

COMPANIES HOUSE
23 DEC 2021
EDINBURGH MAILBOX

Albert Bartlett Holdings Limited

Annual Report and Financial Statements

Year Ended

31 May 2021

Company Number SC531407



Albert Bartlett Holdings Limited

Company Information

Director	Mr R A Bartlett
Company secretary	Ms S Miller
Registered number	SC531407
Registered office	New Monkland 251 Stirling Road Airdrie Lanarkshire ML6 7SP
Independent auditor	BDO LLP 4 Atlantic Quay 70 York Street Glasgow G2 8JX
Bankers	HSBC Bank plc 2 Buchanan Street Glasgow G1 3LB
Solicitors	Pinsent Masons LLP 141 Bothwell Street Glasgow G2 7EQ

Albert Bartlett Holdings Limited

Contents

	Page
Group Strategic Report	1 - 2
Director's Report	3 - 8
Director's Responsibilities Statement	9
Independent Auditor's Report	10 - 13
Consolidated Statement of Comprehensive Income	14
Consolidated Balance Sheet	15
Company Balance Sheet	16
Consolidated Statement of Changes in Equity	17
Company Statement of Changes in Equity	18
Consolidated Statement of Cash Flows	19 - 20
Notes to the Financial Statements	21 - 44

Albert Bartlett Holdings Limited

Group Strategic Report For the Year Ended 31 May 2021

The director presents his strategic report together with the audited financial statements for the year ended 31 May 2021.

Business review

The Director found the trading performance of the Group to be satisfactory in the year to 31 May 2021. Turnover for the Group grew from £200.0m in 2020 to £212.7m in 2021 reflecting continued development across all parts of our business. Alongside the growth in our established fresh and frozen businesses we saw good growth in our chilled potato business which was first launched in September 2018. The underlying profit before taxation generated by the Group similarly rose from £9.4m in 2020 to £ 10.3m in 2021.

Our strength in branded Albert Bartlett products in the fresh, frozen, and chilled fixtures continues to be extremely well received by the customer. The quality of our products is also evident throughout retailer own label products which we supply.

We continue to adapt our product offering across our fresh, frozen, and chilled businesses and are proud of our reputation for consistently high-quality products which benefit from our end-to-end procurement model and technical understanding of the entire supply chain from field to fork.

The Group has continued to invest in its chilled operations during the year adding to both its capacity and capability, in order to meet growing sales volumes. As a result of the recent investment new coated, formed products were successfully launched in September 2020. Further to this the business commenced a capital project in 2021 to increase both the capacity and range of product offering within its frozen division.

2021 was a year which has continued to be impacted by Covid 19 for all of us and the business has not been immune to this. Being part of the critical food supply chain during this period has presented a number of significant challenges to our business. Whilst sales performance has been robust during this period, in common with other food suppliers, we rapidly had to adapt our production sites to keep our employees safe whilst still playing our part in ensuring continuity of food supply. This challenge is ongoing, and we remain vigilant to the changing requirements of the pandemic as it evolves.

We did feel the negative impact of both the initial and second lockdown in the retail sector via a drop in sales to the food service sector and within our own Spud U Like trading business. On a more positive note, we are pleased to have relaunched our Spud U Like business with our partner, James Martin, and are excited about the new trading formats and menus which are now on offer. Over the next year the business will explore the potential opportunity to open more stores across the UK.

Our international businesses pulled back volumes in the last year as overseas markets have presented challenging trading conditions. Trading has now been reduced to minimal levels and we will review the structure of these operations in the year ahead.

Our Scotty Brand business remains committed to its core values to bring high quality, fresh Scottish products to its consumers and continues to innovate with its partners to bring new products to the market. It is proud to be recognised as one of Scotland's leading food brands and sits well within the Albert Bartlett brand portfolio reflecting quality, consistency, and innovation.

Albert Bartlett Holdings Limited

Group Strategic Report (continued) For the Year Ended 31 May 2021

Principal risks and uncertainties

The impact of Brexit and increasing cost inflation have been heavily felt in 2021 in our business and the food industry. Reduced labour availability, both operationally and within supply chain, rising commodity and raw material prices and increasing utility costs have brought significant cost pressures. The business continues to manage and mitigate these cost increases through proactively seeking to work more effectively and efficiently.

With the growing challenges of climate change the business continues to consider the environmental impact of business decisions, as it works towards its sustainability targets.

Finally, we are always impacted by trends in weather patterns creating uncertainty in growing conditions for potatoes every year and also influences consumer buying patterns.

Financial key performance indicators

The director has chosen a number of key performance indicators to measure the group's progress. The table sets out these indicators, explaining how they relate to its strategic priorities, and how it performed against them this year:

		2021	2020	
Total sales value	To track the group's top line performance whilst ensuring we maintain a profitable sales mix.	£212.7m	£200.0m	Total sales rose in the year as a result of growth in core fresh and frozen businesses alongside continued growth in our newer and expanding chilled potato business.
Profit before taxation	To track the underlying performance of the group and ensure sustainability.	£10.3m	£9.4m	Growth in underlying profit before taxation is in line with ongoing growth in our total sales values.

Future developments

Covid 19 has presented challenges, and we will continue to keep all divisions of our business under review as this risk remains a factor. The business continues to invest for the future and will complete the Frozen facility expansion in 2022, enhancing its offering to customers and increase sale volumes. Further to this the business continues to identify and explore opportunities to further develop our offering in both fresh and frozen markets.

This report was approved by the board on 23-12-2021 and signed on its behalf.


Mr R A Bartlett
Director

Albert Bartlett Holdings Limited

Director's Report For the Year Ended 31 May 2021

The director presents his report together with the audited financial statements for the year ended 31 May 2021. The financial statements are noted as 31 May 2021 and are drawn up to 28 May 2021 as permitted (being within 7 days of the year end) as company operates using 13 4-week cycles.

Principal activity

The principal activity of the group in the year was the growing, processing, packing and marketing of fresh, frozen and chilled vegetables.

Results and dividends

The profit for the year, after taxation, amounted to £7,708,032 (2020 - £6,651,055).

Dividends of £1,500,000 (2020 - £1,500,000) were declared in the year.

Director

The director who served during the year was:

Mr R A Bartlett

Political contributions

The group made the following donations for charitable purposes during the year to 31 May 2021:

	£000
Local charities	91
UK national charities	39

Group's policy for payment of creditors

It is the group's policy to pay creditors within the terms agreed when the contract of supply is made, to the extent that the creditors have fulfilled and performed their contractual obligations. Where no terms are agreed, creditors are paid within thirty days of the month end in which the invoice is received. The ratio expressed in days between amounts invoiced to the group by its suppliers in the year and the amounts owed to its trade creditors at the end of the year was 25 days (2020 - 34 days).

Employee involvement

The group has continued its practice of keeping employees informed of matters affecting them as employees and the financial and economic factors affecting the performance of the company. This is achieved through regular consultations with employee representatives.

The group is an equal opportunity employer committed to positive policies in recruitment, training and career development for staff members (and potential staff members) regardless of marital status, sex, religion, colour, race, ethnic origin or disability. The group gives full consideration to applications for employment by disabled persons where the requirements of the job can be adequately fulfilled by a handicapped or disabled person. Where existing employees become disabled it is the group policy, where practical, to provide continuing employment under similar terms and conditions and to provide training and career development.

Post balance sheet events

In the period subsequent to year-end, the group purchased an additional £375,000 in unlisted investments.

Albert Bartlett Holdings Limited

Director's Report (continued) For the Year Ended 31 May 2021

Going Concern

The financial statements have been prepared on a going concern basis. The directors have not identified any material uncertainties which would affect the ability of the group to continue to trade for a period of at least 12 months from the date of these financial statements.

The directors have considered the impact of COVID-19 on the business and are satisfied that the pandemic will not have a significant effect on their going concern assessment. For further details, see note 2.4.

Emissions and Energy Consumption

Albert Bartlett has a long tradition of focusing priorities on high quality natural produce, so the journey towards Net Zero emissions is a natural extension of this philosophy. During the years ended May 2020 and 2021 Albert Bartlett began work on a number of carbon reduction initiatives.

Quantification and Reporting Methodology

The reporting followed the guidance in the document *Environmental Reporting Guidelines: Including streamlined energy and carbon reporting guidance*.

The conversion factors used to calculate the emissions contained in the report are those published in the UK Government GHG Conversion Factors for Company Reporting Standard Set Version 1.0 for the year 2019.

The figures quoted below are for the group's key subsidiary, Albert Bartlett & Sons (Airdrie) Limited.

	2021	2020 (revised * Note)	2020 (as originally stated)
Green House Gas Emissions by Tonnes CO2e			
Scope 1 Emissions	14,588	12,670	3,739
Scope 2 Emissions	5,626	5,423	5,423
Scope 3 Emissions	23	25	25
Total	20,237	18,118	9,187
Intensity Ratio			
Tonnes CO2e	20,237	18,118	9,187
Turnover	193,714,004	177,151,470	177,151,470
Tonnes CO2e per £m of turnover	104.47	102.27	51.90

* Note: Heavy fuel oil ("HFO") is not a SECR reporting requirement but it has been included retrospectively (and 2020 figures restated above) as the business has transitioned from using HFO to LPG in the year, making year on year comparisons misleading without restating comparative figures to include HFO.

Albert Bartlett Holdings Limited

Director's Report (continued) For the Year Ended 31 May 2021

	2021	2020 (revised)	2020 (as originally stated)
Scope 1 Activities			
Gas consumption used to calculate emissions (kWh)	4,679,711	3,286,089	3,286,089
Petrol / Diesel consumption used to calculate emissions (litres)	452,282	427,273	427,273
LPG for forklift trucks, space heating and process heat (litres)	4,171,004	1,208,262	1,208,262
Aircraft Fuel (kg)	40,423	46,802	46,802
Heavy fuel oil (litres)	1,839	2,734	not shown
Scope 2 Activities			
Electricity consumption used to calculate emissions (kWh)	24,133,410	21,216,804	21,216,804
Scope 3 Activities			
Emissions from business travel in rental cars or employee-owned vehicles where company is responsible for purchasing the fuel (litres)	87,715	88,757	88,757
Scope 1 Emissions			
Gas emissions (tonnes of CO ₂ e)	860	604	604
Petrol / Diesel emissions (tonnes of CO ₂ e)	1,186	1,108	1,108
LPG emissions (tonnes of CO ₂ e)	6,488	1,840	1,840
Aircraft Fuel emissions (tonnes of CO ₂ e)	103	187	187
Heavy fuel oil	5,951	8,931	not shown
Total	14,588	12,670	3,739
Scope 2 Emissions			
Electricity emissions (tonnes of CO ₂ e)	5,626	5,423	5,423

Albert Bartlett Holdings Limited

Director's Report (continued) For the Year Ended 31 May 2021

	2021	2020 (revised)	2020 (as originally stated)
Scope 3 Emissions			
Business travel in rental cars or employee-owned vehicles where company is responsible for purchasing the fuel (tonnes of CO2e)	23	25	25

The company is committed to Environmental and Corporate Social Responsibility. During 2020-21, the business has undertaken numerous initiatives to improve and develop our commitment to environmental sustainability, these include:

1. Fuel switching at Westwick, from Heavy Fuel Oil (HFO) to LPG, which has resulted in a significant carbon reduction.
2. 5% energy reduction project initiated for all sites, which has resulted in a number of energy saving measures being identified and implemented
3. Further rollout of LED lighting at Airdrie is being carried out in the administration and canteen areas of the building
4. Boston has reduced chiller energy consumption by utilising outside air when it goes below a set temperature
5. Light weighting of own brand packaging, which resulted in 92 tonnes of plastic saved
6. The business entered a Renewable Electricity supply contract for electricity supplied to the Boston site by British Gas from 1 November 2019. The associated generation was fed to the UK grid from several Wind / Unspecified / Onshore generation facilities in Finland. In recognition of this, the report contains location and market based emissions figures.

Albert Bartlett Holdings Limited

Director's Report (continued) For the Year Ended 31 May 2021

Section 172 statement

The director of the Group considers that he has acted in the way that considers the success of the Group for the benefit of its members and all relevant stakeholders. In doing so he has regard to:

Likely consequences of any decision in the long term

When making decisions, the Board always considers the impact of its decisions on the Group and its stakeholders over the long term, identifying new areas of investment and development which it believes will provide resilience and future opportunity. In doing so it weighs up the impact of its decisions on all of its members and works to act fairly across different stakeholders in the long term.

The interest of the Group's employees

The director is committed to ensuring employees are provided with information on matters of concern to them and uses employee forums where staff representatives from across the business meet with senior management to discuss changes and provide feedback. During the year, newsletters are issued to keep all employees informed of business updates.

The need to foster the Group's business relationships with suppliers, customer and others

Our place in the middle of the food supply chain has meant that we have always placed critical importance on our relationships with our grower group, key suppliers and customers. We strive to identify ways to continue to develop the business and recognise the impact of these developments on all of our key business partners.

The impact of the Group's operations on the community and the environment

Our management team recognise that our business activities have an effect on the environment and the communities we work within. We are committed to reduce our impact on the environment and the Board have set specific environmental objectives to ensure the Group works towards reducing its environmental impact as it continues to develop its business.

The desirability of the Group maintaining a reputation for high standards of business conduct

The Director considers strong governance is an integral part of the success of the Group and as a broad representation of skills and experience across management team members as well as a number of Board advisors who act in a consultancy basis. We work closely with regulatory bodies and industry bodies to ensure high standards of business conduct are maintained as the business develops and the trading environment evolves.

Disclosure of information to auditor

The director at the time when this director's report is approved has confirmed that:

- so far as he is aware, there is no relevant audit information of which the company and the group's auditor is unaware; and
- he has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company and the group's auditor is aware of that information.

Albert Bartlett Holdings Limited

Director's Report (continued)
For the Year Ended 31 May 2021

Auditor

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

This report was approved by the board on 23-12-2021

and signed on its behalf.



Mr R A Bartlett
Director

Albert Bartlett Holdings Limited

Director's Responsibilities Statement For the Year Ended 31 May 2021

The director is responsible for preparing the group strategic report, the director's report and the consolidated financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the director must not approve the financial statements unless he is satisfied that they give a true and fair view of the state of affairs of the group and company and of the profit or loss of the group for that period.

In preparing these financial statements, the director is required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is 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 enable him to ensure that the financial statements comply with the Companies Act 2006. He is also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Albert Bartlett Holdings Limited

Independent Auditor's Report to the Members of Albert Bartlett Holdings Limited

Opinion on the financial statements

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 May 2021 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.

We have audited the financial statements of Albert Bartlett Holdings Limited ("the parent company") and its subsidiaries ("the group") for the year ended 31 May 2021 which comprise the consolidated statement of comprehensive income, the consolidated and company balance sheet, the consolidated and company statement of changes in equity, the consolidated statement of cash flows 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).

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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remain 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.

Conclusions relating to going concern

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

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 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.

Our responsibilities and the responsibilities of the director with respect to going concern are described in the relevant sections of this report.

Albert Bartlett Holdings Limited

Independent Auditor's Report to the Members of Albert Bartlett Holdings Limited (continued)

Other information

The director is 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

Other Companies Act 2006 reporting

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

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

In the light of the knowledge and understanding of the group and parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and director's report.

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 director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of the director

As explained more fully in the director's responsibilities statement, the director is 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 director determines 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 director is 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 has no realistic alternative but to do so.

Albert Bartlett Holdings Limited

Independent Auditor's Report to the Members of Albert Bartlett Holdings Limited (continued)

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.

Extent to which the audit was 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. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- performing analytical procedures to identify unusual or unexpected relationships that may indicate risks of material misstatements due to fraud. Areas of identified risk were then tested substantively;
- assessing the design and implementation of the control environment to identify areas of material weakness to focus the design of our testing;
- determining whether the accounting policies and presentation adopted in the financial statements are in accordance with 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);
- identifying whether there are instances of potential bias in areas with significant degrees of judgement and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business;
- addressing the risk of fraud through management override of controls by testing the appropriateness of a sample of journal entries; assessing whether the judgements made in accounting estimates are indicative of a potential bias; evaluating the business rationale of significant transactions that are unusual or outside the normal course of business; and reviewing revenue recognition particularly around the year end;
- vouching balances and reconciling items in key control account reconciliations to support documentation as at 31 May 2021; and
- carrying out detailed testing, on a sample basis, of transactions and balances agreeing to appropriate documentary evidence to verify the completeness, existence and accuracy of the reported financial statements.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

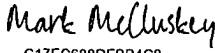
A further description of our responsibilities is available at the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our Auditor's Report.

Albert Bartlett Holdings Limited

Independent Auditor's Report to the Members of Albert Bartlett Holdings Limited (continued)

Use of our report

This report is made solely to the parent 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 parent 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 parent company and the parent company's members as a body, for our audit work, for this report, or for the opinions we have formed.

DocuSigned by:

C17EC688DFBB4C8...

Mark McCluskey (Senior Statutory Auditor)
For and on behalf of BDO LLP, statutory auditor
Glasgow
United Kingdom

Date: 23 December 2021

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Albert Bartlett Holdings Limited

Consolidated Statement of Comprehensive Income For the Year Ended 31 May 2021

	Note	2021 £	2020 £
Turnover	5	212,722,209	199,985,256
Cost of sales		(155,258,788)	150,329,074
Gross profit		<u>57,463,421</u>	<u>49,656,182</u>
Administrative expenses		(45,831,651)	(40,125,058)
Other operating income	6	1,148,930	590,337
Operating profit	7	<u>12,780,700</u>	<u>10,121,461</u>
Impairment of investments	17	(2,100,000)	(249,997)
Interest receivable and similar income	11	16,621	17,862
Interest payable and similar charges	12	(412,178)	(480,639)
Profit before taxation		<u>10,285,143</u>	<u>9,408,687</u>
Tax on profit	13	(2,577,111)	(2,757,632)
Profit for the financial year		<u><u>7,708,032</u></u>	<u><u>6,651,055</u></u>
Profit for the year attributable to:			
Owners of the parent company		<u><u>7,708,032</u></u>	<u><u>6,651,055</u></u>

There was no other comprehensive income for 2021 (2020 - £Nil).

The notes on pages 21 to 44 form part of these financial statements.

Albert Bartlett Holdings Limited

Registered number: SC531407

Consolidated Balance Sheet As at 31 May 2021

	Note	2021 £	2021 £	2020 £	2020 £
Fixed assets					
Intangible assets	15		258,692		292,192
Tangible assets	16		70,524,813		65,375,641
Investments	17		4,297,967		5,147,967
			75,081,472		70,815,800
Current assets					
Stocks	18	8,711,651		10,541,292	
Debtors: amounts falling due after more than one year	19	12,544,063		12,156,243	
Debtors: amounts falling due within one year	19	46,973,629		44,364,066	
Cash at bank and in hand	20	610,761		1,007,597	
			68,840,104		68,069,198
Creditors: amounts falling due within one year	21	(40,175,870)		(48,641,851)	
Net current assets			28,664,234		19,427,347
Total assets less current liabilities			103,745,706		90,243,147
Creditors: amounts falling due after more than one year	22	(23,126,077)		(15,494,667)	
Accruals and deferred income	26	(3,266,248)		(3,537,919)	
Provisions for liabilities					
Deferred taxation	25		(275,989)		(341,201)
Net assets			77,077,392		70,869,360
Capital and reserves					
Called up share capital	27		10,000		10,000
Merger reserve	28		24,227,680		24,227,680
Profit and loss account	28		52,839,712		46,631,680
Total equity			77,077,392		70,869,360

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



23 December 2021

Mr R A Bartlett
Director

The notes on pages 21 to 44 form part of these financial statements.

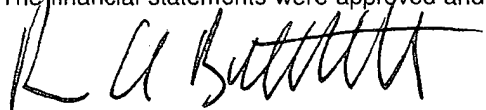
Albert Bartlett Holdings Limited
Registered number: SC531407

Company Balance Sheet
As at 31 May 2021

	Note	2021 £	2021 £	2020 £	2020 £
Fixed assets					
Investments	17		24,237,780		24,237,780
Current assets					
Debtors: amounts falling due within one year	19	13,100,000		12,294,800	
Creditors: amounts falling due within one year	21	(2,569,000)		(1,694,400)	
Net current assets			10,531,000		10,600,400
Total assets less current liabilities			34,768,780		34,838,180
Creditors: amounts falling due after more than one year	22		(10,521,000)		(10,590,400)
Net assets			24,247,780		24,247,780
Capital and reserves					
Called up share capital	27		10,000		10,000
Merger reserve	28		24,237,780		24,237,780
Total equity			24,247,780		24,247,780

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 profit after tax of the parent company for the year was £1,500,000 (2020 - £1,500,000).

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



23 December 2021

Mr R A Bartlett
Director

The notes on pages 21 to 44 form part of these financial statements.

Albert Bartlett Holdings Limited

Consolidated Statement of Changes in Equity For the Year Ended 31 May 2021

	Called up share capital	Merger reserve	Profit and loss account	Total equity
	£	£	£	£
At 1 June 2020	10,000	24,227,680	46,631,680	70,869,360
Comprehensive income for the year				
Profit for the year	-	-	7,708,032	7,708,032
Total comprehensive income for the year	-	-	7,708,032	7,708,032
Dividends	-	-	(1,500,000)	(1,500,000)
At 31 May 2021	10,000	24,227,680	52,839,712	77,077,392

Consolidated Statement of Changes in Equity For the Year Ended 31 May 2020

	Called up share capital	Merger reserve	Profit and loss account	Total equity
	£	£	£	£
At 1 June 2019	10,100	24,227,680	41,480,625	65,718,405
Comprehensive income for the year				
Profit for the year	-	-	6,651,055	6,651,055
Total comprehensive income for the year	-	-	6,651,055	6,651,055
Dividends	-	-	(1,500,000)	(1,500,000)
Reduction of share capital	(100)	-	-	(100)
At 31 May 2020	10,000	24,227,680	46,631,680	70,869,360

The notes on pages 21 to 44 form part of these financial statements.

Albert Bartlett Holdings Limited

Company Statement of Changes in Equity For the Year Ended 31 May 2021

	Called up share capital	Merger reserve	Profit and loss account	Total equity
	£	£	£	£
At 1 June 2020	10,000	24,237,780	-	24,247,780
Comprehensive income for the year				
Profit for the year	-	-	1,500,000	1,500,000
Total comprehensive income for the year	-	-	1,500,000	1,500,000
Dividends: Equity capital	-	-	(1,500,000)	(1,500,000)
At 31 May 2021	10,000	24,237,780	-	24,247,780

Company Statement of Changes in Equity For the Year Ended 31 May 2020

	Called up share capital	Merger reserve	Profit and loss account	Total equity
	£	£	£	£
At 1 June 2019	10,100	24,237,780	-	24,247,880
Comprehensive income for the year				
Profit for the year	-	-	1,500,000	1,500,000
Total comprehensive income for the year	-	-	1,500,000	1,500,000
Dividends: Equity capital	-	-	(1,500,000)	(1,500,000)
Reduction of share capital	(100)	-	-	(100)
At 31 May 2020	10,000	24,237,780	-	24,247,780

The notes on pages 21 to 44 form part of these financial statements.

Albert Bartlett Holdings Limited

Consolidated Statement of Cash Flows For the Year Ended 31 May 2021

	2021	As restated 2020
	£	£
Cash flows from operating activities		
Profit for the financial year	7,708,032	6,651,055
Adjustments for:		
Amortisation of intangible assets	36,250	27,808
Depreciation of tangible assets	8,471,368	5,586,928
Impairments of investments/intangible fixed assets	2,124,750	249,997
Gain on disposal of tangible assets	(119,246)	(76,148)
Government grants - amortisation	(656,255)	(498,602)
Interest payable	412,178	480,639
Interest receivable	(16,621)	(17,862)
Taxation charge	2,577,111	2,757,632
Decrease in stocks	1,829,641	4,289,455
Increase in debtors	(2,997,382)	(4,255,251)
(Decrease)/increase in creditors	(20,822,831)	12,079,301
Corporation tax paid	(2,800,000)	(2,660,206)
Net cash (used in)/generated from operating activities	(4,253,005)	24,614,746
Cash flows from investing activities		
Purchase of intangible fixed assets	(27,500)	(185,000)
Sale of intangible assets	-	75,037
Purchase of tangible fixed assets	(13,890,000)	(14,127,121)
Sale of tangible fixed assets	558,612	166,306
Purchase of fixed asset investments	(1,250,000)	-
Government grants received	71,750	75,000
Interest received	16,621	17,862
HP interest paid	(145,758)	(175,986)
Net cash used in investing activities	(14,666,275)	(14,153,902)

Albert Bartlett Holdings Limited

Consolidated statement of cash flows (continued) For the Year Ended 31 May 2021

	2021	As restated 2020
	£	£
Cash flows from financing activities		
Reduction of share capital	-	(100)
New secured loans	2,500,000	-
Repayment of loans	(1,694,400)	(1,694,400)
New finance leases	13,254,886	-
Repayment of finance leases	(2,539,020)	(2,034,699)
Movement in invoice financing facility	8,776,312	(5,835,647)
Dividends paid	(1,500,000)	(1,500,000)
Interest paid	(266,420)	(304,653)
Net cash generated from/(used in) financing activities	18,531,358	(11,369,499)
Net decrease in cash and cash equivalents	(387,922)	(908,655)
Cash and cash equivalents at beginning of year	998,683	1,907,338
Cash and cash equivalents at the end of year	610,761	998,683
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	610,761	1,007,597
Bank overdrafts	-	(8,914)
	610,761	998,683

Albert Bartlett Holdings Limited

Notes to the Financial Statements For the Year Ended 31 May 2021

1. General information

Albert Bartlett Holdings Limited is a private company, limited by shares and incorporated in Scotland under the Companies Act 2006. The address of the registered office is given on the company information page and the nature of the group's principal activity is set out in the director's report.

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 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 presentational and functional currency of these financial statements is GBP. Values are rounded to the nearest pound.

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 form 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.

The group recognises a merger reserve which arose on a business combination that was accounted for as a merger in accordance with UK GAAP.

2.3 Parent company disclosure exemptions

In preparing the separate financial statements of the parent company, advantage has been taken of the following disclosure exemptions available in FRS 102:

- Only one reconciliation of the number of shares outstanding at the beginning and end of the period has been presented as the reconciliation's for the group and the company would be identical.
- No cash flow statement has been presented for the parent company.
- No disclosure has been given for the aggregate remuneration of the key management personnel of the parent company as their remuneration is included in the totals for the group as a whole.

Albert Bartlett Holdings Limited

Notes to the Financial Statements For the Year Ended 31 May 2021

2. Accounting policies (continued)

2.4 Going concern

The director considers the going concern basis to be appropriate following his assessment of the group's financial position and its ability to meet its obligations as and when they fall due. In making the going concern assessment, the director has taken into account the following:

- The capital structure and liquidity of the group;
- A number of scenarios to the base case cash flow forecasts and trading projections for 2022 and 2023 which are described further below; and
- Specifically in relation to the potential impact of the COVID-19 pandemic on the group, the directors have considered:
 - The current trading performance of the group following lockdown measures introduced by the government, noting that the pandemic has had a positive impact on trading performance when compared to historic levels. The director believes this is due mainly to change in consumer eating patterns during lockdown; and
 - Market intelligence and government economic forecasts around the short to medium term economic impacts due to the COVID-19 pandemic on the food sector.

One of the key scenarios that the director has modelled reflects a complete temporary closure of one of his processing locations due to a COVID-19 outbreak, which the director considers is unlikely, due to the stringent measures and protocols in place to prevent an outbreak occurring. This model has, however, been used to demonstrate that the entity could still meet its obligations as they fall due in that event with significant headroom.

On that basis, the director is satisfied that the going concern basis of preparation for the financial statements continues to be appropriate and the financial statements have been prepared accordingly.

2.5 Revenue

Turnover represents net invoiced sale of goods in the year, excluding value added tax.

Revenue is recognised when the significant risks of ownership have been transferred to the customer. A sales invoice is raised and triggers revenue recognition at the time when the goods are dispatched to customers. Trade discounts and rebates are based upon volume, gross sales, and limited promotions and are deducted from turnover.

Albert Bartlett Holdings Limited

Notes to the Financial Statements For the Year Ended 31 May 2021

2. Accounting policies (continued)

2.6 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 of 10 years, and impairment is provided in line with applicable accounting standards.

Other intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life of 10 years. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

2.7 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.

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 both the reducing balance and straight line methods.

Depreciation is provided on the following basis:

Freehold land and buildings	-	2% straight line
Plant and machinery	-	25% reducing balance
Assets under construction	-	not depreciated
Aircraft	-	10% reducing balance

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the consolidated statement of comprehensive income.

2.8 Valuation of investments

Investments in subsidiaries and associates are measured at cost less accumulated impairment.

Investments in unlisted shares are measured at cost less accumulated impairment.

Albert Bartlett Holdings Limited

Notes to the Financial Statements For the Year Ended 31 May 2021

2. Accounting policies (continued)

2.9 Stocks

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for wastage. Stock comprises of packaging materials, goods for resale and produce in various stages of growth. Work in progress and finished goods include labour and attributable overheads.

2.10 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.

2.11 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.

2.12 Financial instruments

The group only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties and loans to related parties.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the consolidated statement of comprehensive income.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the group would receive for the asset if it were to be sold at the balance sheet date.

2.13 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.

Albert Bartlett Holdings Limited

Notes to the Financial Statements For the Year Ended 31 May 2021

2. Accounting policies (continued)

2.14 Government grants

Government grants relating to tangible fixed assets are treated as deferred income and released to the consolidated statement of comprehensive income over the expected useful lives of the assets concerned. Other grants are credited to the consolidated statement of comprehensive income as the related expenditure is incurred.

2.15 Foreign currency translation

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.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the consolidated statement of comprehensive income except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the consolidated statement of comprehensive income within 'finance income or costs'. All other foreign exchange gains and losses are presented in the consolidated statement of comprehensive income within 'other operating income'.

2.16 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.

2.17 Operating leases: the group as lessee

Rentals paid under operating leases are charged to the consolidated statement of comprehensive income on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

2.18 Leased assets: the group as lessee

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to the consolidated statement of comprehensive income so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

Albert Bartlett Holdings Limited

Notes to the Financial Statements For the Year Ended 31 May 2021

2. Accounting policies (continued)

2.19 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 the consolidated statement of comprehensive income 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.

2.20 Interest income

Interest income is recognised in the consolidated statement of comprehensive income using the effective interest method.

2.21 Borrowing costs

All borrowing costs are recognised in the consolidated statement of comprehensive income in the year in which they are incurred.

2.22 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 the consolidated statement of comprehensive income 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.

Albert Bartlett Holdings Limited

Notes to the Financial Statements For the Year Ended 31 May 2021

2. Accounting policies (continued)

2.23 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the consolidated statement of comprehensive income 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.

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

In preparing these financial statements, the director has made the following judgements:

- Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.
- Fixed assets, including intangibles and investments, are considered for indications of impairment. If required an impairment review will be carried out and a decision made on possible impairment. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit. Any impairment review of investments in unlisted companies, which are pre-revenue, will be informed by input from independent advisors who are specialists in the relevant sector, taking reference from fundraising activities completed by similar businesses.
- Bad debts are provided for on a specific basis via a review of trade and other debtors to determine whether there is a need for a provision. Factors considered include customer payment history and ageing.

Albert Bartlett Holdings Limited

Notes to the Financial Statements For the Year Ended 31 May 2021

3. Judgements in applying accounting policies (continued)

- Inventories are assessed for evidence of obsolescence and a provision is made against any inventory unlikely to be sold or for any losses incurred since the year end.

4. Prior period adjustment

An error has been identified which related to previously reported financial statements. As this is considered to be fundamental to the reported performance of the company and as it affects a primary statement, the comparative information has been restated. The restatement is as follows:

The consolidated statement of cash flows presented movements in the invoice finance facility as part of the movement in creditors within operating activities. Upon further consideration, the presentation of the movement in that balance is not compliant with the reporting framework, and the movement should be presented as a financing activity. The correction of this error resulted in operating cash flows to increase by £5,835,647 and for financing cash flows to decrease by the same amount for the year ended 31 May 2020. There was no impact upon either the statement of comprehensive income or on the balance sheets.

5. Turnover

Analysis of turnover by country of destination:

	2021 £	2020 £
United Kingdom	209,229,296	191,166,179
Rest of Europe	1,411,351	1,952,978
Rest of the World	2,081,562	6,866,099
	<u>212,722,209</u>	<u>199,985,256</u>

The principal of turnover is attributable to the growing, processing, packing and marketing of fresh, frozen and chilled vegetables.

6. Other operating income

	2021 £	2020 £
Other operating income	-	1,295
Rents received	76,937	33,270
Royalty received	13,053	57,170
Government grants released	656,255	498,602
Grants received under Coronavirus Job Retention Scheme	402,685	-
	<u>1,148,930</u>	<u>590,337</u>

Albert Bartlett Holdings Limited

Notes to the Financial Statements For the Year Ended 31 May 2021

7. Operating profit

The operating profit is stated after charging/(crediting):

	2021	2020
	£	£
Depreciation of tangible fixed assets - owned by the group	5,075,726	5,073,918
Depreciation of tangible fixed assets - held under HP	3,395,642	513,010
Amortisation of intangible assets, including goodwill	36,250	27,808
Impairment of intangible assets, including goodwill	24,750	-
Exchange differences	(42,215)	99,386
Government grant released	(656,255)	(498,602)
Operating lease rentals	12,432	12,432
Gain on sale of tangible assets	(119,246)	(76,148)
Defined contribution pension cost	947,032	745,214
	947,032	745,214

8. Auditor's remuneration

	2021	2020
	£	£
Fees payable to the group's auditor and its associates for the audit of the group's annual financial statements	20,150	19,500
	20,150	19,500

Fees payable to the group's auditor and its associates in respect of:

The auditing of accounts of subsidiaries pursuant to legislation	63,550	61,500
Other services relating to taxation	77,500	35,650
Services relating to compilation of group's and subsidiaries' financial statements	3,000	3,000
	144,050	100,150

Albert Bartlett Holdings Limited

Notes to the Financial Statements For the Year Ended 31 May 2021

9. Employees

Staff costs, including director's remuneration, were as follows:

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Wages and salaries	29,353,912	27,232,239	-	-
Social security costs	2,949,781	1,562,061	-	-
Cost of defined contribution scheme	947,032	933,328	-	-
	33,250,725	29,727,628	-	-

The company had staff costs of £Nil (2020 - £Nil) in the year.

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

	2021 No.	2020 No.
Administrative	183	169
Factory	917	916
	1,100	1,085

The company has no employees other than the director, who did not receive any remuneration from the parent company (2020 - £Nil).

10. Director's remuneration

Total remuneration paid to directors was £3,333,683 (2020 - £3,354,188).

The highest paid director in the group received remuneration of £950,004 from group companies (2020 - £950,000). There was only 1 director during the year (2020 - 1), therefore total director's remuneration agrees to the remuneration paid to the highest paid director.

The value of contributions paid to a defined contribution pension scheme in respect of the highest paid director in the group amounted to £Nil (2020 - £Nil).

During the year there were no retirement benefits were accruing to the director (2020 - Nil).

11. Interest receivable and similar income

	2021 £	2020 £
Bank interest receivable	16,621	17,862

Albert Bartlett Holdings Limited

Notes to the Financial Statements For the Year Ended 31 May 2021

12. Interest payable and similar charges

	2021 £	2020 £
Bank interest payable	266,420	304,653
Finance leases and hire purchase contracts	145,758	175,986
	<u>412,178</u>	<u>480,639</u>

13. Taxation

	2021 £	2020 £
Corporation tax		
Current tax on profits for the year	2,679,694	2,160,493
Adjustments in respect of previous periods	(37,371)	(761,827)
Total current tax	<u>2,642,323</u>	<u>1,398,666</u>
Deferred tax		
Origination and reversal of timing differences	(65,212)	263,480
Adjustments in respect of previous periods	-	1,095,486
Total deferred tax	<u>(65,212)</u>	<u>1,358,966</u>
Taxation on profit on ordinary activities	<u>2,577,111</u>	<u>2,757,632</u>

Albert Bartlett Holdings Limited

Notes to the Financial Statements For the Year Ended 31 May 2021

13. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2020 - higher than) the standard rate of corporation tax in the UK of 19% (2020 - 19%). The differences are explained below:

	2021 £	2020 £
Profit on ordinary activities before tax	10,285,143	9,408,687
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020 - 19%)	1,954,177	1,787,651
Effects of:		
Non-tax deductible amortisation of goodwill and impairment	-	5,283
Expenses not deductible for tax purposes	463,626	539,940
Fixed asset differences	109,243	81,280
Chargeable gains	-	570
Adjustments to tax charge in respect of previous periods - corporate tax	(37,371)	333,660
Other tax adjustments, reliefs and transfers	6,768	9,248
Adjustment to tax charge in respect of previous periods - deferred tax	14,378	-
Other timing differences	(1,341)	-
Remeasurement due to changes in deferred tax rates	67,631	-
Total tax charge for the year	2,577,111	2,757,632

Factors that may affect future tax charges

Increases in the UK Corporation tax rate from 19% to 25% (19% effective from 1 April 2017, and 25% effective from 1 April 2023) have been substantively enacted. This will impact the company's future tax charge accordingly. The value of the deferred tax liability at the balance sheet date has been calculated using the applicable rate when the liability is expected to be realised.

14. Dividends

	2021 £	2020 £
Dividend of £150 per share (2020 - £150 per share)	1,500,000	1,500,000

Albert Bartlett Holdings Limited

Notes to the Financial Statements For the Year Ended 31 May 2021

15. Intangible assets

Group and Company

	Brands £	Goodwill £	Total £
Cost			
At 1 June 2020	335,000	10,333,047	10,668,047
Additions	27,500	-	27,500
At 31 May 2021	362,500	10,333,047	10,695,547
Amortisation			
At 1 June 2020	42,808	10,333,047	10,375,855
Charge for the year	36,250	-	36,250
Impairment charge	24,750	-	24,750
At 31 May 2021	103,808	10,333,047	10,436,855
Net book value			
At 31 May 2021	258,692	-	258,692
At 31 May 2020	292,192	-	292,192

Albert Bartlett Holdings Limited

Notes to the Financial Statements For the Year Ended 31 May 2021

16. Tangible fixed assets

Group

	Freehold land and buildings £	Plant and machinery £	Assets under construction £	Aircraft £	Total £
Cost					
At 1 June 2020	50,074,375	42,925,569	2,913,735	1,395,708	97,309,387
Additions	4,919,149	9,095,757	45,000	-	14,059,906
Disposals	(352,131)	(2,444,731)	-	-	(2,796,862)
Transfers between classes	2,913,735	-	(2,913,735)	-	-
At 31 May 2021	<u>57,555,128</u>	<u>49,576,595</u>	<u>45,000</u>	<u>1,395,708</u>	<u>108,572,431</u>
Depreciation					
At 1 June 2020	7,162,704	23,603,266	-	1,167,776	31,933,746
Charge for the year	1,024,115	7,371,216	-	76,037	8,471,368
Disposals	(44,423)	(2,313,073)	-	-	(2,357,496)
At 31 May 2021	<u>8,142,396</u>	<u>28,661,409</u>	<u>-</u>	<u>1,243,813</u>	<u>38,047,618</u>
Net book value					
At 31 May 2021	<u>49,412,732</u>	<u>20,915,186</u>	<u>45,000</u>	<u>151,895</u>	<u>70,524,813</u>
At 31 May 2020	<u>42,911,671</u>	<u>19,322,303</u>	<u>2,913,735</u>	<u>227,932</u>	<u>65,375,641</u>

Included in land and buildings is freehold land at a cost of £20,198,273 (2020 - £20,198,273) which is not depreciated.

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2021 £	2020 £
Plant and machinery	<u>18,540,552</u>	<u>10,140,725</u>

Albert Bartlett Holdings Limited

Notes to the Financial Statements For the Year Ended 31 May 2021

17. Fixed asset investments

Group

	Unlisted investments £
Cost or valuation	
At 1 June 2020	13,078,994
Additions	1,250,000
At 31 May 2021	<u>14,328,994</u>
Impairment	
At 1 June 2020	7,931,027
Charge for the year	2,100,000
At 31 May 2021	<u>10,031,027</u>
Net book value	
At 31 May 2021	<u>4,297,967</u>
At 31 May 2020	<u>5,147,967</u>

The group's share of results for the year for one of its investments, Kiddyum Limited, and its share of assets and liabilities are not considered to be material for the year ended 31 May 2020 or 2021.

Albert Bartlett Holdings Limited

Notes to the Financial Statements For the Year Ended 31 May 2021

17. Fixed asset investments (continued)

Company

	Investments in subsidiary companies £
Cost or valuation	
At 1 June 2020	24,237,780
At 31 May 2021	<u>24,237,780</u>
Net book value	
At 31 May 2021	<u>24,237,780</u>
At 31 May 2020	<u>24,237,780</u>

Albert Bartlett Holdings Limited

Notes to the Financial Statements For the Year Ended 31 May 2021

17. Fixed asset investments (continued)

Subsidiary undertakings

The following were subsidiary undertakings of the company:

Name	Registered office	Class of shares	Holding
Bartlett International Holdings Limited	New Monkland, 251 Stirling Road, Airdrie, Lanarkshire, ML6 7SP	Ordinary	100%
Albert Bartlett & Sons (Airdrie) Limited	New Monkland, 251 Stirling Road, Airdrie, Lanarkshire, ML6 7SP	Ordinary	100%
Scotty Brand Limited	New Monkland, 251 Stirling Road, Airdrie, Lanarkshire, ML6 7SP	Ordinary	100%
Albert Bartlett USA Inc	8181 East Tufts Avenue #600, Denver, CO 80237.	Ordinary	100%
Albert Bartlett & Sons (Jersey) Limited*	Le Manoir De Rooster, La Route De La Trinite, St Helier, Jersey, JE2 4JN	Ordinary	100%
Hedgehunter Limited*	Le Manoir De Rooster, La Route De La Trinite, St Helier, Jersey, JE2 4JN	Ordinary	100%
Amal-grow Property Limited*	Le Manoir De Rooster, La Route De La Trinite, St Helier, Jersey, JE2 4JN	Ordinary	100%
Simonsig Limited*	New Monkland, 251 Stirling Road, Airdrie, Lanarkshire, ML6 7SP	Ordinary	100%

Albert Bartlett Holdings Limited

Notes to the Financial Statements For the Year Ended 31 May 2021

17. Fixed asset investments (continued)

Subsidiary undertakings (continued)

The principal activity of Bartlett International Holdings Limited is that of a holding company.

The principal activity of Albert Bartlett & Sons (Airdrie) Limited is the growing, packaging and marketing of vegetables.

The principal activity of Scotty Brand Limited is the sale and marketing of Scottish produce.

The principal activity of Albert Bartlett USA Inc is the growing, packaging and marketing of vegetables.

The principal activity of Albert Bartlett & Sons (Jersey) Limited is the growing, packaging and marketing of vegetables.

The principal activity of Hedgehunter Limited is property management.

The principal activity of Amal-Grow Property Limited is property management.

The principal activity of Simonsig Limited is research and development.

* Subsidiaries marked with an asterisk are held indirectly, via Albert Bartlett & Sons (Airdrie) Limited.

18. Stocks

	Group 2021 £	Group 2020 £
Packaging	1,989,768	1,713,157
Raw Materials 2	1,933,505	3,581,598
Work in progress	1,336,446	1,451,639
Finished goods and goods for resale	3,451,932	3,794,898
	8,711,651	10,541,292

The difference between the purchase price or production cost of stocks and their net realizable value is £500,000 (2020 - £Nil).

19. Debtors: amounts falling due within one year

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Due after more than one year				
Amounts owed by related parties	12,544,063	12,156,243	-	-
	12,544,063	12,156,243	-	-
	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £

Albert Bartlett Holdings Limited

Notes to the Financial Statements For the Year Ended 31 May 2021

19. Debtors: amounts falling due within one year (continued)

Due within one year

Trade debtors	35,910,723	34,523,181	-	-
Amounts owed by group undertakings	-	-	13,090,000	12,284,700
Amounts owed by related parties	6,021	6,021	-	-
Other debtors	8,405,999	7,365,875	10,000	10,100
Prepayments and accrued income	2,650,886	2,468,989	-	-
	46,973,629	44,364,066	13,100,000	12,294,800
	46,973,629	44,364,066	13,100,000	12,294,800

The balance recognised as amounts owed by related parties due after more than one year is technically due on demand however the group does not expect this balance to be recovered in the short term therefore has been recognised as due after more than one year. The balance is due from a company which de-merged from the group in the year (note 32).

20. Cash and cash equivalents

	Group 2021 £	Group 2020 £
Cash at bank and in hand	610,761	1,007,597
Less: bank overdrafts	-	(8,914)
	610,761	998,683
	610,761	998,683

Albert Bartlett Holdings Limited

Notes to the Financial Statements For the Year Ended 31 May 2021

21. Creditors: amounts falling due within one year

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Bank overdrafts	-	8,914	-	-
Bank loans	2,569,400	1,694,400	2,569,000	1,694,400
Trade creditors	16,308,883	17,586,939	-	-
Invoice finance facility	4,041,835	12,818,147	-	-
Amounts owed to group undertakings	-	100	-	-
Corporation tax	633,349	777,820	-	-
Other taxation and social security	1,213,521	840,281	-	-
Obligations under finance lease and hire purchase contracts	4,755,023	1,739,969	-	-
Other creditors	3,545,482	6,546,517	-	-
Accruals and deferred income	7,108,377	6,628,764	-	-
	<u>40,175,870</u>	<u>48,641,851</u>	<u>2,569,000</u>	<u>1,694,400</u>

The amounts due under finance leases and hire purchase contracts are secured against the assets concerned.

The invoice finance facility is secured over certain balances within trade debtors.

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

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Bank loans	10,521,000	10,590,400	10,521,000	10,590,400
Obligations under finance leases and hire purchase contracts	12,605,077	4,904,267	-	-
	<u>23,126,077</u>	<u>15,494,667</u>	<u>10,521,000</u>	<u>10,590,400</u>

Secured loans

The bank loans are secured by a bond and floating charge over the assets of the group. They are the subject of cross guarantees from other group companies. Quarterly capital repayments of £423,600 are to be made from November 2018 with the remaining loan balance being repayable by November 2022. Interest is charged at 1.5% over LIBOR.

Albert Bartlett Holdings Limited

Notes to the Financial Statements For the Year Ended 31 May 2021

23. Loans

Analysis of the maturity of loans is given below:

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Amounts falling due within one year				
Bank loans	2,569,400	1,694,400	2,569,000	1,694,400
Amounts falling due 1-2 years				
Bank loans	10,521,000	1,694,000	10,521,000	1,694,000
Amounts falling due 2-5 years				
Bank loans	-	8,896,400	-	8,896,400
	13,090,400	12,284,800	13,090,000	12,284,800
	13,090,400	12,284,800	13,090,000	12,284,800

24. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	Group 2021 £	Group 2020 £
Within one year	4,755,023	1,739,969
Between 1-2 years	4,180,977	2,099,267
Between 2-3 years	3,925,977	1,530,000
Between 3-4 years	2,650,977	1,275,000
Between 4-5 years	1,847,146	-
	17,360,100	6,644,236
	17,360,100	6,644,236

25. Deferred taxation

Group

	2021 £
At beginning of year	341,201
Charged to profit or loss	(65,212)
At end of year	275,989
	275,989

Albert Bartlett Holdings Limited

Notes to the Financial Statements For the Year Ended 31 May 2021

25. Deferred taxation (continued)

The provision for deferred taxation is made up as follows:

	Group 2021 £	Group 2020 £
Excess of depreciation against capital allowances	<u>275,989</u>	<u>341,201</u>

26. Accruals and deferred income

	Group 2021 £	Group 2020 £
Deferred government grants greater than one year	<u>3,266,248</u>	<u>3,537,919</u>

Grants were received in respect of the purchase of machinery and additions to land and buildings. An amount of £656,255 (2020 - £498,602) per annum is released to the consolidated statement of comprehensive income over the same period that the asset is depreciated.

Of the total amount deferred, £2,549,035 (2020 - £2,704,850) is to be released after more than five years.

27. Share capital

	2021 £	2020 £
Authorised, allotted, called up and fully paid		
10,000 ordinary shares of £1 each	<u>10,000</u>	<u>10,000</u>

Ordinary shares rank pari passu for participation in profits and assets. Each ordinary share is entitled to one vote on all matters upon which the ordinary shares are entitled to vote. During the prior year there was a capital reduction of 100 ordinary shares of £1 each to facilitate the de-merger of Macrocom (1023) Limited.

Albert Bartlett Holdings Limited

Notes to the Financial Statements For the Year Ended 31 May 2021

28. Reserves

The company's capital and reserves are as follows:

Called up share capital

Called up share capital represents the nominal value of the shares issued.

Merger Reserve

Represents the difference between the nominal value of the shares issued during previous mergers and the value of the assets transferred.

Profit and loss account

Includes all current and prior year retained profits and losses less dividends paid or payable.

29. Analysis of net debt

	At 1 June 2020 £	Cash flows £	At 31 May 2021 £
Cash at bank and in hand	1,007,597	(396,836)	610,761
Bank overdrafts	(8,914)	8,914	-
Bank loan due after 1 year	(10,590,400)	69,400	(10,521,000)
Bank loan due within 1 year	(1,694,400)	(875,000)	(2,569,400)
Invoice finance facility	(12,818,147)	8,776,312	(4,041,835)
Finance leases and hire purchase contracts	(6,644,236)	(10,715,864)	(17,360,100)
	<u>(30,748,500)</u>	<u>(3,133,074)</u>	<u>(33,881,574)</u>

30. Pension commitments

During the year the group operated a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost for the year was £947,032 (2020 - £745,214). At the year end pension contributions totalling £138,279 (2020 - £136,811) were included within other creditors.

31. Commitments under operating leases and capital commitments

The group and the company had no commitments under non-cancellable operating leases at the balance sheet date.

As at 31 May 2021, the group was committed to capital expenditure of £8,557,581 (2020 - £7,877,066) in relation to the extension of the cold store division project.

Albert Bartlett Holdings Limited

Notes to the Financial Statements For the Year Ended 31 May 2021

32. Related party transactions

During the year Mr R A Bartlett, director, withdrew loans of £1,633,682 (2020 - £1,114,954) and a dividend of £1,350,000 (2020 - £1,350,000) was credited to his loan account. Included within other debtors (2020 - other creditors) in the financial statements is an amount of £195,007 (2020 - £88,675) recoverable/payable to/from Mr R. A. Bartlett to the company.

Other debtors contains a balance £100,808 (2020 - £100,808) payable by Alan Bartlett & Sons (Chatteris) Limited. The company is owned by Mr A. Bartlett, brother of Mr R. A. Bartlett, director.

Amounts owed from related parties of £12,544,063 (2020 - £12,156,243) is due from Macrocom (1023) Limited, who de-merged from the group in the prior year.

Key management personnel includes the directors of group companies only. Total remuneration paid to key management personnel was £3,333,683 (2020 - £3,354,188).

33. Post balance sheet events

In the period subsequent to year-end, the group purchased an additional £375,000 in unlisted investments.

34. Controlling party

The ultimate controlling party is Mr R. A. Bartlett.