cost, 14% on cost and 4% on cost
Tractors and harvesters	- 33% on cost, 25% on cost and 14% on cost

Stocks

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

Cost is calculated using the first-in, first-out method and includes all purchase, transport, and handling costs in bringing stocks to their present location and condition.

The LLP has the following biological assets which are valued as disclosed :-

Livestock - valued at their estimated cost with reference to current market values

Crops in store - valued at their current market value

Growing crop - valued at the cost of inputs and cultivations up to the period end

Notes to the Financial Statements - continued
for the Period 1 September 2016 to 31 March 2017

3. ACCOUNTING POLICIES - continued

Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter.

The interest element of these obligations is charged to profit or loss over the relevant period. The capital element of the future payments is treated as a liability.

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

Pension costs and other post-retirement benefits

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

4. EMPLOYEE INFORMATION

The average number of employees during the period was 9 .

5. TANGIBLE FIXED ASSETS

	Plant and machinery £	Tractors and harvesters £	Totals £
COST			
Additions	758,353	533,961	1,292,314
At 31 March 2017	<u>758,353</u>	<u>533,961</u>	<u>1,292,314</u>
DEPRECIATION			
Charge for period	34,425	59,794	94,219
At 31 March 2017	<u>34,425</u>	<u>59,794</u>	<u>94,219</u>
NET BOOK VALUE			
At 31 March 2017	<u>723,928</u>	<u>474,167</u>	<u>1,198,095</u>

There is a debenture over all of the fixed assets.

The net book value of tangible fixed assets includes £450,001 in respect of assets held under hire purchase contracts.

Notes to the Financial Statements - continued
for the Period 1 September 2016 to 31 March 2017

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

	£
Trade debtors	44,436
Prepayments and accrued income	15,026
Lower Hope Fruit Ltd current account	216,551
Related party loan debtors	197,000
Amounts due from members	1,793,058
VAT	24,427
	<u>2,290,498</u>

There is a debenture over all debtors.

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

	£
Bank loans and overdrafts (see note 9)	1,034,899
Hire purchase contracts	98,363
Trade creditors	116,274
Social security and other taxes	10,075
Pension control	910
Accruals and deferred income	16,218
Intercompany loans	56,034
	<u>1,332,773</u>

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

	£
Bank loans (see note 9)	2,383,732
Hire purchase contracts	173,070
	<u>2,556,802</u>

Amounts falling due in more than five years:

Repayable otherwise than by instalments	
Bank loans	<u>1,192,625</u>
Repayable by instalments	
Bank loans	<u>705,998</u>

Notes to the Financial Statements - continued
for the Period 1 September 2016 to 31 March 2017

9. LOANS

An analysis of the maturity of loans is given below:

	£
Amounts falling due within one year or on demand:	
Bank overdrafts	946,050
Bank loans	88,849
	<u>1,034,899</u>
Amounts falling due between one and two years:	
Bank loans	<u>41,821</u>
Amounts falling due between two and five years:	
Bank loans	<u>443,288</u>
Amounts falling due in more than five years:	
Repayable otherwise than by instalments	
Bank loans	<u>1,192,625</u>
Repayable by instalments	
Bank loans	<u>705,998</u>

The principal terms of the loans are -

Year repayment due	Balance	Interest rate	Type
2019	£350,000	2.45% over base	Repayment
2022	£51,103	2.5% over base	Repayment
2030	£132,513	2.8% over base	Repayment
2030	£1,015,000	2.5% over base	Interest only
2033	£208,380	3.3% over base	Repayment
2036	£177,625	2% over base	Interest only
2038	£537,960	4% over base	Repayment

10. SECURED DEBTS

The following secured debts are included within creditors:

	£
Bank overdraft	946,050
Bank loans	2,472,581
Hire purchase contracts	271,433
	<u>3,690,064</u>

The bank borrowings with HSBC are secured by a fixed and floating charge over all asset of the LLP.

Hire purchase liabilities are secured against the relevant asset.

11. RELATED PARTY DISCLOSURES

The members own land and property that is utilised by the LLP. This land and property is also used as security against the LLP's bank loans.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.