

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

**Lower Hope Farms LLP**  
**Unaudited Financial Statements**  
**for the Year Ended 31 March 2022**

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for the Year Ended 31 March 2022**

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**Lower Hope Farms LLP**

**General Information  
for the Year Ended 31 March 2022**

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**DESIGNATED MEMBERS:** Mrs SA Richards  
The Executors of WSC Richards (deceased)

**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  
Grove Farm  
Portway, Burghill  
Hereford  
HR4 8NF

**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 2022 which comprise the Profit and Loss Account, 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 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 loss 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  
Grove Farm  
Portway, Burghill  
Hereford  
HR4 8NF

8 July 2022

**Lower Hope Farms LLP (Registered number: OC413499)****Balance Sheet  
31 March 2022**

		2022		2021	
	Notes	£	£	£	£
<b>FIXED ASSETS</b>					
Tangible assets	4	8,525,504		8,202,295	
Investment property	5	<u>2,854,000</u>		<u>2,790,000</u>	
		11,379,504		10,992,295	
<b>CURRENT ASSETS</b>					
Stocks		453,561		269,379	
Debtors	6	307,084		426,358	
Cash at bank and in hand		<u>896</u>		<u>1,130</u>	
		761,541		696,867	
<b>CREDITORS</b>					
Amounts falling due within one year	7	<u>851,589</u>		<u>1,199,010</u>	
<b>NET CURRENT LIABILITIES</b>			(90,048)		(502,143)
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			11,289,456		10,490,152
<b>CREDITORS</b>					
Amounts falling due after more than one year	8	<u>5,714,596</u>		<u>2,532,525</u>	
<b>NET ASSETS ATTRIBUTABLE TO MEMBERS</b>		<u>5,574,860</u>		<u>7,957,627</u>	

The notes form part of these financial statements

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

**Balance Sheet - continued**  
**31 March 2022**

	Notes	2022 £	£	2021 £	£
<b>LOANS AND OTHER DEBTS DUE TO MEMBERS</b>	12		3,559,496		6,024,672
<b>MEMBERS' OTHER INTERESTS</b>					
Capital accounts			2		2
Fair value reserve	13		<u>2,015,362</u>		<u>1,932,953</u>
			<u>5,574,860</u>		<u>7,957,627</u>
<b>TOTAL MEMBERS' INTERESTS</b>					
Loans and other debts due to members	12		3,559,496		6,024,672
Members' other interests			<u>2,015,364</u>		<u>1,932,955</u>
			<u>5,574,860</u>		<u>7,957,627</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 2022.

The members acknowledge their responsibilities for:

- (a) 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
- (b) 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 applicable to LLPs subject to the small LLPs regime.

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 by the members of the LLP and authorised for issue on 6 July 2022 and were signed by:

Mrs SA Richards - Designated member

The notes form part of these financial statements

**Notes to the Financial Statements  
for the Year Ended 31 March 2022**

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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 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 executors of the Estate of WSC Richards CBE KSG DL have pledged funds to support the LLP should it become necessary. The members therefore consider it appropriate to prepare financial statements on the going concern basis.

Due to the nature of the LLP's activities the COVID-19 pandemic has had little effect on the LLP's trading with the exception of the holiday let enterprise which was forced to close during the lockdowns. Support grants were received to support the holiday let enterprise during lockdown. The wet weather during the autumn of 2019 severely affected the yields of the arable crops harvested in 2020.

**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 cost, 4% on cost, 2% on cost and not provided
Plant and machinery	- at varying rates on cost and at variable rates on reducing balance
Tractors and harvesters	- 14% on cost and 10% 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

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 2022

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. EMPLOYEES

The average number of employees during the year was 11 (2021 - 10) .

4. TANGIBLE FIXED ASSETS

	Freehold property £	Plant and machinery £	Tractors and harvesters £	Totals £
<b>COST</b>				
At 1 April 2021	7,251,509	1,268,097	1,215,257	9,734,863
Additions	402,935	42,291	213,500	658,726
Disposals	-	(5,511)	(189,860)	(195,371)
Reclassification/transfer	20,010	-	-	20,010
At 31 March 2022	7,674,454	1,304,877	1,238,897	10,218,228
<b>DEPRECIATION</b>				
At 1 April 2021	54,298	703,865	774,405	1,532,568
Charge for year	53,834	84,416	127,155	265,405
Eliminated on disposal	-	(5,511)	(101,339)	(106,850)
Reclassification/transfer	1,601	-	-	1,601
At 31 March 2022	109,733	782,770	800,221	1,692,724
<b>NET BOOK VALUE</b>				
At 31 March 2022	7,564,721	522,107	438,676	8,525,504
At 31 March 2021	7,197,211	564,232	440,852	8,202,295

There is a debenture over all of the fixed assets.

The net book value of tangible fixed assets includes £446,512 (2021 £427,840) in respect of assets held under hire purchase contracts.

Included in freehold property is land of £5,806,845 (2021: £5,806,845) which is not depreciated.



Notes to the Financial Statements - continued  
for the Year Ended 31 March 2022

5. INVESTMENT PROPERTY

	Total £
<b>FAIR VALUE</b>	
At 1 April 2021	2,790,000
Revaluations	82,409
Reclassification/transfer	(18,409)
At 31 March 2022	<u>2,854,000</u>
<b>NET BOOK VALUE</b>	
At 31 March 2022	<u>2,854,000</u>
At 31 March 2021	<u>2,790,000</u>

There is a debenture over the investment property.

The transfer in the year is to tangible fixed assets. The asset was transferred at its net book value when it was originally transferred into investment property. The historic fair value adjustment of £81,591 has been reversed through the revaluation in the year.

Fair value at 31 March 2022 is represented by:

	£
Valuation in 2018	761,699
Valuation in 2019	549,464
Valuation in 2020	291,800
Valuation in 2021	329,990
Valuation in 2022	82,409
Cost	<u>838,638</u>
	<u>2,854,000</u>

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

	2022 £	2021 £
Cost	<u>836,838</u>	<u>857,047</u>

Investment property was valued on an open market basis on 31 March 2022 by Barry Bufton .

6. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Trade debtors	64,375	80,368
Prepayments and accrued income	35,646	118,925
Related party current accounts	189,410	168,388
Related party loan debtors	-	46,000
VAT	<u>17,653</u>	<u>12,677</u>
	<u>307,084</u>	<u>426,358</u>

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2022

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

There is a debenture over all debtors.

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

	2022	2021
	£	£
Bank loans and overdrafts (see note 9)	562,061	968,201
Hire purchase contracts (see note 10)	78,985	89,811
Trade creditors	97,624	65,109
Social security and other taxes	7,061	6,015
Pension control	910	910
Credit card	5,020	5,354
Accruals and deferred income	99,928	61,337
Intercompany loans	-	2,273
	<u>851,589</u>	<u>1,199,010</u>

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

	2022	2021
	£	£
Bank loans (see note 9)	5,403,573	2,333,273
Hire purchase contracts (see note 10)	148,259	139,390
Accruals and deferred income	162,764	59,862
	<u>5,714,596</u>	<u>2,532,525</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>3,771,948</u>	<u>613,185</u>

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2022

9. **LOANS**

The principal terms of the loans are -

Year final repayment due by	Balance	Interest rate	Type
2024	£100,000	2.45% over base	Repayment
2025	£825,000	1.45% over base	Interest only
2025	£1,098,548	1.45% over base	Interest only
2025	£190,000	1.45% over base	Interest only
2026	£101,452	1.45% over base	Interest only
2026	£400,000	1.45% over base	Interest only
2030	£85,055	3.3% over base	Repayment
2030	£1,015,000	3% over base	Interest only
2033	£152,449	3.8% over base	Repayment
2035	£172,878	2.6% over base	Repayment
2036	£177,625	2.85% over base	Interest only
2036	£379,012	2.35% over base	Repayment
2038	£446,475	4.25% over base	Repayment
2041	£308,649	3.31% fixed rate	Repayment
2041	£82,430	3.66% fixed rate	Repayment

10. **LEASING AGREEMENTS**

Minimum lease payments under hire purchase fall due as follows:

	2022 £	2021 £
Net obligations repayable:		
Within one year	78,985	89,811
Between one and five years	148,259	139,390
	<u>227,244</u>	<u>229,201</u>

11. **SECURED DEBTS**

The following secured debts are included within creditors:

	2022 £	2021 £
Bank overdrafts	431,061	824,406
Bank loans	5,534,573	2,477,068
Hire purchase contracts	227,244	229,201
	<u>6,192,878</u>	<u>3,530,675</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.

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2022

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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.

Members are restricted to not reducing members' other interests below £2.

13. **RESERVES**

	Fair value reserve £
At 1 April 2021	1,932,953
Transfer from members	<u>82,409</u>
At 31 March 2022	<u>2,015,362</u>

14. **RELATED PARTY DISCLOSURES**

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

Included in debtors are balances of £189,410 (2021: £214,388) due from companies under common control. These amounts are interest free and repayable on demand.

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