

Registered number: 09829915

S H PRATT HOLDINGS LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022



S H PRATT HOLDINGS LIMITED

COMPANY INFORMATION

Directors	S Mohamed D V Bateman R J Wells
Company secretary	S Mohamed
Registered number	09829915
Registered office	Musca Court Laporte Way Luton Bedfordshire LU4 8EN
Independent auditor	Mazars LLP Chartered Accountants & Statutory Auditor The Pinnacle 160 Midsummer Boulevard Milton Keynes MK9 1FF

S H PRATT HOLDINGS LIMITED

CONTENTS

	Page
Group Strategic Report	1 - 2
Directors' Report	3 - 6
Independent Auditor's Report	7 - 10
Consolidated Statement of Comprehensive Income	11
Consolidated Balance Sheet	12
Company Balance Sheet	13
Consolidated Statement of Changes in Equity	14
Company Statement of Changes in Equity	15
Consolidated Statement of Cash Flows	16
Notes to the Financial Statements	17 - 39

S H PRATT HOLDINGS LIMITED

GROUP STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2022

Introduction

The Directors present their Strategic Report for S H Pratt Holdings Limited for the year ended 31 March 2022.

Business review

The Group's business remains that of banana ripening. The Group's other activities include Kinship Logistics, Kenetic Recruitment and Halo Added Value Services.

The Directors are pleased to report that a profit has been made in the current year, despite the adverse impact of higher drivers' wages (as a result of IR35) and higher fuel costs as a result of the war in Ukraine and the weaker pound.

This impact has been mitigated partially by controlling costs within the group. The Directors consider the Group's financial position to be satisfactory under the current and challenging trading climate.

Principal risks and uncertainties

The Group seeks to manage its financial liquidity risk by ensuring that sufficient liquidity is available to meet foreseeable requirements. The Group continuously monitors forecast and actual cashflows to ensure facilities are adequate to meet future requirements.

The Company uses foreign currency forward contracts to minimise the impact of adverse fluctuations in foreign exchange movements.

Price risk

The Group uses foreign exchange forward contracts to minimise and mitigate the risk of adverse currency fluctuations.

Credit risk

85% of the Groups receivable are with major blue chip retailers, the balance of the risk is covered by using credit insurance.

Liquidity risk

The group seeks to manage its financial liquidity risk by ensuring that sufficient liquidity is available to meet foreseeable requirements. The group further seeks to minimise liquidity risk by regular cash flow forecasting and ensuring any variances are swiftly resolved. The group also minimises liquidity risk by having long standing agreements with both its suppliers and customers.

S H PRATT HOLDINGS LIMITED

GROUP STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

Financial key performance indicators

The Group has made a profit for the year ended 31 March 2022 of £7,756 (17 months ended 31 March 2021 - £2,738,518) and remain in a strong net asset position of £17,380,730 (31 March 2021 - £17,372,974).

Impact of Brexit

The Group has mitigated the impact of Brexit on its incoming supply by obtaining AEO status regarding customs clearance and Defra trading exemption, both ensure prompt clearance at ports. Packaging at source operation lends itself to a further reduction in labour requirement. With regards to our customers by maintaining our own transport fleet, this has led of a higher level of supply instead of relying on 3rd party transport.

Risk arising from Covid-19

Covid-19 has not had a significant impact on the activities of the Group, hence the board believe it will not be adversely impacted in the future.

Environmental policy

The Group is committed to reducing its impact on the environment and works with its customers and suppliers to achieve this.

Section 172 statement

SH Pratt Holdings Ltd complies with S172(1) of the Companies Act 2006 through engagement with its various stakeholders and interaction with them as follows:-

Customers – builds relationships through regular meetings, provides updates on performance and future strategy.

Suppliers – builds relationships with suppliers through regular engagement and paying a fair market price as well as providing feedback on product quality and performance.

Employees – the Group is committed to providing equal opportunities for all employees at all levels. Regarding disabled employees, they are treated on the same basis as all other employees in relation to career development and training.

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



S Mohamed
Director

Date: 8 December 2022

S H PRATT HOLDINGS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2022

The Directors present their report and the financial statements for the year ended 31 March 2022.

The prior year-end was lengthened from 31 October 2020 to 31 March 2021. The prior year comparatives are for a 17 month period and are non-comparable.

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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 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 of the Company and the Group and of the profit or loss of the Group for that period.

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies for the Group's financial statements 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 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 to 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.

Principal activity

The principal activity of the Group continues to be the ripening and wholesaling of bananas and distribution services.

Results and dividends

The profit for the year, after taxation, amounted to £7,756 (17 months ended 31 March 2021 - profit £2,738,518).

During the year the Company paid a dividend of £NIL (17 months ended 31 March 2021 - £NIL).

Directors

The Directors who served during the year were:

S Mohamed
D V Bateman
R J Wells

S H PRATT HOLDINGS LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

Energy and carbon reporting

UK Energy Consumption	KWh
Electricity	8,943,991
Gas	554,124
Transport (fuel)	33,446,921
Total	42,945,036

Scope	UK Greenhouse Gas Emissions	tCO ₂ e
Scope 1	Transportation (fuel)	9103
Scope 1	Site Operation (Buildings Other)	62
Scope 2	Buildings Energy	1582
Scope 3	Business Travel	89
		10,836

SHP Group Intensity Ratio (TCO₂e Per £100k Turnover) = 4.89 (2021: 4.07)

Energy Efficiency Action:

- The 2021/22 financial year saw us ramp up our energy efficiency efforts post pandemic. We recorded a near 10% reduction in our utilities emissions, and we have plans to scrutinise our usage further will updated control systems.
- We have seen a small rise in our transportation emissions in-line with an increase in in business, However we have seen an improvement in fuel consumption with new additions to our fleet.

Methodology:

- The carbon accounting has been measured using best practice standards and guidelines, such as the Greenhouse Gas Protocol. Established emissions factors have been based and assessed on the reliable references from the UK Government GHG Conversion Factors 2020/2021. All building related energy consumption have here been based on the government's approved adoption of converting other GHG emissions into the weighted CO₂ equivalents. Where needed average emission factors for fossil fuels such as for company mileage have been derived from The UK Department for Environment, Food and Rural Affairs (DEFRA).

As a BRC certified business, we have our own environmental policies and procedures which are risk & compliance based. Also as suppliers to UK retail we also have to conform to their standards which include the management of climate related risk

Our two largest climate related risks in our area are emissions from Transportation and Electricity (Ripening & Storage). The opportunities that can arise for the SH Pratt Group (Kinship, Pratts Bananas and Halo) are from the management and reduction of these risks is an Environmentally Friendly & Sustainable transport, Banana ripening business and service provider meeting or exceeding customer expectations

Using all available monitoring tools, we track our usage and emissions in real time and report monthly. We then summarise and share our information with customers and industry bodies yearly or as and when required.

Customers and the Industry have been very descriptive on climate-related risk. They have also been very clear on the need to set science based targets and for our business to plan our Net-Zero goals in line with theirs, reporting progress via various platforms. Failure to do so would see us losing ground on our customer and competitor requirements as well as industry norms in our sector.

In our current business model, product still has to be moved, stored, ripened and moved again. We operate within closely managed timelines and specifications. Any changes in model or strategy to better manage climate related scenarios have to follow the same levels of risk analysis as Food Safety & Security.

S H PRATT HOLDINGS LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2022

Future developments

The group will continue to provide the best value for money service to its customers by sustainable improvements in its supply chain and operational efficiency. The group is also continually reviewing and reinvesting in its environmental policies in order to remain competitive.

Engagement with employees

All staff members have regular meetings with their line managers who inform them about the business. They are also encouraged to provide improvements which are taken on board and a reward scheme is available for successful suggestions. The Company also uses social media to ensure staff are kept up to date of developments within the business. Annually the board of Directors will informally address all employees and update all on the state of the Company.

Disabled employees

The group is committed to a policy of equal opportunities for all employees. It treats disabled persons the same as other employees and offers training , career development and promotion on the same basis as all other employees. All employees are communicated as regards to the groups vision and values and made to feel part of it through various feedback options , for example, employee forums and suggestion schemes.

Matters covered in the Group Strategic Report

As permitted by paragraph 1A of schedule 7 to the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 certain matters which are required to be disclosed in the Directors' Report have been omitted as they are included in the Strategic Report.

These matters relate to business review, key performance indicators and risks and uncertainties.

Disclosure of information to auditor

Each of the persons who are Directors at the time when this Directors' Report is approved has confirmed that:

- so far as the Director is aware, there is no relevant audit information of which the Company and the Group's auditor is unaware, and
- the Director 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.

Global events

On 24 February 2022 Russian Forces entered Ukraine, resulting in Western Nation reactions including announcements of sanctions against Russia and Russian interests worldwide and an economic ripple effect on the global economy. The Directors have carried out an assessment of the potential impact on the business, including the impact of mitigation measures and uncertainties, and have concluded that the effects will be minimal. The Directors have taken account of this in their going concern assessment.

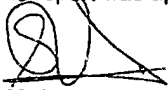
Auditor

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

S H PRATT HOLDINGS LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2022**

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



S Mohamed
Director

Date: 8 December 2022

S H PRATT HOLDINGS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF S H PRATT HOLDINGS LIMITED

Opinion

We have audited the financial statements of S H Pratt Holdings Limited (the 'Parent Company') and its subsidiaries (the 'Group') for the year ended 31 March 2022 which comprise the Group Profit and Loss Account, the Group and Company Balance Sheets, the Group 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 FRS 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 and the Parent Company's affairs as at 31 March 2022 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

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.

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 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.

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

S H PRATT HOLDINGS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF S H PRATT HOLDINGS LIMITED

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The Directors are responsible for the other information contained within the annual report. 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.

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.

Matters on which we are required to report by exception

In 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.

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, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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.

S H PRATT HOLDINGS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF S H PRATT HOLDINGS LIMITED

Responsibilities of Directors

As explained more fully in the Directors' Responsibilities Statement set out on page 3, 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 intend either 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.

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

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.

Based on our understanding of the Group and the Parent Company and its industry, we considered that non-compliance with the following laws and regulations might have a material effect on the financial statements: employment regulation, health and safety regulation, anti-money laundering regulation, non-compliance with implementation of government support schemes relating to COVID-19.

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- Inquiring of management and, where appropriate, those charged with governance, as to whether the company is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- Inspecting correspondence, if any, with relevant licensing or regulatory authorities;
- Communicating identified laws and regulations to the engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the company which were contrary to applicable laws and regulations, including fraud.

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as tax legislation, pension legislation, the Companies Act 2006.

S H PRATT HOLDINGS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF S H PRATT HOLDINGS LIMITED

In addition, we evaluated the Directors' and management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of override of controls, and determined that the principal risks were related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, in particular in relation to revenue recognition (which we pinpointed to the cut off assertion) , and significant one-off or unusual transactions.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the Directors and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

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.

Use of the audit 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.


Stephen Eames for Mazars LLP (Dec 9, 2022 / 5:13 GMT)

Stephen Eames (Senior statutory auditor)

for and on behalf of

Mazars LLP
Chartered Accountants and Statutory Auditor
The Pinnacle
160 Midsummer Boulevard
Milton Keynes
MK9 1FF

Date: Dec 9, 2022

S H PRATT HOLDINGS LIMITED

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2022**

	Note	Year ended 31 March 2022 £	17 months ended 31 March 2021 £
Turnover	4	221,313,022	339,145,348
Cost of sales		(194,719,979)	(290,437,317)
Gross profit		26,593,043	48,708,031
Distribution costs		(9,660,996)	(19,466,186)
Administrative expenses		(16,395,074)	(25,195,045)
Operating profit	5	536,973	4,046,800
Interest payable and similar expenses	9	(371,611)	(545,794)
Profit before tax		165,362	3,501,006
Tax on profit	10	(157,606)	(762,488)
Profit for the financial year		7,756	2,738,518
Other comprehensive income for the year			
Total comprehensive income for the year		7,756	2,738,518
Profit for the year attributable to:			
Owners of the parent company		7,756	2,738,518
		7,756	2,738,518
Total comprehensive income attributable to:			

There were no recognised gains and losses for 2022 or 2021 other than those included in the consolidated statement of comprehensive income.

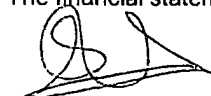
The notes on pages 17 to 39 form part of these financial statements.

S H PRATT HOLDINGS LIMITED
REGISTERED NUMBER: 09829915

CONSOLIDATED BALANCE SHEET
AS AT 31 MARCH 2022

	Note	2022 £	2021 £
Fixed assets			
Intangible assets	12	-	110,507
Tangible assets	13	18,038,521	16,414,035
		<u>18,038,521</u>	<u>16,524,542</u>
Current assets			
Stocks	15	9,072,860	7,376,856
Debtors: amounts falling due within one year	16	17,179,213	17,994,888
Cash at bank and in hand	17	375,821	906,352
		<u>26,627,894</u>	<u>26,278,096</u>
Creditors: amounts falling due within one year	18	(26,249,481)	(23,200,148)
Net current assets		<u>378,413</u>	<u>3,077,948</u>
Total assets less current liabilities		<u>18,416,934</u>	<u>19,602,490</u>
Creditors: amounts falling due after more than one year	19	-	(1,346,154)
Provisions for liabilities			
Deferred tax	22	(1,036,204)	(883,362)
		<u>(1,036,204)</u>	<u>(883,362)</u>
Net assets		<u><u>17,380,730</u></u>	<u><u>17,372,974</u></u>
Capital and reserves			
Called up share capital	23	8,250	8,250
Capital redemption reserve	24	6,750	6,750
Merger reserve	24	7,173,554	7,173,554
Profit and loss account	24	10,192,176	10,184,420
		<u>17,380,730</u>	<u>17,372,974</u>

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



S Mohamed
Director

Date: 8 December 2022

The notes on pages 17 to 39 form part of these financial statements.

S H PRATT HOLDINGS LIMITED
REGISTERED NUMBER: 09829915

COMPANY BALANCE SHEET
AS AT 31 MARCH 2022

	Note	2022 £	2021 £
Fixed assets			
Investments	14	8,352	8,352
		<u>8,352</u>	<u>8,352</u>
Current assets			
Debtors: amounts falling due within one year	16	8,250	8,250
		<u>8,250</u>	<u>8,250</u>
Creditors: amounts falling due within one year	18	(8,352)	(8,352)
		<u>(8,352)</u>	<u>(8,352)</u>
Net current liabilities		(102)	(102)
Total assets less current liabilities		<u>8,250</u>	<u>8,250</u>
Net assets		<u>8,250</u>	<u>8,250</u>
Capital and reserves			
Called up share capital	23	8,250	8,250
		<u>8,250</u>	<u>8,250</u>

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



S Mohamed
Director

Date: 8 December 2022

The notes on pages 17 to 39 form part of these financial statements.

S H PRATT HOLDINGS LIMITED

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2022**

	Called up share capital	Capital redemption reserve	Merger reserve	Profit and loss account	Total equity
	£	£	£	£	£
At 1 April 2021	8,250	6,750	7,173,554	10,184,420	17,372,974
Comprehensive income for the period					
Profit for the period	-	-	-	7,756	7,756
At 31 March 2022	<u>8,250</u>	<u>6,750</u>	<u>7,173,554</u>	<u>10,192,176</u>	<u>17,380,730</u>

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 MARCH 2021**

	Called up share capital	Capital redemption reserve	Merger reserve	Profit and loss account	Total equity
	£	£	£	£	£
At 1 November 2019	8,250	6,750	7,173,554	7,445,902	14,634,456
Comprehensive income for the period					
Profit for the period	-	-	-	2,738,518	2,738,518
Total comprehensive income for the period	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,738,518</u>	<u>2,738,518</u>
At 31 March 2021	<u>8,250</u>	<u>6,750</u>	<u>7,173,554</u>	<u>10,184,420</u>	<u>17,372,974</u>

The notes on pages 17 to 39 form part of these financial statements.

S H PRATT HOLDINGS LIMITED

**COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2022**

	Called up share capital	Total equity
	£	£
At 1 April 2021	8,250	8,250
Other comprehensive income for the period	-	-
At 31 March 2022	8,250	8,250

**COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 MARCH 2021**

	Called up share capital	Total equity
	£	£
At 1 November 2019	8,250	8,250
Other comprehensive income for the period	-	-
At 31 March 2021	8,250	8,250

The notes on pages 17 to 39 form part of these financial statements.

S H PRATT HOLDINGS LIMITED

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2022**

	2022 £	2021 £
Cash flows from operating activities		
Profit for the financial year	7,756	2,738,518
Adjustments for:		
Amortisation of intangible assets	110,507	196,729
Depreciation of tangible assets	1,607,229	2,241,732
Loss on disposal of tangible assets	74,573	(16,034)
Interest paid	371,611	545,793
Taxation charge	157,606	762,488
(Increase)/decrease in stocks	(1,696,006)	177,970
Decrease/(increase) in debtors	932,781	(1,426,479)
(Decrease) in creditors	(2,802,141)	(359,274)
Net cash generated from operating activities	<u>(1,236,084)</u>	<u>4,861,443</u>
Cash flows from investing activities		
Purchase of intangible fixed assets	-	(146,633)
Purchase of tangible fixed assets	(3,368,212)	(1,759,028)
Sale of tangible fixed assets	61,922	428,286
Net cash from investing activities	<u>(3,306,290)</u>	<u>(1,477,375)</u>
Cash flows from financing activities		
Repayment of loans	(3,346,154)	(1,553,846)
Interest paid	(371,611)	(545,793)
Tax paid	(230,778)	(690,654)
Net cash used in financing activities	<u>(3,948,543)</u>	<u>(2,790,293)</u>
Net (decrease)/increase in cash and cash equivalents	<u>(8,490,917)</u>	<u>593,775</u>
Cash and cash equivalents at beginning of year	906,352	312,577
Cash and cash equivalents at the end of year	<u><u>(7,584,565)</u></u>	<u><u>906,352</u></u>
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	375,821	906,352
Bank overdrafts	(7,960,386)	-
	<u><u>(7,584,565)</u></u>	<u><u>906,352</u></u>

The notes on pages 17 to 39 form part of these financial statements.

S H PRATT HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

1. General information

S H Pratt Holdings Limited ('the Company') is a private company limited by shares, registered and incorporated in England and Wales. Registered number 09829915. The address of its registered office and principal place of business is Musca Court, Laporte Way, Luton, Bedfordshire, LU4 8EN.

The principal activity of the Group continues to be the ripening and wholesaling of bananas and distribution services.

The Company is a parent undertaking and therefore these consolidated financial statements present the financial information of the Company and its subsidiary undertakings (together "the Group"), as well as the Company's individual financial statements.

The prior year-end was lengthened from 31 October 2020 to 31 March 2021. The prior year comparatives are for a 17 month period and are therefore non-comparable.

These financial statements are presented in Pounds Sterling (£), this being the functional currency of the Company and currency of the primary economic environment in which the Company operates.

Monetary amounts included in these financial statements are rounded to the nearest whole £.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and applicable legislation, as set out in the Companies Act 2006. The financial statements have been prepared under the historical cost convention, as modified for the fair value of investment properties and derivatives.

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 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 equity 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.

S H PRATT HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

2. Accounting policies (continued)

2.3 Going concern

The financial statements have been prepared on the going concern basis which assumes that the group will continue in operational existence for the foreseeable future.

The Directors have reviewed cash flow forecasts for a period of not less than 12 months from the date of the audit opinion and are confident that the group will be able to pay its liabilities as they fall due. On this basis, the Directors consider it appropriate to prepare the financial statements on the 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. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Group has transferred the significant risks and rewards of ownership to the buyer;
- the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Group will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Group will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

S H PRATT HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

2. Accounting policies (continued)

2.5 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the revaluation model, intangible assets shall be carried at a revalued amount, being its fair value at the date of revaluation less any subsequent accumulated amortisation and subsequent impairment losses - provided that the fair value can be determined by reference to an active market.

Revaluations are made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of the Balance Sheet date.

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

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

The estimated useful lives range as follows:

Computer software	-	3 years
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The amortisation expense is charged to administrative expenses within the Statement of Comprehensive Income.

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.

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined which is the higher of its fair value less costs to sell and its value in use. An impairment loss is recognised where the carrying amount exceeds the recoverable amount.

S H PRATT HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

2. Accounting policies (continued)

2.6 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives.

Depreciation is provided on the following basis:

Freehold property	- 2% straight line
Plant and machinery	- 6.66% - 33.33% straight line
Motor vehicles	- 25% 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 Statement of Comprehensive Income.

The depreciation expense is charged to administrative expenses within the Statement of Comprehensive Income.

2.7 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.8 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis.

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 the Consolidated Statement of Comprehensive Income.

2.9 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.

2.10 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.

S H PRATT HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

2. Accounting policies (continued)

2.11 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 debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

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 debtors and creditors, 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 the 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 and amortised 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.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or income as appropriate. The company does not currently apply hedge accounting for interest rate and foreign exchange derivatives.

2.12 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.

S H PRATT HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

2. Accounting policies (continued)

2.13 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is Pounds Sterling (£).

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 profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

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 opening rate and the results of overseas operations at actual rate are recognised in other comprehensive income.

2.14 Finance costs

Finance costs are charged to the Consolidated Statement of Comprehensive Income 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.

2.15 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.

2.16 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.

S H PRATT HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

2. Accounting policies (continued)

2.17 Borrowing costs

All borrowing costs are recognised in the Consolidated Statement of Comprehensive Income in the year in which they are incurred.

2.18 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.

2.19 Current and deferred taxation

The tax expense for the period 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.

S H PRATT HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

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

In applying the Company's accounting policies, the Directors are required to make judgements, estimates and assumptions in determining the carrying amounts of assets and liabilities. The Directors' judgements, estimates and assumptions are based on the best and most reliable evidence available at the time when the decisions are made, and are based on historical experience and other factors that are considered to be applicable. Due to inherent subjectivity involved in making such judgements, estimates and assumptions, the actual results and outcomes may differ.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods, if the revision affects both current and future periods.

The critical judgements that the Directors have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements are discussed below.

(i) Assessing indicators of impairment

In assessing whether there have been any indicators of impairment of assets, the Directors have considered both external and internal sources of information such as market conditions and experience of recoverability.

The key assumptions concerning the future, and other key sources of estimation uncertainty, that have a significant risk of causing material adjustment to the carrying amount of assets and liabilities within the next financial year are discussed below.

(i) Estimating value in use

Where an indication of impairment exists the Directors will carry out an impairment review to determine the recoverable amount, which is the higher of fair value less cost to sell and value in use. The value in use calculation requires the Directors to estimate the future cash flows expected to arise from the asset or the cash generating unit and a suitable discount rate in order to calculate present value.

(ii) Determining and reassessing residual values and useful economic lives of intangible and tangible assets

The Company depreciates intangible and tangible assets over their estimated useful lives. In determining appropriate useful lives of assets, the Directors have considered historical performance as well as future expectations for factors such as the expected usage of the asset, physical wear and technical obsolescence. The actual lives of these assets can vary depending on a variety of factors, including technological innovation, product life cycles and maintenance programmes.

(iii) Establishing fair value of financial instruments

When the fair value of financial assets and financial liabilities cannot be measured based on quoted prices in active markets or on the price of a recent transaction for an identical asset or liability, their fair values are measured using valuation techniques including the discounted cash flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of the financial instruments.

(iv) Recoverability of debtors

A provision for debtors is established where it is estimated that the debtors are not considered to be fully recoverable. When assessing recoverability the Directors consider factors such as the aging of the receivables, past experience of recoverability, and the credit profile of individual or groups of customers.

S H PRATT HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

4. Turnover

An analysis of turnover by class of business is as follows:

	Year ended 31 March 2022 £	17 months ended 31 March 2021 £
Ripening and wholesaling of bananas	216,494,133	331,896,960
Distribution	4,818,889	7,248,388
	<u>221,313,022</u>	<u>339,145,348</u>

All turnover arose within the United Kingdom.

5. Operating profit

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

	Year ended 31 March 2022 £	17 months ended 31 March 2021 £
Depreciation of tangible fixed assets	1,607,229	2,241,732
Loss/(profit) on disposal of fixed asset	74,573	(16,034)
Amortisation of intangible assets	110,507	196,729
Exchange differences	(527,755)	(228,040)
Other operating lease rentals	3,456,022	4,529,411
	<u>3,456,022</u>	<u>4,529,411</u>

6. Auditor's remuneration

	Year ended 31 March 2022 £	17 months ended 31 March 2021 £
Fees payable to the Group's auditor for the audit of the Group's annual financial statements	63,180	68,500
Fees payable to the Group's auditor in respect of all non-audit services	<u>59,680</u>	<u>46,764</u>

S H PRATT HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

7. Employees

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

	Group 2022 £	Group 2021 £
Wages and salaries	13,754,457	15,443,183
Social security costs	1,749,219	2,253,489
Cost of defined contribution scheme	180,494	251,165
	<u>15,684,170</u>	<u>17,947,837</u>

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

	Year ended 31 March 2022 No.	17 months ended 31 March 2021 No.
Warehouse staff	325	259
Office and management	35	57
Selling and distribution	104	42
	<u>464</u>	<u>358</u>

S H PRATT HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

8. Directors' remuneration

	Year ended 31 March 2022 £	17 months ended 31 March 2021 £
Directors' emoluments	750,351	1,599,696
Company contributions to defined contribution pension schemes	16,236	36,012
	<u>766,587</u>	<u>1,635,708</u>

During the period retirement benefits were accruing to 1 Directors (2021 - 1) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £341,421 (2021 - £649,741).

The value of the Company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £NIL (2021 - £NIL).

The Directors consider the key management personnel of S H Pratt Group Limited to be the Directors only.

9. Interest payable and similar expenses

	Year ended 31 March 2022 £	17 months ended 31 March 2021 £
Bank interest payable	271,288	300,972
Other loan interest payable	100,323	244,822
	<u>371,611</u>	<u>545,794</u>

S H PRATT HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

10. Taxation

	Year ended 31 March 2022 £	17 months ended 31 March 2021 £
Corporation tax		
Current tax on profits for the year	-	533,737
Adjustments in respect of previous periods	4,764	(49,678)
Total current tax	4,764	484,059
Deferred tax		
Origination and reversal of timing differences	(126,604)	205,174
Effect of tax rate change on opening balance	279,074	71,388
Adjustments in respect of prior periods	372	1,867
Total deferred tax	152,842	278,429
Taxation on profit on ordinary activities	157,606	762,488

S H PRATT HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

10. Taxation (continued)**Factors affecting tax charge for the year/period**

The tax assessed for the year/period is higher than (2021 - higher than) the standard rate of corporation tax in the UK of 19% (2021 - 19%). The differences are explained below:

	Year ended 31 March 2022 £	17 months ended 31 March 2021 £
Profit on ordinary activities before tax	165,362	3,501,007
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021 - 19%)	31,419	665,191
Effects of:		
Fixed asset differences	(128,587)	72,985
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	949	735
Adjustments to tax charge in respect of prior periods	4,764	(49,678)
Adjustments to tax charge in respect of prior periods - deferred tax	372	1,867
Remeasurement of deferred tax for changes in tax rates	248,689	71,388
Total tax charge for the year/period	157,606	762,488

Factors that may affect future tax charges

The UK Government announced in the 2021 budget that from 1 April 2023, the rate of corporation tax in the United Kingdom will increase from 19% to 25%. Companies with profits of £50,000 or less will continue to be taxed at 19%, which is a new small profits rate. Where taxable profits are between £50,000 and £250,000, the higher 25% rate will apply but with a marginal relief applying as profits increase.

Subsequent to the year end, further announcements on 23 September 2022 included a reversal of the planned corporation tax charge rise from 19% to 25%. However, this change had not been substantively enacted at the Balance Sheet date and, therefore, is not recognised in these financial statements.

11. Parent company profit for the year

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 ended 31 March 2022 was £NIL (17 months ended 31 March 2021 - £NIL).

S H PRATT HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

12. Intangible assets

Group

	Software £
Cost	
At 1 April 2021	420,601
At 31 March 2022	<u>420,601</u>
Amortisation	
At 1 April 2021	310,094
Charge for the year on owned assets	<u>110,507</u>
At 31 March 2022	<u>420,601</u>
Net book value	
At 31 March 2022	<u><u>-</u></u>
At 31 March 2021	<u><u>110,507</u></u>

S H PRATT HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

13. Tangible fixed assets

Group

	Freehold property £	Plant and machinery £	Motor vehicles £	Total £
Cost or valuation				
At 1 April 2021	10,635,215	22,314,306	369,897	33,319,418
Additions	27,665	3,305,699	34,848	3,368,212
Disposals	-	(87,010)	(235,928)	(322,938)
At 31 March 2022	<u>10,662,880</u>	<u>25,532,995</u>	<u>168,817</u>	<u>36,364,692</u>
Depreciation				
At 1 April 2021	2,707,258	13,956,798	241,329	16,905,385
Charge for the year	311,555	1,264,950	30,724	1,607,229
Disposals	-	(9,940)	(176,503)	(186,443)
At 31 March 2022	<u>3,018,813</u>	<u>15,211,808</u>	<u>95,550</u>	<u>18,326,171</u>
Net book value				
At 31 March 2022	<u>7,644,067</u>	<u>10,321,187</u>	<u>73,267</u>	<u>18,038,521</u>
At 31 March 2021	<u>7,927,957</u>	<u>8,357,509</u>	<u>128,569</u>	<u>16,414,035</u>

The net book value of land and buildings may be further analysed as follows:

	2022 £	2021 £
Freehold	<u>7,644,067</u>	<u>7,927,957</u>

S H PRATT HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

14. Fixed asset investments

Company

	Investments in subsidiary companies £
Cost or valuation	
At 1 April 2021	8,352
At 31 March 2022	<u>8,352</u>

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Class of shares	Holding
Kinship Logistics Limited	Ordinary	100%
S H Pratt Group Limited	Ordinary	100%

The registered address of all subsidiary companies is Musca Court, Laporte Way, Luton, Bedfordshire, LU4 8EN.

The aggregate of the share capital and reserves as at 31 March 2022 and the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

Name	Aggregate of share capital and reserves £	Profit/(Loss) £
Kinship Logistics Limited	863,647	-
S H Pratt Group Limited	<u>16,517,184</u>	<u>7,756</u>

S H PRATT HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

15. Stocks

	Group 2022 £	Group 2021 £
Raw materials and consumables	9,072,860	7,376,856

Stock recognised in cost of sales during the period as an expense was £135,086,916 (2021 - £210,093,252).

An impairment loss of £NIL (2021 - £NIL) was recognised in cost of sales against stock during the period due to slow-moving and obsolete stock.

The level of stock at year end can fluctuate depending on the amount of stock in transit. Stock in transit is represented by the fruit shipped by suppliers, where ownership has passed to the Company, but which has not yet been received at the warehouse. Individual supplier contractual terms govern the level of stock in transit.

16. Debtors

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Trade debtors	12,379,451	12,533,485	-	-
Other debtors	455,972	324,290	8,250	8,250
Prepayments and accrued income	4,343,790	5,137,113	-	-
	<u>17,179,213</u>	<u>17,994,888</u>	<u>8,250</u>	<u>8,250</u>

17. Cash and cash equivalents

	Group 2022 £	Group 2021 £
Cash at bank and in hand	375,821	906,352
Less: bank overdrafts	(7,960,386)	-
	<u>(7,584,565)</u>	<u>906,352</u>

S H PRATT HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

18. Creditors: Amounts falling due within one year

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Bank overdrafts	7,960,386	-	-	-
Bank loans	-	2,000,000	-	-
Trade creditors	12,036,635	13,680,535	-	-
Amounts owed to group undertakings	-	-	100	100
Corporation tax	-	108,910	-	-
Other taxation and social security	540,257	327,304	-	-
Other creditors	1,343,752	1,983,761	8,252	8,252
Accruals and deferred income	4,368,451	5,099,638	-	-
	<u>26,249,481</u>	<u>23,200,148</u>	<u>8,352</u>	<u>8,352</u>

Amounts owed to group undertakings are unsecured, interest free and repayable on demand.

The loan is an unsecured liability which is renewable every 3 months.

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

	Group 2022 £	Group 2021 £
Bank loans	-	1,346,154

The loan was secured by a debenture and legal charge over the Company and a fellow subsidiary's freehold property. The loan was repaid during the year.

S H PRATT HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

20. Loans

	Group 2022 £	Group 2021 £
Amounts falling due within one year		
Bank loans	-	2,000,000
Amounts falling due 2-5 years		
Bank loans	-	1,346,154
	<u>-</u>	<u>3,346,154</u>

The trade loan of £2 million was renewable every 3 months. The loan attracted an interest rate of 1.85%. The loan was unsecured and had no charge on property held within the group.

The bank loan was repayable in instalments under 5 years. The loan attracted an interest rate of 2.83%. The loan was secured by a charge on property held within the group.

21. Financial instruments

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Financial assets				
Financial assets that are debt instruments measured at amortised cost	<u>12,716,382</u>	<u>12,857,776</u>	<u>8,250</u>	<u>8,250</u>
Financial liabilities				
Bank loans	-	(3,346,154)	-	-
Financial liabilities measured at amortised cost	<u>(17,880,170)</u>	<u>(17,417,780)</u>	<u>(8,352)</u>	<u>(8,352)</u>
	<u>(17,880,170)</u>	<u>(20,763,934)</u>	<u>(8,352)</u>	<u>(8,352)</u>

Financial assets that are equity instruments measured at cost less impairment comprise all debtors except prepayments and amounts due in relation to tax.

Derivative financial instruments measured at fair value through profit or loss comprise forward foreign exchange currency contracts.

Financial liabilities measured at amortised cost comprise all creditors except bank loans, deferred income and amounts owed in relation to tax and social security.

S H PRATT HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

22. Deferred taxation

Group

	2022 £
At beginning of year	(883,362)
Charged to profit or loss	(152,842)
At end of year	(1,036,204)

	Group 2022 £	Group 2021 £
Accelerated capital allowances	(1,965,735)	(972,531)
Short term timing differences	7,354	89,169
Losses and other deductions	922,177	-
	(1,036,204)	(883,362)

All accelerated capital allowances are expected to reverse in more than 12 months.

23. Share capital

	2022 £	2021 £
Allotted, called up and fully paid		
8,250 (2021 - 8,250) Ordinary shares of £1.00 each	8,250	8,250
	<hr/>	<hr/>

The Company has one class of Ordinary share. Each share carries with it one voting right and no share has any right to fixed income.

S H PRATT HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

24. Reserves

Revaluation reserve

The Revaluation reserve represents the cumulative revaluation gains and losses on revaluation of land and buildings held as tangible assets.

Capital redemption reserve

The Capital redemption reserve records the nominal value of issued shares purchased by the Company.

Merger Reserve

The Merger reserve is resultant of the acquisition of the subsidiaries listed in note 14.

The investment in the subsidiaries has been recorded using the fair value of the equity consideration issued. In accordance with Companies Act 2006, s612, merger relief has been applied with the difference between the nominal value of the shares issued of £8,250 and their fair value of £7,118,206 being recorded in the Merger reserve.

Profit and loss account

The Profit and loss reserve contains the accumulated profits for the current accounting period and all previous accounting periods.

25. Pension commitments

The Group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £180,494 (17 months ended 31 March 2021 - £251,165).

Contributions totalling £NIL (2021 - £NIL) were payable to the fund at the Balance Sheet date.

S H PRATT HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

26. Commitments under operating leases

At 31 March 2022 the Group and the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	Group 2022 £	Group 2021 £
Not later than 1 year	2,476,249	2,105,663
Later than 1 year and not later than 5 years	5,581,726	5,061,889
Later than 5 years	5,536,305	6,513,300
	<u>13,594,280</u>	<u>13,680,852</u>

Lease payments recognised as an expense in the period amounted to £3,456,022 (2021 - £4,529,411).

At the period end the group as a lessor held rental agreements with tenants that were 'Tenancies at Will'. The rental agreements may be terminated by either party at short notice and therefore the future minimum lease payments receivable under non-cancellable leases are £NIL.

27. Other financial commitments

At the year end, the Group has entered into the following forward contract agreements with various supermarkets:

S H Pratt Group Limited are committed to purchase:

- \$11,560,000 at a rate of \$1.355
- \$37,500,000 at a rate of \$1.3536
- €1,500,000 at a rate of €1.1937
- €3,800,000 at a rate of €1.2
- €3,800,000 at a rate of €1.19

The forward contracts are not recognised on the balance sheet as there are agreements in place whereby any liability is covered by the supermarket and not the Group.

S H PRATT HOLDINGS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

28. Related party transactions

Advantage has been taken of the exemption conferred by section 33 *Related Party Disclosures* not to disclose transactions with subsidiary undertakings where 100% of the voting rights are controlled within the group.

During the period ended 31 March 2021, R Wells, a shareholder and director, purchased a property from the group for £385,000. The purchase price was at a market rate.

E Wells, a shareholder, received remuneration of £46,876 (2021 - £56,684) for consultancy services provided to the Group.

The following is a summary of the loan account balances with Directors and shareholders of the company apparent at the year end. The transactions in the year represent movements in the loan account balances.

	2022 £	2021 £
R J Wells (Director & Shareholder)	170,301	200,864

During the period the maximum amount owed to R J Wells amounted to £202,864 (2021 - £200,864).

29. Controlling party

The Directors consider the controlling party to be R J Wells by virtue of his majority shareholding in the Company.