

J O SIMS HOLDINGS (1896) LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

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J O SIMS HOLDINGS (1896) LIMITED

COMPANY INFORMATION

Directors	C O Sims J V O Sims A J Bell A G O Sims
Company secretary	A J Bell
Registered number	08288515
Registered office	Pudding Lane Pinchbeck Spalding Lincolnshire PE11 3TJ
Independent auditor	Grant Thornton UK LLP Chartered Accountants & Statutory Auditor Regent House 80 Regent Road Leicester LE1 7NH
Bankers	National Westminster Bank Plc 10 Southwark Street London SE1 1TJ
Solicitors	Isadore Goldman 54 Fenchurch Street London EC3M 3JY

J O SIMS HOLDINGS (1896) LIMITED

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J O SIMS HOLDINGS (1896) LIMITED

GROUP STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2020

Principal activity and business model

The group has diverse activities which can be broadly grouped as follows:

- Trading of fresh fruit and dried fruit products, and provision of associated packing, storage and distribution services
- Orchard owners and growers
- Property owners and developers

The principal activity of the group is that of dealing in fresh and dried produce. This activity contributed 88% of the group's turnover in 2020. Fruit growing activities contributed 11% of revenues with the remainder being attributable to property ownership.

The principal activity has a clearly defined business model for delivering value:

- Strong, highly integrated supply base enables the company to reliably and ethically source top quality fruit and fruit products from reputable suppliers around the world. Many of our suppliers have worked with us for several decades and are considered true business partners. Supplier development is key to the continued improvements in product availability and quality. Exclusive supply agreements and relationships ensure that in many cases competitive advantage is gained as our fruit is simply the best available in the market place.
- Our wholly owned facilities for storing, processing and packing products ensure that we are highly responsive to be able to convert & deliver products to customer's requirements. We are not reliant upon third parties for the delivery of these services and are therefore in control of the whole supply chain.
- Our products are supported by highly skilled, knowledgeable and professional team who ensure that quality and service levels are enviable. Our team are loyal, and staff retention is excellent ensuring continuity and preservation of knowledge and talent.
- Our business has been trading since 1896 with this integrated approach of supplier development and partnership, enabling the business to deliver value for the company.

Business review

2020 has been an extraordinary year in which the business faced an operating environment with the dual challenges of preparing for Brexit, compounded by the unprecedented Covid-19 pandemic. The uncertainty of the terms of the UK exit from the European Union necessitated considerable preparation for all eventualities, including consideration of cross border movement of products, tariffs, labour, and planning for changes to the import /export processes including working closely with, and introducing some new logistics partners.

The challenges brought about by the global Covid-19 pandemic have been considerable during the majority of 2020. The company has focussed its resources and capabilities in order to manage this situation and ensure the best possible outcomes for the business and for its staff. Government guidelines were observed throughout, with a flexible approach being adopted to ensure that the business was resilient, and able to adapt as the situation evolved. As an essential business operating in the food sector, the business was able to continue to trade at normal capacity.

The Directors are pleased that while causing considerable upheaval, both of these challenges have been handled well by our capable and committed team. Customer deliveries and service levels have been maintained throughout

The fruit trading business remains focussed on delivering the highest quality of product to its customers and continues to invest in the development of both the supply chain and its employees for the future. The long planned extension and upgrade to the company's cherry packing facility was completed in March 2020, just as the pandemic took hold. This was a significant investment for the company and has supported the delivery of these key objectives for our customers

J O SIMS HOLDINGS (1896) LIMITED

**GROUP STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020**

The continued application of these core values of the business enabled further sales activity to be secured, contributing to the delivery of the strong performance of the business in 2020. Our export business continues to thrive with an exciting future.

Turnover for the trading business of £87,086,399 (2019: £84,031,531) represents further 3.64% growth. Gross margin has improved to 8% during this period of very difficult trading conditions.

During 2020, the company's Residential Investment Property has remained fully tenanted and rents paid in accordance with contractual obligation. Commercial tenants (specifically restaurant operators) who were unable to trade their business during the mandated closures due to the pandemic were offered certain concessions to ensure that both tenant and landlord shared the burden, and could emerge from the restrictions financially sound and able to commence trading again. At the time of writing the majority of rents are now being received in accordance with contract. There have been no revaluations required to be recognised in these financial statements.

Our Orchard Investments are particularly exciting for the business. Growing in various locations and in 5 countries.

Results for the group's US orchard activities are showing improvement as volumes increase. There has been a significant replanting exercise in the US Orchards with 350 acres planted in the past 5 years, which has affected production for several years while the trees mature. These high intensity plantings of desirable fruit varieties are forecast to yield strong returns in the coming years.

Orchard investments in other geographies continue to develop with earlier plantings starting reaching maturity and generating small revenues. Along with our existing cherry farms throughout the world, these developments further strengthen the company's position as the market leader in cherry availability throughout the whole year.

Principal risks and uncertainties**Currency risk**

The group is exposed to translation and transaction foreign exchange risk. Where possible this is managed through the use of foreign currency bank accounts and cash holdings. The company enters into forward currency deals to reduce exposure to currency fluctuations on purchases.

Liquidity risk

The group seeks to manage liquidity risk by ensuring that sufficient liquidity is maintained to meet foreseeable needs and by investing cash assets safely and profitably. Primarily this is achieved through inter company loans and bank borrowings.

Interest rate risk

The group finances its operations through a mixture of retained earnings, bank borrowings and intercompany loans. The group's exposure to interest rate fluctuations on its borrowings is managed by the use of both fixed and floating facilities in both the UK and the USA.

Crop risk

Wherever possible the group seeks to mitigate the risk of crop failure or reduction by sourcing its products from diverse geographical locations and has multiple sources of supply.

J O SIMS HOLDINGS (1896) LIMITED

**GROUP STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020**

Going concern

As explained more fully in accounting policy 2.3, having regard to the group's forecasts and projections to December 2022 and beyond the directors consider that the group has adequate resources to continue in operational existence for the foreseeable future and that it is appropriate to prepare the financial statements on a going concern basis.

Financial key performance indicators

The directors use financial key performance indicators to manage the business.

The principal measures used are:

Turnover which is monitored at numerous levels and against several measures. The business activity is related to customer, product and supplier metrics which enables performance to be measured and controlled at these levels.

Gross margin which is defined as the total cost of the product served, including all associated purchase, conversion and distributions costs to deliver the final product at its destination.

Overheads and operating costs are monitored and managed according to the demands of the business.

Bins per acres/tons per acre are used to measure fruit output of growing activities. The volumes are compared to both prior years and to budget, enabling the constant refinement of growing techniques to maximise yield.

Fruit size and mix are considered alongside volume to enhance and maximise revenues.

J O SIMS HOLDINGS (1896) LIMITED

**GROUP STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020**

Directors' statement of compliance with duty to promote the success of the Group

The directors consider, both individually and together, that they have acted in the way they consider, in good faith, would be most likely to promote the success of the group for the benefit of its members as a whole (having regard to the stakeholders and matters set out in s172(1)(a-f) of the Act) in the decisions taken during the year ended 31 December 2020.

In particular, by reference to the approval of our business plan ('our plan') for the period, our plan was designed to have a long-term beneficial impact on the group and to contribute to its success in delivering a best in class service to our customers.

We will continue to operate our business within tight budgetary controls and in line with our targets.

Our employees are fundamental to the delivery of our plan. We aim to be a responsible employer in our approach to the pay and benefits our employees receive. The health, safety and well-being of our employees is one of our primary considerations in the way we do business.

Our plan was informed by extensive engagement with customers, enabling us to gain an understanding of their views and priorities, purchasing plans and opportunities.

We also aim to act responsibly and fairly in how we engage with our suppliers; our credit providers; and our regulators; all of whom are integral to the successful delivery of our plan.


Our plan took into account the impact of the group's operations on the community and environment and our wider societal responsibilities, and in particular how we impact the regions we serve.

As the Board of Directors, our intention is to behave responsibly and ensure that management operate the business in a responsible manner, operating within the high standards of business conduct and good governance expected for a business such as ours and in doing so, will contribute to the delivery of our plan.

The intention is to nurture our reputation, through considering and treating all stakeholders fairly and respectfully, ensuring wherever possible business plans and targets are aligned with stakeholder desires and needs.

As the Board of Directors, our intention is to behave responsibly toward our shareholders and treat them fairly and equally, so they too may benefit from the successful delivery of our plan.

This report was approved by the board and signed on its behalf.


C O Sims
Director

Date: 27 September 2021

J O SIMS HOLDINGS (1896) LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2020**

The directors present their report and the financial statements for the year ended 31 December 2020.

Results and dividends

The profit for the year, after taxation and minority interests, amounted to £2,686,110 (2019 - £1,154,403).

Particulars of dividends paid are detailed in the notes to the financial statements.

Directors

The directors who served during the year were:

C O Sims
J V O Sims
A J Bell
A G O Sims

Directors' responsibilities statement

The directors are responsible for preparing the Group strategic report, the Directors' report and the consolidated financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law, including FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs and profit or loss of the Company and the Group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements 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 Group will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and the Group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Group's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

J O SIMS HOLDINGS (1896) LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020**

Principal risks and uncertainties

The main risks arising from the group's financial instruments are interest rate risk, liquidity risk and currency risk. The directors review and agree policies for managing each of these risks and they are summarised below. The policies have remained unchanged from previous periods.

Interest rate risk

The group finances its operations through a mixture of retained earnings and bank borrowings. The group's exposure to interest rate fluctuations on its borrowings is managed by the use of both fixed and floating facilities in both the UK and the USA.

Liquidity risk

The group seeks to manage liquidity risk by ensuring that sufficient liquidity is maintained to meet foreseeable needs and by investing cash assets safely and profitably. Primarily this is achieved through inter company loans and bank borrowings.

Currency risk

The group is exposed to translation and transaction foreign exchange risk. Where possible this is managed through the use of foreign currency bank accounts and cash holdings. The group enters into forward currency contracts to reduce exposure to currency fluctuations on purchases.

Modern Slavery Act

The group trades and works with many multinational companies and is fully aware of its obligations to ensure compliance to the Act.

Financial instruments

The group uses financial instruments, other than derivatives, comprising borrowings, cash and other liquid resources and various other items such as trade debtors and creditors that arise directly from its operations. The main purpose of these financial instruments is to raise finance for the group's operations.

The main risks arising from the group's financial instruments are interest rate risk, liquidity risk and currency risk. The directors review and agree policies for managing each of these risks and they are summarised below. The policies have remained unchanged from previous periods.

Qualifying third party indemnity provisions

The Company maintains liability insurance for directors and officers as permitted by section 234 of the Companies Act 2006.

Greenhouse gas emissions, energy consumption and energy efficiency action

The Group's greenhouse gas emissions and energy consumption for the year ended 31 December 2020 are 428 tonnes of CO₂.

This energy consumption is primarily in the form of purchased electricity but the business has also consumed solar energy produced by the site in addition to using diesel to fuel a generator.

The group has looked to improve its carbon footprint in the year by the installation of an energy efficient inverter in the coldstores to reduce energy usage and by replacing lighting with energy efficient LED fittings.

The group currently generates over £200,000 of revenue per tonne of CO₂. The directors consider this usage to be low for a business of this nature but efforts remain ongoing to make even more energy savings which will reduce our carbon footprint even further.

J O SIMS HOLDINGS (1896) LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020**

Disclosure of information to auditor

The directors confirm that:

- so far as each director is aware, there is no relevant audit information of which the Company and the Group's auditor is unaware, and
- the directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the Company and the Group's auditor is aware of that information.

Auditor

The auditor, Grant Thornton UK LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board and signed on its behalf.

Christopher Sims

C O Sims
Director

Date: 27 September 2021



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF J O SIMS HOLDINGS (1896) LIMITED

Opinion

We have audited the financial statements of J O Sims Holdings (1896) Limited (the 'parent Company') and its subsidiaries (the 'Group') for the year ended 31 December 2020, which comprise the Consolidated Statement of comprehensive income, the Consolidated and Company Balance sheets, the Consolidated Statement of cash flows, the Consolidated and Company Statement of changes in equity and notes to the financial statements, 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 Financial Reporting Standard 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 Group's and of the parent Company's affairs as at 31 December 2020 and of the Group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 Group and the parent Company 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 are responsible for concluding on the appropriateness of the directors' 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 Group's and of the parent Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the Group and the parent Company to cease to continue as a going concern.

In our evaluation of the directors' conclusions, we considered the inherent risks associated with the Group's and of the parent Company's business model including effects arising from macro-economic uncertainties such as Brexit and Covid-19, we assessed and challenged the reasonableness of estimates made by the directors and the related disclosures and analysed how those risks might affect the Group's and of the parent Company's financial resources or ability to continue operations over the going concern period.



**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF J O SIMS HOLDINGS (1896) LIMITED
(CONTINUED)**

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's and of the parent Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

The responsibilities of the directors with respect to going concern are described in the 'Responsibilities of directors for the financial statements' section of this report.

Other information

The directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditor's report thereon. 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Group strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group strategic report and the Directors' report have been prepared in accordance with applicable legal requirements.

Matter on which we are required to report under the Companies Act 2006

In the light of the knowledge and understanding of the Group and the parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group strategic report or the Directors' report.



**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF J O SIMS HOLDINGS (1896) LIMITED
(CONTINUED)**

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 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent Company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors for the financial statements

As explained more fully in the Directors' responsibilities statement, the directors 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 directors 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 directors are responsible for assessing the Group's and the parent Company'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 directors either intend to liquidate the Group or the parent Company 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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditor's report.



**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF J O SIMS HOLDINGS (1896) LIMITED
(CONTINUED)**

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK).

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- we obtained an understanding of the legal and regulatory frameworks that are applicable to the company and determined that the most significant which are directly relevant to specific assertions in the financial statements are those related to the reporting frameworks (United Kingdom Generally Accepted Accounting Practice, the Companies Act 2006) and the relevant tax compliance regulations in the jurisdiction in which the company operates.
- we enquired of management whether they were aware of any instances of non-compliance with laws and regulations or whether they had any knowledge of actual, suspected or alleged fraud.
- we identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our commercial experience and through discussion with management.
- we assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur by meeting with management and evaluating management's incentives and opportunities for manipulation of the financial statements. We considered the risk of fraud to be higher through the potential for management override of controls.
- audit procedures performed by the engagement team included:
 - testing manual journal entries, in particular journal entries relating to management estimates and entries determined to be large, profit affecting or relating to unusual transactions;
 - challenging assumptions and judgements made by management;
 - detailed testing around revenue recognition; and
 - identifying and testing related party transactions.
- assessment of the appropriateness of the collective competence and capabilities of the engagement team included consideration of the engagement team's:
 - understanding of, and practical experience with audit engagements of a similar nature and complexity through appropriate training; and
 - understanding of the financial reporting framework and the relevant tax compliance regulations specific to the entity.
- we did not identify any matters relating to non-compliance with laws and regulation or incidence of fraud.



**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF J O SIMS HOLDINGS (1896) LIMITED
(CONTINUED)**

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company'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 Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Grant Thornton UK LLP

Andrew Hodgekins
Senior statutory auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
Chelmsford

27 September 2021

J O SIMS HOLDINGS (1896) LIMITED

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Note	2020 £	2019 £
Turnover	4	98,538,151	96,369,176
Cost of sales		(89,579,218)	(87,147,254)
Gross profit		8,958,933	9,221,922
Distribution costs		(897,628)	(837,276)
Administrative expenses		(5,841,832)	(7,029,414)
Other operating income	5	1,484,191	1,664,728
Fair value movements		570,079	-
Operating profit	6	4,273,743	3,019,960
Interest receivable and similar income	10	31,075	42,632
Interest payable and expenses	11	(913,914)	(1,136,247)
Profit before taxation		3,390,904	1,926,345
Tax on profit	12	(673,061)	(802,105)
Profit for the financial year		2,717,843	1,124,240
Retranslation of opening net assets of overseas operations		(762,085)	(430,627)
Other comprehensive income for the year		(762,085)	(430,627)
Total comprehensive income for the year		1,955,758	693,613
Profit for the year attributable to:			
Non-controlling interests		31,733	(30,163)
Owners of the parent Company		2,686,110	1,154,403
		2,717,843	1,124,240
Total comprehensive income for the year attributable to:			
Non-controlling interest		31,733	(30,163)
Owners of the parent Company		1,924,025	723,776
		1,955,758	693,613

The notes on pages 22 to 44 form part of these financial statements.

J O SIMS HOLDINGS (1896) LIMITED

**CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2020**

	Note	2020 £	<i>Restated 2019 £</i>
Fixed assets			
Intangible assets	14	(88,223)	(110,725)
Tangible assets	15	32,802,896	30,517,114
Investments	16	156,454	118,789
Investment property	17	44,718,749	47,318,749
		<u>77,589,876</u>	<u>77,843,927</u>
Current assets			
Stocks	18	10,441,141	10,235,280
Debtors	19	16,541,806	14,450,210
Cash at bank and in hand	20	256,592	331,660
		<u>27,239,539</u>	<u>25,017,150</u>
Creditors: amounts falling due within one year	21	(23,966,045)	(24,043,403)
Net current assets		<u>3,273,494</u>	<u>973,747</u>
Total assets less current liabilities		<u>80,863,370</u>	<u>78,817,674</u>
Creditors: amounts falling due after more than one year	22	(26,774,721)	(25,862,198)
Provisions for liabilities			
Deferred taxation	24	(4,444,403)	(4,466,988)
		<u>(4,444,403)</u>	<u>(4,466,988)</u>
Net assets		<u><u>49,644,246</u></u>	<u><u>48,488,488</u></u>

J O SIMS HOLDINGS (1896) LIMITED
REGISTERED NUMBER:08288515

CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2020

	Note	2020 £	2019 £
Capital and reserves			
Called up share capital	25	100	100
Share premium account	26	16,975,232	16,975,232
Revaluation reserve	26	16,579,137	17,429,137
Capital redemption reserve	26	800,000	800,000
Profit and loss account	26	14,613,485	12,518,990
Equity attributable to owners of the parent Company		48,967,954	47,723,459
Non-controlling interests		676,292	765,029
		49,644,246	48,488,488

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

Christopher Sims

C O Sims
Director

Andrew Bell

A J Bell
Director

Date: 27 September 2021

The notes on pages 22 to 44 form part of these financial statements.

J O SIMS HOLDINGS (1896) LIMITED
REGISTERED NUMBER:08288515

COMPANY BALANCE SHEET
AS AT 31 DECEMBER 2020

	Note	2020 £	2019 £
Fixed assets			
Investments	16	18,975,332	18,975,332
		<u>18,975,332</u>	<u>18,975,332</u>
Current assets			
Debtors	19	480,501	600,068
		<u>480,501</u>	<u>600,068</u>
Creditors: amounts falling due within one year	21	(215,366)	(216,152)
		<u>265,135</u>	<u>383,916</u>
Net current assets		<u>265,135</u>	<u>383,916</u>
Total assets less current liabilities		<u>19,240,467</u>	<u>19,359,248</u>
Creditors: amounts falling due after more than one year	22	(1,400,000)	(1,500,000)
		<u>17,840,467</u>	<u>17,859,248</u>
Net assets		<u>17,840,467</u>	<u>17,859,248</u>
Capital and reserves			
Called up share capital	25	100	100
Share premium account	26	16,975,232	16,975,232
Capital redemption reserve	26	800,000	800,000
Profit and loss account	26	65,135	83,916
		<u>17,840,467</u>	<u>17,859,248</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

C O Sims *Christopher Sims*
 Director

A J Bell *Andrew Bell*
 Director

Date: 27 September 2021

The notes on pages 22 to 44 form part of these financial statements.

J O SIMS HOLDINGS (1896) LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2020

	Called up share capital	Share premium account	Capital redemption reserve	Revaluation reserve	Profit and loss account	Equity attributable to owners of parent Company	Non- controlling interests	Total equity
	£	£	£	£	£	£	£	£
At 1 January 2020	100	16,975,232	800,000	17,429,137	12,518,990	47,723,459	765,029	48,488,488
Comprehensive income for the year								
Profit for the year	-	-	-	-	2,686,110	2,686,110	31,733	2,717,843
Retranslation of opening net assets of overseas operations	-	-	-	-	(641,615)	(641,615)	(120,470)	(762,085)
Transfer	-	-	-	(850,000)	850,000	-	-	-
Total comprehensive income for the year	-	-	-	(850,000)	2,894,495	2,044,495	(88,737)	1,955,758
Dividends: Equity capital	-	-	-	-	(800,000)	(800,000)	-	(800,000)
Total transactions with owners	-	-	-	-	(800,000)	(800,000)	-	(800,000)
At 31 December 2020	100	16,975,232	800,000	16,579,137	14,613,485	48,967,954	676,292	49,644,246

The notes on pages 22 to 44 form part of these financial statements.

J O SIMS HOLDINGS (1896) LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2019

	Called up share capital	Share premium account	Capital redemption reserve	Revaluation reserve	Profit and loss account	Equity attributable to owners of parent Company	Non- controlling interests	Total equity
	£	£	£	£	£	£	£	£
At 1 January 2019	100	16,975,232	800,000	17,429,137	11,767,874	46,972,343	822,532	47,794,875
Comprehensive income for the year								
Profit for the year	-	-	-	-	1,154,403	1,154,403	(30,163)	1,124,240
Retranslation of opening net assets of overseas operations	-	-	-	-	(403,287)	(403,287)	(27,340)	(430,627)
Total comprehensive income for the year	-	-	-	-	751,116	751,116	(57,503)	693,613
Total transactions with owners	-	-	-	-	-	-	-	-
At 31 December 2019	100	16,975,232	800,000	17,429,137	12,518,990	47,723,459	765,029	48,488,488

The notes on pages 22 to 44 form part of these financial statements.

J O SIMS HOLDINGS (1896) LIMITED

**COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2020**

	Called up share capital	Share premium account	Capital redemption reserve	Profit and loss account	Total equity
	£	£	£	£	£
At 1 January 2020	100	16,975,232	800,000	83,916	17,859,248
Profit for the year	-	-	-	781,219	781,219
Dividends: Equity capital	-	-	-	(800,000)	(800,000)
At 31 December 2020	100	16,975,232	800,000	65,135	17,840,467

**COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2019**

	Called up share capital	Share premium account	Capital redemption reserve	Profit and loss account	Total equity
	£	£	£	£	£
At 1 January 2019	100	16,975,232	800,000	106,475	17,881,807
Loss for the year	-	-	-	(22,559)	(22,559)
At 31 December 2019	100	16,975,232	800,000	83,916	17,859,248

The notes on pages 22 to 44 form part of these financial statements.

J O SIMS HOLDINGS (1896) LIMITED

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2020**

	2020 £	<i>Restated</i> 2019 £
Cash flows from operating activities		
Profit for the financial year	2,717,843	1,124,240
Adjustments for:		
Amortisation of intangible assets	(22,497)	(22,496)
Depreciation of tangible assets	2,299,750	2,115,422
Loss on disposal of tangible assets	190,919	-
Interest paid	913,914	1,136,247
Interest received	(31,075)	(42,632)
Taxation charge	673,061	802,105
(Increase) in stocks	(205,861)	(1,540,956)
(Increase) in debtors	(2,798,515)	(2,241,465)
Increase in creditors	1,427,788	1,628,479
Net fair value (gains)/losses recognised in P&L	(570,079)	-
Corporation tax (paid)	(817,933)	(710,154)
Movement on fair value forex swaps	210,646	(144,144)
Foreign exchange movements	(18,395)	567,237
Net cash generated from operating activities	3,969,566	2,671,883
Cash flows from investing activities		
Purchase of tangible fixed assets	(4,801,279)	(6,440,924)
Sale of tangible fixed assets	39,746	551,940
Sale of investment properties	2,409,081	-
Purchase of unlisted and other investments	(35,275)	(53,805)
Interest received	31,075	42,632
Net cash used in investing activities	(2,356,652)	(5,900,157)
Cash flows from financing activities		
New secured loans	6,629,781	3,043,198
Repayment of loans	(3,653,536)	(1,564,382)
Repayment of other loans	(1,305,876)	(57,170)
Dividends paid	(800,000)	-
Interest paid	(913,914)	(1,136,247)
Net cash generated from/ (used in) financing activities	(43,545)	285,399
Net increase/(decrease) in cash and cash equivalents	1,569,369	(2,942,875)
Cash and cash equivalents at beginning of year	(2,058,979)	883,896

J O SIMS HOLDINGS (1896) LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2020

	2020	<i>As restated</i>
	£	2019
		£
Cash and cash equivalents at the end of year	(489,610)	(2,058,979)
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	256,592	331,660
Bank overdrafts	(746,202)	(2,390,639)
	(489,610)	(2,058,979)

The notes on pages 22 to 44 form part of these financial statements.

J O SIMS HOLDINGS (1896) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

1. General information

The J O Sims Holdings (1896) Limited group is principally engaged in selling fresh produce, selling fresh produce partly on its own behalf and partly on a commission basis.

The company is a private company limited by shares and is incorporated in England.

The address of the registered office is Pudding Lane, Pinchbeck, Spalding, Lincolnshire, PE11 3TJ.

2. Accounting policies**2.1 Basis of preparation of financial statements**

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The presentation and functional currency of the company is GBP.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Group management to exercise judgement in applying the Group's accounting policies (see note 3).

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of comprehensive income in these financial statements.

The following principal accounting policies have been applied:

2.2 Basis of consolidation

The consolidated financial statements present the results of the company and its own subsidiaries ("the Group") as if they formed a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Balance sheet, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated statement of comprehensive income from the date on which control is obtained. They are deconsolidated from the date control ceases.

J O SIMS HOLDINGS (1896) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

2. Accounting policies (continued)**2.3 Going concern**

Management have considered the current and potential future impact on the company of the continuing global Covid-19 pandemic. Trading during this period from the initial UK lockdown in March 2020 through to the current date has remained strong, due to the nature of the company's product offering including fresh fruit, and fruit products which are used in the manufacture of healthy foods such as breakfast cereals. The company has been able to operate at normal capacity due to the UK Government lockdown restrictions considering the needs of essential food businesses which has ensured that the company has been able to meet the demand from its customers. Looking into 2022 and beyond the directors are confident that demand will remain strong.

In relation to the investment properties, residential demand has remained strong. We have agreed a range of rental forbearance agreements with our commercial tenants to recognise the challenges they have faced to date as a result of the pandemic. Going forward, as the tenant businesses are now open and trading we are confident that the strength of their respective offerings and the location of the sites means that our medium-term rental stream is secure at broadly historical levels. The group has adequate cash resources and access to operating finance to ensure that it is able to meet its' liabilities as they fall due.

The final agreed terms of the exit of the United Kingdom from the European Union substantially resolved the uncertainty previously facing the business. Clarity around how the exit would be resolved and the trading environment which would exist post Brexit had been constantly monitored and considered by management. Appropriate planning and actions have been taken by the company to ensure that the correct global logistic partners and facilities are in place in order that the business will minimise any negative impact caused by the exit. The company was well prepared for this change and ready to meet the challenge on 1st January 2021.

Having regard to the group's forecasts and projections to December 2022 and beyond the directors therefore consider that the group has adequate resources to continue in operational existence for the foreseeable future and that it is appropriate to prepare the financial statements on a going concern basis.

2.4 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

In respect of fruit sales, turnover is recognised in line with lot accounting, which matches all revenues and costs for each lot created at the consignment level. Revenue is recognised when goods have been received by the customer.

Development of property turnover is recognised upon completion.

Orchards turnover is recognised upon delivery.

Rental income is recognised as other operating income over the period of rental.

J O SIMS HOLDINGS (1896) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

2. Accounting policies (continued)
2.5 Intangible assets
Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of the Group's share of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the Consolidated statement of comprehensive income over its useful economic life.

2.6 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is provided on the following basis:

Freehold Buildings	- 2% straight line
Plant & Machinery	- 5 - 20% straight line
Motor Vehicles	- 20% straight line
Fixtures & Fittings	- 10 - 33% straight line

Land is not depreciated. Depreciation on other assets is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Included within Plant & Machinery are biological assets, which are recognised under the cost model at historical cost less accumulated depreciation and any accumulated impairment losses. Depreciation is provided on a 5% straight line basis.

2.7 Operating leases: the Group as lessee

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

2.8 Operating leases: the Group as lessor

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

2.9 Investment property

Investment property is carried at fair value determined annually by external valuers and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is provided. Changes in fair value are recognised in profit or loss.

J O SIMS HOLDINGS (1896) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

2. Accounting policies (continued)**2.10 Valuation of investments**

Investments in subsidiaries are measured at cost less accumulated impairment. Where merger relief is applicable, the cost of the investment in a subsidiary undertaking is measured at the nominal value of the shares issued together with the fair value of any additional consideration paid.

2.11 Stocks

Stocks are stated at the lower of cost and net realisable value, after making allowance for obsolete and slow moving stock.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.12 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.13 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Consolidated statement of cash flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

2.14 Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited directly to equity.

2.15 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

J O SIMS HOLDINGS (1896) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

2. Accounting policies (continued)**2.16 Finance costs**

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.17 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

Dividends on shares recognised as liabilities are recognised as expenses and classified within interest payable.

2.18 Pensions**Defined contribution pension plan**

The Group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the Group in independently administered funds.

2.19 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.20 Borrowing costs

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

2.21 Provisions for liabilities

Provisions are made where an event has taken place that gives the Group a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Group becomes aware of the obligation, and are measured at the best estimate at the Balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance sheet.

J O SIMS HOLDINGS (1896) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

2. Accounting policies (continued)**2.22 Current and deferred taxation**

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company and the Group operate and generate income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.23 Foreign currency translation**Functional and presentation currency**

The group's and company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

On consolidation, the results of overseas operations are translated into Sterling at rates approximating to those ruling when the transactions took place. All assets and liabilities of overseas operations are translated at the rate ruling at the reporting date. Exchange differences arising on translating the opening net assets at closing rate and the results of overseas operations at actual rate are recognised in other comprehensive income.

Exchange gains and losses are recognised in the statement of comprehensive income.

J O SIMS HOLDINGS (1896) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

2. Accounting policies (continued)
2.24 Prior period adjustment

The company previously recognised stock at the point of raising a purchase order which was deemed expected stock, and a corresponding purchase liability was recorded. The directors have now determined that a more appropriate accounting treatment would be to recognise stock and the associated liability at the point the risk and rewards of ownership are transferred i.e. when the goods are received.

The position as at 31 December 2019 has been restated accordingly.

3. Judgements in applying accounting policies and key sources of estimation uncertainty

Many of the amounts in the financial statements involve the use of judgement and/or estimation. These judgements and estimates are based on management's best knowledge of the relevant facts and circumstances, having regard to prior experience, but actual results may differ from the amounts included in the financial statements. Information about such judgements and estimation is contained in the accounting policies and/or the notes to the financial statements and the key areas are summarised below:

Judgements in applying accounting policies:

- the directors must judge whether all the conditions required for turnover to be recognised in the profit and loss account of the financial year, as set out in note 2.4 above, have been met.

Sources of estimation uncertainty:

- Depreciation rates are based on estimates of the useful lives of the assets involved as disclosed in note 2.6
- The Group carries its investment property at fair value as set out in note 2.9 above. The directors estimate fair value using external valuation reports and market yields as a guide, taking into account the nature, location and condition of the property.
- Based on the ageing of the stock the directors apply a set criteria, based on experience, to estimate the level of provision required to determine the net realisable value of stock, on a line by line basis.

4. Turnover

The turnover and profit before taxation are attributable to the principal activities of the group 7% (2019: 7%) of the group turnover is derived in the US, the remainder being derived in the UK.

5. Other operating income

	2020 £	2019 £
Rental income	1,291,313	1,583,480
Sundry income	192,878	81,248
	<u>1,484,191</u>	<u>1,664,728</u>

J O SIMS HOLDINGS (1896) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

6. Operating profit

The operating profit is stated after charging:

	2020 £	2019 £
Depreciation of tangible fixed assets	2,299,750	2,115,422
Amortisation of intangible assets, including goodwill	(22,502)	(22,496)
	<u>2,277,248</u>	<u>2,092,926</u>

7. Auditor's remuneration

	2020 £	2019 £
Fees payable to the Group's auditor and its associates for the audit of the Group's annual accounts	5,000	5,000
Fees payable to the Group's auditor and its associates in respect of:		
Subsidiary company audits	48,880	46,700
Subsidiary company accounting services	4,120	4,000
All other services	-	79,855
Other services relating to taxation	23,025	11,670
	<u>76,025</u>	<u>142,225</u>

J O SIMS HOLDINGS (1896) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

8. Employees

Staff costs, including directors' remuneration, were as follows:

	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
Wages and salaries	4,463,903	4,115,653	-	-
Social security costs	473,810	417,715	-	-
Cost of defined contribution scheme	201,174	195,072	-	-
	5,138,887	4,728,440	-	-

The average monthly number of employees, including the directors, during the year was as follows:

	2020 No.	2019 No.
Sales and distribution	159	159
Office and management	26	22
	185	181

J O SIMS HOLDINGS (1896) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

9. Directors' remuneration

	2020 £	2019 £
Directors' emoluments	681,614	335,402
Company contributions to defined contribution pension schemes	31,143	20,650
	<u>712,757</u>	<u>356,052</u>

The highest paid director received remuneration of £171,465 (2019 - £129,915).

10. Interest receivable

	2020 £	2019 £
Other interest receivable	31,075	42,632
	<u>31,075</u>	<u>42,632</u>

11. Interest payable and similar expenses

	2020 £	2019 £
Bank interest payable	834,437	1,053,901
Other loan interest payable	65,477	68,346
Preference share dividends	14,000	14,000
	<u>913,914</u>	<u>1,136,247</u>

J O SIMS HOLDINGS (1896) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

12. Taxation

	2020	2019
	£	£
Corporation tax		
Current tax on profits for the year	751,932	628,534
Adjustments in respect of previous periods	(80,423)	10,158
	671,509	638,692
Foreign tax		
Foreign tax on income for the year	4,554	89,626
Total current tax	676,063	728,318
Deferred tax		
Origination and reversal of timing differences	(3,002)	73,787
Total deferred tax	(3,002)	73,787
Taxation on profit on ordinary activities	673,061	802,105

J O SIMS HOLDINGS (1896) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

12. Taxation (continued)**Factors affecting tax charge for the year**

The tax assessed for the year is lower than (2019 - *higher than*) the standard rate of corporation tax in the UK of 19% (2019 - 19%). The differences are explained below:

	2020 £	2019 £
Profit on ordinary activities before tax	3,390,904	1,926,345
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2019: 19%)	787,063	366,006
Effects of:		
Expenses not deductible for tax purposes	27,749	18,465
Adjustments to brought forward values	-	82,611
Adjustments to tax charge in respect of prior periods	(80,423)	10,158
Chargeable capital gains	(71,860)	60,194
Adjustment to deferred tax rate	345,961	(21,438)
Deferred tax asset not recognised	(78,778)	131,908
Foreign tax (rate differential)	49,357	187,958
Fixed asset differences	(82,158)	22,363
Exempt ABGH distributions	(151,998)	-
Group relief claimed	-	436
Income not taxable	(71,852)	(139,157)
Income taxed on LLP profits	-	82,601
Total tax charge for the year	673,061	802,105

Factors that may affect future tax charges

The UK corporation tax rate is planned to increase from 19% to 25% from 1 April 2023.

J O SIMS HOLDINGS (1896) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

13. Dividends

	2020 £	2019 £
Ordinary		
Dividends paid on equity capital	800,000	-
Preference		
Dividends paid on preference share capital	14,000	14,000
	<u>814,000</u>	<u>14,000</u>

14. Intangible assets**Group and Company**

	Goodwill £	Negative goodwill £	Total £
Cost			
At 1 January 2020	277,001	(363,468)	(86,467)
At 31 December 2020	<u>277,001</u>	<u>(363,468)</u>	<u>(86,467)</u>
Amortisation			
At 1 January 2020	96,952	(72,694)	24,258
Charge for the year on owned assets	13,848	(36,350)	(22,502)
At 31 December 2020	<u>110,800</u>	<u>(109,044)</u>	<u>1,756</u>
Net book value			
At 31 December 2020	<u>166,201</u>	<u>(254,424)</u>	<u>(88,223)</u>
At 31 December 2019	<u>180,049</u>	<u>(290,774)</u>	<u>(110,725)</u>

J O SIMS HOLDINGS (1896) LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

15. Tangible fixed assets

Group

	Freehold property £	Plant & machinery £	Motor vehicles £	Fixtures & fittings £	Total £
Cost or valuation					
At 1 January 2020	26,064,907	20,706,762	307,973	1,018,200	48,097,842
Additions	1,135,420	3,631,079	-	34,780	4,801,279
Disposals	-	(224,339)	-	-	(224,339)
Revaluations	570,079	-	-	-	570,079
Exchange adjustments	(780,776)	(481,545)	-	-	(1,262,321)
At 31 December 2020	26,989,630	23,631,957	307,973	1,052,980	51,982,540
Depreciation					
At 1 January 2020	3,191,969	13,160,848	307,973	919,938	17,580,728
Charge for the year on owned assets	829,384	1,422,058	-	48,308	2,299,750
Disposals	-	(184,593)	-	-	(184,593)
Exchange adjustments	(153,899)	(362,342)	-	-	(516,241)
At 31 December 2020	3,867,454	14,035,971	307,973	968,246	19,179,644
Net book value					
At 31 December 2020	23,122,176	9,595,986	-	84,734	32,802,896
At 31 December 2019	22,872,938	7,545,914	-	98,262	30,517,114

Included within Plant & Machinery are Biological Assets under the cost model. These consist of Fruiting Orchards with a brought forward NBV of £7,831,790, additions during the year of £972,793, depreciation charged of £464,515 and a carried forward NBV of £8,011,782.

J O SIMS HOLDINGS (1896) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

16. Fixed asset investments**Group**

	Other fixed asset investments £
Cost or valuation	
At 1 January 2020	233,660
Additions	35,275
Foreign exchange movement	2,390
At 31 December 2020	<u>271,325</u>
Impairment	
At 1 January 2020	114,871
At 31 December 2020	<u>114,871</u>
Net book value	
At 31 December 2020	<u>156,454</u>
At 31 December 2019	<u>118,789</u>

J O SIMS HOLDINGS (1896) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

16. Fixed asset investments (continued)**Company**

	Investments in subsidiary companies £
Cost or valuation	
At 1 January 2020	18,975,332
At 31 December 2020	<u>18,975,332</u>

17. Investment property**Group**

	Freehold investment property £
Valuation	
At 1 January 2020	47,318,749
Disposals	(2,600,000)
At 31 December 2020	<u><u>44,718,749</u></u>

The 2020 valuations were made by the directors at the balance sheet date, on an open market value for existing use basis.

The bank has first legal charge over the properties.

J O SIMS HOLDINGS (1896) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

18. Stocks

	Group	<i>Group</i>
	2020	<i>Restated</i>
	£	<i>2019</i>
Raw materials and consumables	2,073,491	<i>1,708,481</i>
Finished goods and goods for resale	8,367,650	<i>8,526,799</i>
	10,441,141	<i>10,235,280</i>

Stock recognised in cost of sales during the year as an expense was £66,880,995 (2019: £66,503,398).

Stock is stated net of a provision of £107,785 (2019: £152,917).

19. Debtors

	Group	<i>Group</i>	Company	<i>Company</i>
	2020	<i>2019</i>	2020	<i>2019</i>
	£	<i>£</i>	£	<i>£</i>
Due after more than one year				
Other debtors	382,183	<i>587,919</i>	-	-
	382,183	<i>587,919</i>	-	-
Due within one year				
Trade debtors	14,120,376	<i>10,855,579</i>	-	-
Amounts owed by group undertakings	-	-	480,501	<i>600,068</i>
Other debtors	1,072,298	<i>1,900,236</i>	-	-
Prepayments and accrued income	847,326	<i>898,142</i>	-	-
Tax recoverable	119,623	<i>81,825</i>	-	-
Financial instruments	-	<i>126,509</i>	-	-
	16,541,806	<i>14,450,210</i>	480,501	<i>600,068</i>

Trade debtors are stated net of a provision of £27,108 (2019: £1,163).

Amounts owed by group undertakings are unsecured and have no fixed date of repayment and are repayable on demand. Interest is charged at 3%.

J O SIMS HOLDINGS (1896) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

20. Cash and cash equivalents

	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
Cash at bank and in hand	256,592	331,660	-	-
Less: bank overdrafts	(746,202)	(2,390,639)	-	-
	<u>(489,610)</u>	<u>(2,058,979)</u>	<u>-</u>	<u>-</u>

21. Creditors: Amounts falling due within one year

	Group 2020 £	Group Restated 2019 £	Company 2020 £	Company 2019 £
Bank overdrafts	746,202	2,390,639	-	-
Bank loans	5,173,191	3,109,469	200,000	200,000
Other loans	219,346	1,525,222	-	-
Trade creditors	14,044,963	13,154,870	-	-
Corporation tax	262,358	346,847	-	-
Other taxation and social security	253,927	165,194	-	-
Other creditors	2,464,061	2,534,666	-	-
Accruals and deferred income	717,860	816,496	15,366	16,152
Financial instruments	84,137	-	-	-
	<u>23,966,045</u>	<u>24,043,403</u>	<u>215,366</u>	<u>216,152</u>

Disclosure of the terms and conditions attached to the non-equity shares is made in note 25.

Other creditors include £2,217,664 (2019: £1,083,704) in respect of the director's current accounts.

J O SIMS HOLDINGS (1896) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

22. Creditors: Amounts falling due after more than one year

	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
Bank loans	26,001,482	25,162,198	700,000	800,000
Other creditors	73,239	-	-	-
Share capital treated as debt	700,000	700,000	700,000	700,000
	<u>26,774,721</u>	<u>25,862,198</u>	<u>1,400,000</u>	<u>1,500,000</u>

Disclosure of the terms and conditions attached to the non-equity shares is made in note 25.

23. Loans

	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
Amounts falling due within one year				
Bank loans	5,173,191	3,109,469	200,000	200,000
Other loans	219,346	1,525,222	-	-
	<u>5,392,537</u>	<u>4,634,691</u>	<u>200,000</u>	<u>200,000</u>
Amounts falling due 1-2 years				
Bank loans	6,012,621	3,831,900	200,000	200,000
Amounts falling due 2-5 years				
Bank loans	10,892,367	10,398,755	500,000	600,000
Amounts falling due after more than 5 years				
Bank loans	9,096,494	10,931,543	-	-
	<u>31,394,019</u>	<u>29,796,889</u>	<u>900,000</u>	<u>1,000,000</u>

Bank loans and overdrafts are secured by a fixed and floating charge over certain property and over the group's assets and various guarantees given to the group's bankers by group undertakings.

J O SIMS HOLDINGS (1896) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

24. Deferred taxation**Group**

	2020 £	2019 £
At beginning of year	(4,466,988)	(4,551,346)
Charged to profit or loss	3,002	(73,787)
Foreign exchange movement	19,583	158,145
At end of year	(4,444,403)	(4,466,988)
	Group 2020 £	Group 2019 £
Capital gains on investment properties	(1,688,677)	(1,718,325)
Accelerated capital allowances	(2,759,247)	(2,752,615)
Short term timing difference	3,521	3,952
	(4,444,403)	(4,466,988)

25. Share capital

	2020 £	2019 £
Shares classified as equity		
Allotted, called up and fully paid		
100,000 (2019: 100,000) Ordinary shares of £0.001 each	100	100
	2019 £	2019 £
Shares classified as debt		
Allotted, called up and fully paid		
700,000 (2019: 700,000) Preference shares of £1.000 each	700,000	700,000

J O SIMS HOLDINGS (1896) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

25. Share capital (continued)

Ordinary shares entitle the holder to receive notice of, and to attend, any general meeting of the company. Each share is entitled to one vote at any such meeting or on a written resolution.

Preference shares entitle the holder to receive notice of, and to attend, any general meeting of the company but no entitlement to vote at any such meeting or on a written resolution. Dividends are in priority to the payment of any dividend to ordinary shareholders. The company shall pay the holders of the preference shares a fixed cumulative preferential dividend at the rate of 2% per annum on the subscription price for such preferential shares.

26. Reserves**Share premium account**

Includes any premiums received on issue of share capital. Any transaction costs associated with the issuing of shares are deducted from share premium.

Revaluation reserve

The revaluation reserve represents surpluses on the revaluation of freehold investment properties.

Capital redemption reserve

The capital redemption reserve is non-distributable reserve and represents paid up share capital.

Profit and loss account

Includes all current and prior period retained profits and losses.

27. Contingent liabilities

A cross guarantee on banking arrangements exists between Clink Street Properties Limited and Winchester Square Properties Limited, Stoney Street Developments Limited, J O Sims Limited, J O Sims Holdings Limited and J O Sims Holdings (1896) Limited.

The amount guaranteed by the company as at 31 December 2020 was £19,073,677 (2019: £20,579,738).

28. Capital commitments

At 31 December 2020 the Group had capital commitments as follows:

	2020 £	2019 £
Contracted for but not provided in these financial statements	<u>71,010</u>	<u>697,933</u>

J O SIMS HOLDINGS (1896) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
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29. Pension commitments

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company. The pension cost charge represents contributions payable by the group to the fund.

30. Commitments under operating leases for lessee

At 31 December 2020 the Group had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	Group 2020 £	<i>Group 2019 £</i>
Not later than 1 year	102,427	106,773
Later than 1 year and not later than 5 years	191,231	155,164
	<hr/> 293,658	<hr/> 261,937

31. Commitments under operating leases for lessor

At 31 December 2020 the Group had future minimum lease payments receivable under non-cancellable operating leases as follows:

	Group 2020 £	<i>Group 2019 £</i>
Not later than 1 year	1,624,716	1,819,179
Later than 1 year and not later than 5 years	4,421,292	4,630,156
Later than 5 years	9,196,320	10,404,320
	<hr/> 15,242,328 <hr/>	<hr/> 16,853,655 <hr/>

32. Related party transactions

At the year end the group owed Mr C O Sims £1,371,401 (2019: £845,225), Mr J V O Sims £87,494 (2019: £8,789) and Mr A G O Sims £377,099 (2019: £229,689). The Group also owed A15 Limited £381,670 (2019: £356,536) at the year end for which Mr A G O Sims is a director.

33. Controlling party

Mr C O Sims is the company's controlling related party by virtue of a majority shareholding in the company.

J O SIMS HOLDINGS (1896) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020**

34. Subsidiary undertakings**Subsidiary undertakings**

The following were subsidiary undertakings of the Company:

Name	Country of incorporation	Class of shares	Holding
J O Sims Holdings Limited	England & Wales	Ordinary Shares	100%
J O Sims Limited	England & Wales	Ordinary Shares	100%
Dippy Ridge Limited	England & Wales	Ordinary Shares	96%
Stoney Street Developments Limited	England & Wales	Ordinary Shares	100%
Clink Street Properties Limited	England & Wales	Ordinary Shares	100%
Winchester Square Properties Limited	England & Wales	Ordinary Shares	100%
Dippy Ridge, Inc	USA	Ordinary Shares	96%
Montana Ridge SPA	Chile	Ordinary Shares	100%
Cherry Ridge (Pty) Limited	South Africa	Ordinary Shares	86%
D en K Skaars Midelle (Pty) Limited	South Africa	Ordinary Shares	86%
Cranes Coral (Pty) Limited	South Africa	Ordinary Shares	86%
Mequinenza Cresta S.L.	Spain	Ordinary Shares	100%
Savanna Ridge Cherries Inc.	Canada	Ordinary Shares	67%
Amble Ridge (Pty) Limited	South Africa	Ordinary Shares	80%
Patagonia Cherry	Chile	Ordinary Shares	51%
Patagonia Ridge	Chile	Ordinary Shares	99%