

**REGISTERED NUMBER: OC413499 (England and Wales)**

**Lower Hope Farms LLP**  
**Unaudited Financial Statements**  
**for the Year Ended 31 March 2019**

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for the Year Ended 31 March 2019**

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**Lower Hope Farms LLP**

**General Information  
for the Year Ended 31 March 2019**

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**DESIGNATED MEMBERS:**

WSC Richards OBE KSG DL  
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**

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**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 year ended 31 March 2019 which comprise the Profit and Loss Account, Balance Sheet, Reconciliation of Members' Interests 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 and its 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 profit of Lower Hope Farms LLP. You consider that Lower Hope Farms LLP is exempt from the statutory audit requirement for the year.

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 July 2019

**Lower Hope Farms LLP (Registered number: OC413499)****Balance Sheet  
31 March 2019**

		2019	2018
	Notes	£	£
<b>FIXED ASSETS</b>			
Tangible assets	4	8,201,023	8,166,138
Investment property	5	<u>2,145,000</u>	<u>1,595,000</u>
		10,346,023	9,761,138
<b>CURRENT ASSETS</b>			
Stocks		334,655	286,890
Debtors	6	433,630	529,678
Cash at bank and in hand		<u>17,630</u>	<u>28,253</u>
		785,915	844,821
<b>CREDITORS</b>			
Amounts falling due within one year	7	<u>358,635</u>	<u>1,308,512</u>
<b>NET CURRENT ASSETS/(LIABILITIES)</b>		<u>427,280</u>	<u>(463,691)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		10,773,303	9,297,447
<b>CREDITORS</b>			
Amounts falling due after more than one year	8	<u>2,328,462</u>	<u>2,431,902</u>
<b>NET ASSETS ATTRIBUTABLE TO MEMBERS</b>		<u>8,444,841</u>	<u>6,865,545</u>

The notes form part of these financial statements

**Lower Hope Farms LLP (Registered number: OC413499)**

**Balance Sheet - continued**  
**31 March 2019**

	Notes	2019 £	£	2018 £	£
<b>LOANS AND OTHER DEBTS DUE TO MEMBERS</b>	12		8,444,839		6,865,543
<b>MEMBERS' OTHER INTERESTS</b>					
Capital accounts			2		2
			<u>8,444,841</u>		<u>6,865,545</u>
<b>TOTAL MEMBERS' INTERESTS</b>					
Loans and other debts due to members	12		8,444,839		6,865,543
Members' other interests			2		2
			<u>8,444,841</u>		<u>6,865,545</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 year ended 31 March 2019.

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 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 Profit and Loss Account has not been delivered.

The financial statements were approved for issue by the members of the LLP on 3 July 2019 and were signed by:

WSC Richards OBE KSG DL - Designated member

**Notes to the Financial Statements  
for the Year Ended 31 March 2019**

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**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. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the requirements of the Statement of Recommended Practice, Accounting by Limited Liability Partnerships. The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain assets.

The company has early adopted the amendments to Financial Reporting Standard 102 (issued December 2017 - Triennial Review).

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 financial statements 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.

Freehold property	- 10% on reducing balance and at varying rates on cost
Plant and machinery	- at varying rates on cost and at variable rates on reducing balance
Tractors and harvesters	- at varying rates on cost

**Investment property**

Investment property is shown at most recent valuation. Any aggregate surplus or deficit arising from changes in fair value is recognised in profit or loss.

**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 Year Ended 31 March 2019

2. 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.

3. EMPLOYEE INFORMATION

The average number of employees during the year was 10 (2018 - 10) .

4. TANGIBLE FIXED ASSETS

	Freehold property £	Plant and machinery £	Tractors and harvesters £	Totals £
<b>COST</b>				
At 1 April 2018	7,060,530	1,211,907	1,073,839	9,346,276
Additions	63,147	19,380	177,670	260,197
Disposals	-	(33,000)	(145,995)	(178,995)
Reclassification/transfer	(536)	-	-	(536)
At 31 March 2019	<u>7,123,141</u>	<u>1,198,287</u>	<u>1,105,514</u>	<u>9,426,942</u>
<b>DEPRECIATION</b>				
At 1 April 2018	1,521	499,452	679,165	1,180,138
Charge for year	10,931	90,161	113,101	214,193
Eliminated on disposal	-	(32,434)	(135,945)	(168,379)
Reclassification/transfer	(33)	-	-	(33)
At 31 March 2019	<u>12,419</u>	<u>557,179</u>	<u>656,321</u>	<u>1,225,919</u>
<b>NET BOOK VALUE</b>				
At 31 March 2019	<u>7,110,722</u>	<u>641,108</u>	<u>449,193</u>	<u>8,201,023</u>
At 31 March 2018	<u>7,059,009</u>	<u>712,455</u>	<u>394,674</u>	<u>8,166,138</u>

There is a debenture over all of the fixed assets.

The net book value of tangible fixed assets includes £460,137 (2018 £405,057) in respect of assets held under hire purchase contracts.



Notes to the Financial Statements - continued  
for the Year Ended 31 March 2019

5. INVESTMENT PROPERTY

	Total £
<b>FAIR VALUE</b>	
At 1 April 2018	1,595,000
Revaluations	549,464
Reclassification/transfer	536
At 31 March 2019	<u>2,145,000</u>
<b>NET BOOK VALUE</b>	
At 31 March 2019	<u>2,145,000</u>
At 31 March 2018	<u>1,595,000</u>

There is a debenture over the investment property.

Fair value at 31 March 2019 is represented by:

	£
Valuation in 2018	761,699
Valuation in 2019	549,464
Cost	833,837
	<u>2,145,000</u>

If investment property had not been revalued it would have been included at the following historical cost:

	2019 £	2018 £
Cost	<u>833,837</u>	<u>833,301</u>

Investment property was valued on an open market basis on 31 March 2019 by the members .

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019 £	2018 £
Trade debtors	50,365	101,660
Prepayments and accrued income	62,920	7,115
Related party current accounts	115,135	219,208
Related party loan debtors	197,000	197,000
VAT	8,210	4,695
	<u>433,630</u>	<u>529,678</u>

There is a debenture over all debtors.

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2019

7. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019	2018
	£	£
Bank loans and overdrafts (see note 9)	100,000	1,026,802
Hire purchase contracts (see note 10)	105,052	92,877
Trade creditors	85,696	58,794
Social security and other taxes	6,529	9,219
Pension control	1,534	1,268
Credit card	930	145
Accruals and deferred income	56,621	61,667
Intercompany loans	2,273	57,740
	<u>358,635</u>	<u>1,308,512</u>

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

	2019	2018
	£	£
Bank loans (see note 9)	2,177,752	2,285,473
Hire purchase contracts (see note 10)	135,947	146,429
Accruals and deferred income	14,763	-
	<u>2,328,462</u>	<u>2,431,902</u>

Amounts falling due in more than five years:

Repayable otherwise than by instalments		
Bank loans	<u>1,192,625</u>	<u>1,192,625</u>
Repayable by instalments		
Bank loans	<u>592,758</u>	<u>662,327</u>

9. LOANS

The principal terms of the loans are -

Year final repayment due by	Balance	Interest rate	Type
2019	£250,000	2.45% over base	Repayment
2022	£27,869	2.5% over base	Repayment
2030	£114,894	2.8% over base	Repayment
2030	£1,015,000	2.5% over base	Interest only
2033	£187,592	3.3% over base	Repayment
2036	£177,625	2% over base	Interest only
2038	£504,772	4% over base	Repayment

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2019

10. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

	Hire purchase contracts	
	2019	2018
	£	£
Net obligations repayable:		
Within one year	105,052	92,877
Between one and five years	<u>135,947</u>	<u>146,429</u>
	<u>240,999</u>	<u>239,306</u>
	Non-cancellable operating leases	
	2019	2018
	£	£
Between one and five years	<u>161,355</u>	<u>161,355</u>

11. SECURED DEBTS

The following secured debts are included within creditors:

	2019	2018
	£	£
Bank overdraft	-	936,735
Bank loans	2,277,752	2,375,540
Hire purchase contracts	<u>240,999</u>	<u>239,306</u>
	<u>2,518,751</u>	<u>3,551,581</u>

The AMC loans are secured by a first charge over land and property at Lower Hope Farm.

The bank borrowings with HSBC are secured by a second charge over land and property at Lower Hope Farm.

Hire purchase liabilities are secured against the relevant asset.

12. LOANS AND OTHER DEBTS DUE TO MEMBERS

Loans and other debts due to members (other than members' capital classified as debt) rank after other creditors on winding up.

13. RELATED PARTY DISCLOSURES

The members own land and property that is utilised by the LLP.

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.