

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

**Lower Hope Farms LLP**  
**Unaudited Financial Statements**  
**for the Year Ended 31 March 2021**

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for the Year Ended 31 March 2021**

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## Lower Hope Farms LLP

### General Information for the Year Ended 31 March 2021

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**DESIGNATED MEMBERS:** WSC Richards (deceased) CBE 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  
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 2021 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  
Grove Farm  
Portway, Burghill  
Hereford  
HR4 8NF

6 July 2021

**Lower Hope Farms LLP (Registered number: OC413499)****Balance Sheet  
31 March 2021**

	Notes	2021 £	£	2020 £	£
<b>FIXED ASSETS</b>					
Tangible assets	4		8,202,295		8,142,089
Investment property	5		<u>2,790,000</u>		<u>2,440,000</u>
			10,992,295		10,582,089
<b>CURRENT ASSETS</b>					
Stocks		269,379		320,291	
Debtors	6	426,358		570,021	
Cash at bank and in hand		<u>1,130</u>		<u>253</u>	
		696,867		890,565	
<b>CREDITORS</b>					
Amounts falling due within one year	7	<u>1,199,010</u>		<u>397,024</u>	
<b>NET CURRENT (LIABILITIES)/ASSETS</b>			<u>(502,143)</u>		<u>493,541</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			10,490,152		11,075,630
<b>CREDITORS</b>					
Amounts falling due after more than one year	8		<u>2,532,525</u>		<u>2,231,050</u>
<b>NET ASSETS ATTRIBUTABLE TO MEMBERS</b>			<u>7,957,627</u>		<u>8,844,580</u>

The notes form part of these financial statements

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

**Balance Sheet - continued**  
**31 March 2021**

	Notes	2021 £	£	2020 £	£
<b>LOANS AND OTHER DEBTS DUE TO MEMBERS</b>	12		6,024,672		8,844,578
<b>MEMBERS' OTHER INTERESTS</b>					
Capital accounts			2		2
Fair value reserve			1,932,953		-
			<u>7,957,627</u>		<u>8,844,580</u>
<b>TOTAL MEMBERS' INTERESTS</b>					
Loans and other debts due to members	12		6,024,672		8,844,578
Members' other interests			1,932,955		2
			<u>7,957,627</u>		<u>8,844,580</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 2021.

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 24 June 2021 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 2021**

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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, 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

**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 2021

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 (2020 - 9) .

4. TANGIBLE FIXED ASSETS

	Freehold property £	Plant and machinery £	Tractors and harvesters £	Totals £
<b>COST</b>				
At 1 April 2020	7,123,141	1,237,832	1,134,469	9,495,442
Additions	148,378	40,765	138,863	328,006
Disposals	-	(10,500)	(58,075)	(68,575)
Reclassification/transfer	(20,010)	-	-	(20,010)
At 31 March 2021	<u>7,251,509</u>	<u>1,268,097</u>	<u>1,215,257</u>	<u>9,734,863</u>
<b>DEPRECIATION</b>				
At 1 April 2020	23,417	625,177	704,759	1,353,353
Charge for year	32,482	85,250	127,717	245,449
Eliminated on disposal	-	(6,562)	(58,071)	(64,633)
Reclassification/transfer	(1,601)	-	-	(1,601)
At 31 March 2021	<u>54,298</u>	<u>703,865</u>	<u>774,405</u>	<u>1,532,568</u>
<b>NET BOOK VALUE</b>				
At 31 March 2021	<u>7,197,211</u>	<u>564,232</u>	<u>440,852</u>	<u>8,202,295</u>
At 31 March 2020	<u>7,099,724</u>	<u>612,655</u>	<u>429,710</u>	<u>8,142,089</u>

There is a debenture over all of the fixed assets.

The net book value of tangible fixed assets includes £427,840 (2020 £390,646) in respect of assets held under hire purchase contracts.



Notes to the Financial Statements - continued  
for the Year Ended 31 March 2021

5. INVESTMENT PROPERTY

	Total £
<b>FAIR VALUE</b>	
At 1 April 2020	2,440,000
Revaluations	329,990
Reclassification/transfer	20,010
At 31 March 2021	<u>2,790,000</u>
<b>DEPRECIATION</b>	
Revaluation adjustments	(1,601)
Reclassification/transfer	1,601
At 31 March 2021	<u>-</u>
<b>NET BOOK VALUE</b>	
At 31 March 2021	<u>2,790,000</u>
At 31 March 2020	<u>2,440,000</u>

There is a debenture over the investment property.

The transfer in the year is from tangible fixed assets. This was transferred at the net book value of £18,409 with the depreciation transferred being removed on revaluation.

Fair value at 31 March 2021 is represented by:

	£
Valuation in 2018	761,699
Valuation in 2019	549,464
Valuation in 2020	291,800
Valuation in 2021	329,990
Cost	857,047
	<u>2,790,000</u>

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

	2021 £	2020 £
Cost	<u>857,047</u>	<u>837,037</u>

Investment property was valued on an open market basis on 31 August 2020 by Barry Bufton .

Notes to the Financial Statements - continued  
for the Year Ended 31 March 2021

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

	2021	2020
	£	£
Trade debtors	80,368	82,054
Prepayments and accrued income	118,925	64,400
Related party current accounts	168,388	226,567
Related party loan debtors	46,000	197,000
VAT	12,677	-
	<u>426,358</u>	<u>570,021</u>

There is a debenture over all debtors.

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

	2021	2020
	£	£
Bank loans and overdrafts (see note 9)	968,201	159,507
Hire purchase contracts (see note 10)	89,811	81,995
Trade creditors	65,109	56,124
Social security and other taxes	6,015	5,926
VAT	-	25,322
Pension control	910	1,832
Credit card	5,354	1,885
Accruals and deferred income	61,337	62,160
Intercompany loans	2,273	2,273
	<u>1,199,010</u>	<u>397,024</u>

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

	2021	2020
	£	£
Bank loans (see note 9)	2,333,273	2,075,639
Hire purchase contracts (see note 10)	139,390	142,494
Accruals and deferred income	59,862	12,917
	<u>2,532,525</u>	<u>2,231,050</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>613,185</u>	<u>549,783</u>

**Notes to the Financial Statements - continued  
for the Year Ended 31 March 2021**

**9. LOANS**

The principal terms of the loans are -

Year final repayment due by	Balance	Interest rate	Type
2022	£3,179	2.5% over base	Repayment
2023	£150,000	2.45% over base	Repayment
2030	£95,051	2.8% over base	Repayment
2030	£1,015,000	2.5% over base	Interest only
2033	£164,522	3.3% over base	Repayment
2036	£177,625	2% over base	Interest only
2038	£466,455	4% over base	Repayment
2041	£319,678	3.21% over base	Repayment
2041	£85,557	2.86% over base	Repayment

**10. LEASING AGREEMENTS**

Minimum lease payments under hire purchase fall due as follows:

	2021 £	2020 £
Net obligations repayable:		
Within one year	89,811	81,995
Between one and five years	139,390	142,494
	<u>229,201</u>	<u>224,489</u>

**11. SECURED DEBTS**

The following secured debts are included within creditors:

	2021 £	2020 £
Bank overdrafts	824,406	57,008
Bank loans	2,477,068	2,178,138
Hire purchase contracts	229,201	224,489
	<u>3,530,675</u>	<u>2,459,635</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.

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

**13. RELATED PARTY DISCLOSURES**

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

Included in debtors are balances of £214,388 (2020: £423,567) due from a company under common control. These amounts are interest free and repayable on demand.

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.