

**STRATEGIC REPORT, REPORT OF THE DIRECTOR AND
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021
FOR
JOHN SHEPPARD BUTCHERS LIMITED**

Sargeant Partnership LLP
Chartered Accountants
and Statutory Auditors
5 White Oak Square
London Road
Swanley
Kent
BR8 7AG

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FOR THE YEAR ENDED 30 JUNE 2021**

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JOHN SHEPPARD BUTCHERS LIMITED

COMPANY INFORMATION FOR THE YEAR ENDED 30 JUNE 2021

DIRECTOR:	R J Sheppard
REGISTERED OFFICE:	Units 5, 6 & 7 Ashley Trading Estate Ashley Parade Bristol Avon BS2 9XS
REGISTERED NUMBER:	02727662 (England and Wales)
SENIOR STATUTORY AUDITOR:	Gary Sargeant
AUDITORS:	Sargeant Partnership LLP Chartered Accountants and Statutory Auditors 5 White Oak Square London Road Swanley Kent BR8 7AG

JOHN SHEPPARD BUTCHERS LIMITED (REGISTERED NUMBER: 02727662)

STRATEGIC REPORT FOR THE YEAR ENDED 30 JUNE 2021

The director presents his strategic report for the year ended 30 June 2021.

The company continued its principal activity as wholesale and catering butchers.

REVIEW OF BUSINESS

It was reported in the previous year that the business premises together with the restructuring of manufacturing facilities and capacity had been completed, but in March 2020 the business was brought to an almost complete and abrupt halt, being adversely affected by the Covid-19 pandemic shutdown.

Since the resumption of and re-building of business in the latter part of 2020 results have proved encouraging, continuing the pursuit of alternative outlets and routes to market for the companies products.

PRINCIPAL RISKS AND UNCERTAINTIES

Apart from the impact of Covid-19 the principal and ongoing trading risks are considered to be:

- a) The increase in raw material costs
- b) The impact of exit from the European Union
- c) The weakness of sterling affecting imported product
- d) Further increase in National Living Wage and inflationary pressures generally

These risks have been addressed where possible by:

- a) Negotiating shorter term price agreements
- b) Reviewing the supply chain and continuing emphasis on purchase of UK product
- c) Continual assessment and rationalisation of operations and costs involved
- d) Maintaining efficiencies at all levels

KEY PERFORMANCE INDICATORS

	2021	2020	2019
Turnover	8.82m	12.41m	15.21m
Gross Profits	1.93m	2.49m	3.17m
Gross Profit %	21.85%	20.05%	20.82%
Net Profit/(Loss)	(0.07m)	(0.02m)	0.02m

FINANCIAL SUMMARY

The Covid-19 effects will be felt for some time but recovery has been possible with the provided by the CBILS loan facilities extended to the company and the directors' thanks are extended not only to the companies bankers but within the company to the staff both at the production and administrative levels

ON BEHALF OF THE BOARD:

R J Sheppard - Director

7 January 2022

**REPORT OF THE DIRECTOR
FOR THE YEAR ENDED 30 JUNE 2021**

The director presents his report with the financial statements of the company for the year ended 30 June 2021.

DIVIDENDS

The total distribution of dividends for the year ended 30 June 2021 will be £ 160,000 .

DIRECTOR

R J Sheppard held office during the whole of the period from 1 July 2020 to the date of this report.

STATEMENT OF DIRECTOR'S RESPONSIBILITIES

The director is responsible for preparing the Strategic Report, the Report of the Director and the 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 company and of the profit or loss of the company 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;
- 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the director is aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

JOHN SHEPPARD BUTCHERS LIMITED (REGISTERED NUMBER: 02727662)

**REPORT OF THE DIRECTOR
FOR THE YEAR ENDED 30 JUNE 2021**

AUDITORS

The auditors, Sargeant Partnership LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

R J Sheppard - Director

7 January 2022

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF JOHN SHEPPARD BUTCHERS LIMITED

Opinion

We have audited the financial statements of John Sheppard Butchers Limited (the 'company') for the year ended 30 June 2021 which comprise the Income Statement, Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and Notes to the Cash Flow Statement, Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2021 and of its loss 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the 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 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 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.

Other information

The director is responsible for the other information. The other information comprises the information in the Strategic Report and the Report of the Director, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether 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.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF JOHN SHEPPARD BUTCHERS LIMITED

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 Strategic Report and the Report of the Director for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Director have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Report of the Director.

We have nothing to report in respect of the following matters where 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 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 director

As explained more fully in the Statement of Director's Responsibilities set out on page three, 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 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 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 director either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF JOHN SHEPPARD BUTCHERS LIMITED

Auditors' 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 a Report of the Auditors 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:

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

The objectives of our audit are to identify and assess the risks of material misstatement of the financial statements due to fraud or error; to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud or error; and to respond appropriately to those risks. Owing to the inherent limitations of an audit, there is an unavoidable risk that material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISA's (UK).

In identifying and assessing risks of material misstatement in respect of irregularities including, fraud and non-compliance with laws and regulations, our procedures included the following:

- We obtained an understanding of the legal and regulatory frameworks applicable to the company and the sector in which they operate. We determined that the following laws and regulations were most significant: the Companies Act 2006, the UK Corporate Governance Code and UK corporate taxation laws.

- We obtained an understanding of how the Company is complying with those legal and regulatory frameworks by making inquiries to the management and directors. We corroborated our inquiries through our review of board minutes and papers provided to the audit engagement team.

- We assessed the susceptibility of the Company's financial statements to material misstatement, including how fraud might occur. Audit procedures performed by the audit engagement team included:

- a) Identifying and assessing the design effectiveness of controls management has put in place to prevent and detect fraud;
- b) Understanding how those charged with governance considered and addressed the potential for override of controls or other inappropriate influence over the financial reporting process;
- c) Challenging assumptions and judgements made by management in its significant accounting estimates;
- d) Identifying and testing journal entries, in particular any journal entries posted with unusual account combinations; and
- e) Assessing the extent of compliance with the relevant laws and regulations.

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 Report of the Auditors.

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF JOHN SHEPPARD BUTCHERS LIMITED

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors 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.

Gary Sargeant (Senior Statutory Auditor)
for and on behalf of Sargeant Partnership LLP
Chartered Accountants
and Statutory Auditors
5 White Oak Square
London Road
Swanley
Kent
BR8 7AG

11 January 2022

JOHN SHEPPARD BUTCHERS LIMITED (REGISTERED NUMBER: 02727662)**INCOME STATEMENT
FOR THE YEAR ENDED 30 JUNE 2021**

	Notes	2021 £	£	2020 £	£
TURNOVER			8,822,905		12,411,538
Cost of sales			<u>6,895,214</u>		<u>9,922,756</u>
GROSS PROFIT			1,927,691		2,488,782
Distribution costs		847,273		1,283,589	
Administrative expenses		<u>1,133,011</u>		<u>1,360,884</u>	
			<u>1,980,284</u>		<u>2,644,473</u>
OPERATING LOSS	4		(52,593)		(155,691)
Interest payable and similar expenses	5		<u>17,452</u>		<u>49,145</u>
LOSS BEFORE TAXATION			(70,045)		(204,836)
Tax on loss	6		<u>(13,134)</u>		<u>(35,290)</u>
LOSS FOR THE FINANCIAL YEAR			<u>(56,911)</u>		<u>(169,546)</u>

The notes form part of these financial statements

JOHN SHEPPARD BUTCHERS LIMITED (REGISTERED NUMBER: 02727662)

**OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2021**

	Notes	2021 £	2020 £
LOSS FOR THE YEAR		(56,911)	(169,546)
OTHER COMPREHENSIVE INCOME		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>(56,911)</u>	<u>(169,546)</u>

The notes form part of these financial statements

JOHN SHEPPARD BUTCHERS LIMITED (REGISTERED NUMBER: 02727662)**BALANCE SHEET
30 JUNE 2021**

	Notes	2021 £	£	2020 £	£
FIXED ASSETS					
Tangible assets	8		189,259		216,981
CURRENT ASSETS					
Stocks	9	308,044		169,956	
Debtors	10	5,113,229		3,261,110	
Cash at bank and in hand		<u>123,947</u>		<u>315,749</u>	
		5,545,220		3,746,815	
CREDITORS					
Amounts falling due within one year	11	<u>3,580,638</u>		<u>1,735,468</u>	
NET CURRENT ASSETS			<u>1,964,582</u>		<u>2,011,347</u>
TOTAL ASSETS LESS CURRENT LIABILITIES			2,153,841		2,228,328
CREDITORS					
Amounts falling due after more than one year	12		(1,155,558)		(1,000,000)
PROVISIONS FOR LIABILITIES	16		<u>(26,425)</u>		<u>(39,559)</u>
NET ASSETS			<u>971,858</u>		<u>1,188,769</u>
CAPITAL AND RESERVES					
Called up share capital	17		10,000		10,000
Retained earnings	18		<u>961,858</u>		<u>1,178,769</u>
SHAREHOLDERS' FUNDS			<u>971,858</u>		<u>1,188,769</u>

The financial statements were approved by the director and authorised for issue on 7 January 2022 and were signed by:

R J Sheppard - Director

The notes form part of these financial statements

JOHN SHEPPARD BUTCHERS LIMITED (REGISTERED NUMBER: 02727662)

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2021**

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 July 2019	10,000	1,528,315	1,538,315
Changes in equity			
Dividends	-	(180,000)	(180,000)
Total comprehensive income	-	(169,546)	(169,546)
Balance at 30 June 2020	<u>10,000</u>	<u>1,178,769</u>	<u>1,188,769</u>
Changes in equity			
Dividends	-	(160,000)	(160,000)
Total comprehensive income	-	(56,911)	(56,911)
Balance at 30 June 2021	<u>10,000</u>	<u>961,858</u>	<u>971,858</u>

The notes form part of these financial statements

JOHN SHEPPARD BUTCHERS LIMITED (REGISTERED NUMBER: 02727662)**CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2021**

	Notes	2021 £	2020 £
Cash flows from operating activities			
Cash generated from operations	1	(441,060)	98,237
Interest paid		<u>(17,452)</u>	<u>(49,145)</u>
Net cash from operating activities		<u>(458,512)</u>	<u>49,092</u>
Cash flows from investing activities			
Purchase of tangible fixed assets		(1,630)	(36,860)
Sale of tangible fixed assets		<u>7,897</u>	<u>6,799</u>
Net cash from investing activities		<u>6,267</u>	<u>(30,061)</u>
Cash flows from financing activities			
New loans in year		371,335	1,000,000
Loan repayments in year		-	(18,000)
Amount introduced by directors		49,108	-
Amount withdrawn by directors		-	(32,559)
Equity dividends paid		<u>(160,000)</u>	<u>(180,000)</u>
Net cash from financing activities		<u>260,443</u>	<u>769,441</u>
(Decrease)/increase in cash and cash equivalents		<u>(191,802)</u>	<u>788,472</u>
Cash and cash equivalents at beginning of year	2	315,749	(472,723)
Cash and cash equivalents at end of year	2	<u>123,947</u>	<u>315,749</u>

The notes form part of these financial statements

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2021**

1. RECONCILIATION OF LOSS BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	2021 £	2020 £
Loss before taxation	(70,045)	(204,836)
Depreciation charges	18,787	25,048
Loss on disposal of fixed assets	2,668	8,373
(Increase)/decrease in company loans	(337,416)	44,557
Finance costs	17,452	49,145
	<u>(368,554)</u>	<u>(77,713)</u>
(Increase)/decrease in stocks	(138,088)	174,209
(Increase)/decrease in trade and other debtors	(1,616,324)	2,981,891
Increase/(decrease) in trade and other creditors	<u>1,681,906</u>	<u>(2,980,150)</u>
Cash generated from operations	<u><u>(441,060)</u></u>	<u><u>98,237</u></u>

2. CASH AND CASH EQUIVALENTS

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 30 June 2021

	30/6/21 £	1/7/20 £
Cash and cash equivalents	<u>123,947</u>	<u>315,749</u>

Year ended 30 June 2020

	30/6/20 £	1/7/19 £
Cash and cash equivalents	315,749	534
Bank overdrafts	-	(473,257)
	<u>315,749</u>	<u>(472,723)</u>

**NOTES TO THE CASH FLOW STATEMENT
FOR THE YEAR ENDED 30 JUNE 2021**

3. ANALYSIS OF CHANGES IN NET DEBT

	At 1/7/20 £	Cash flow £	At 30/6/21 £
Net cash			
Cash at bank and in hand	<u>315,749</u>	<u>(191,802)</u>	<u>123,947</u>
	<u>315,749</u>	<u>(191,802)</u>	<u>123,947</u>
Debt			
Debts falling due within 1 year	(12,000)	(215,777)	(227,777)
Debts falling due after 1 year	<u>(1,000,000)</u>	<u>(155,558)</u>	<u>(1,155,558)</u>
	<u>(1,012,000)</u>	<u>(371,335)</u>	<u>(1,383,335)</u>
Total	<u>(696,251)</u>	<u>(563,137)</u>	<u>(1,259,388)</u>

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2021**

1. STATUTORY INFORMATION

John Sheppard Butchers Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The financial statements are prepared in sterling, which is the functional currency of the company.

Preparation of consolidated financial statements

The financial statements contain information about John Sheppard Butchers Limited as an individual company and do not contain consolidated financial information as the parent of a group. The company is exempt under Section 400 of the Companies Act 2006 from the requirements to prepare consolidated financial statements as it and its subsidiary undertaking are included by full consolidation in the consolidated financial statements of its parent, JSB Companies Limited, .

Critical accounting judgements and key sources of estimation uncertainty

In the application of the companies accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

There are no estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities in these accounts.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the customer. This will be upon despatch of the goods as it is at this point that the amount of revenue can be measured reliably and it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2021**

2. ACCOUNTING POLICIES - continued

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Fixtures and fittings	- 10% per annum on cost
Motor vehicles	- 25% on reducing balance

Stocks

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

Stocks held for distribution at no or nominal consideration are measured at the lower of replacement cost and cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit and loss. Reversals of impairment losses are also recognised in the profit and loss.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2021**

2. ACCOUNTING POLICIES - continued

Operating leasing commitments

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

Going concern

These accounts have been prepared on the going concern basis, on the understanding that the directors and shareholders will continue to financially support the company for a period of 12 months from the date of these financial statements.

Employee benefits

Short term employee benefits, including holiday entitlement and other non-monetary benefits, and contributions to personal pension schemes are recognised as an expense in the period in which they are incurred.

Short term debtors and creditors

Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in the income statement in other operating expenses.

Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and in hand and short-term deposits with an original maturity date of three months or less.

3. EMPLOYEES AND DIRECTORS

	2021 £	2020 £
Wages and salaries	1,466,518	2,170,426
Social security costs	159,243	178,684
Other pension costs	102,330	107,093
	<u>1,728,091</u>	<u>2,456,203</u>

The average number of employees during the year was as follows:

	2021	2020
Production Staff	43	66
Distribution Staff	24	31
Administrative Staff	21	25
Other Staff	4	5
	<u>92</u>	<u>127</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2021**

3. EMPLOYEES AND DIRECTORS - continued

	2021	2020
	£	£
Director's remuneration	<u>-</u>	<u>-</u>

4. OPERATING LOSS

The operating loss is stated after charging:

	2021	2020
	£	£
Hire of plant and machinery	37,280	35,827
Depreciation - owned assets	18,787	25,048
Loss on disposal of fixed assets	2,668	8,373
Auditors' remuneration	<u>19,750</u>	<u>18,298</u>

5. INTEREST PAYABLE AND SIMILAR EXPENSES

	2021	2020
	£	£
Bank interest	3,870	3,407
Interest payable	<u>13,582</u>	<u>45,738</u>
	<u>17,452</u>	<u>49,145</u>

6. TAXATION

Analysis of the tax credit

The tax credit on the loss for the year was as follows:

	2021	2020
	£	£
Current tax:		
Prior period corporation tax	-	(52,513)
Deferred tax	<u>(13,134)</u>	<u>17,223</u>
Tax on loss	<u>(13,134)</u>	<u>(35,290)</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2021**

6. TAXATION - continued

Reconciliation of total tax credit included in profit and loss

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	2021 £	2020 £
Loss before tax	<u>(70,045)</u>	<u>(204,836)</u>
Loss multiplied by the standard rate of corporation tax in the UK of 19% (2020 - 19%)	(13,309)	(38,919)
Effects of:		
Expenses not deductible for tax purposes	5,424	(14,957)
Deferred Tax	(13,134)	17,223
Tax Losses	<u>7,885</u>	<u>1,363</u>
Total tax credit	<u>(13,134)</u>	<u>(35,290)</u>

7. DIVIDENDS

	2021 £	2020 £
Interim	<u>160,000</u>	<u>180,000</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2021**

8. TANGIBLE FIXED ASSETS

	Assets Under Construction £	Fixtures and fittings £	Motor vehicles £	Totals £
COST				
At 1 July 2020	101,078	182,894	56,615	340,587
Additions	-	1,150	480	1,630
Disposals	-	(445)	(32,515)	(32,960)
At 30 June 2021	<u>101,078</u>	<u>183,599</u>	<u>24,580</u>	<u>309,257</u>
DEPRECIATION				
At 1 July 2020	-	94,102	29,504	123,606
Charge for year	-	14,418	4,369	18,787
Eliminated on disposal	-	(326)	(22,069)	(22,395)
At 30 June 2021	<u>-</u>	<u>108,194</u>	<u>11,804</u>	<u>119,998</u>
NET BOOK VALUE				
At 30 June 2021	<u>101,078</u>	<u>75,405</u>	<u>12,776</u>	<u>189,259</u>
At 30 June 2020	<u>101,078</u>	<u>88,792</u>	<u>27,111</u>	<u>216,981</u>

9. STOCKS

	2021 £	2020 £
Stocks	<u>308,044</u>	<u>169,956</u>

10. DEBTORS

	2021 £	2020 £
Amounts falling due within one year:		
Trade debtors	2,322,517	666,225
Other debtors	180,363	182,468
Directors' loan accounts	45,827	94,935
Tax	-	52,513
VAT	18,100	13,792
Prepayments	<u>188,545</u>	<u>230,716</u>
	<u>2,755,352</u>	<u>1,240,649</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2021**

10. DEBTORS - continued

	2021 £	2020 £
Amounts falling due after more than one year:		
Amounts owed by group undertakings	<u>2,357,877</u>	<u>2,020,461</u>
Aggregate amounts	<u>5,113,229</u>	<u>3,261,110</u>

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2021 £	2020 £
Bank loans and overdrafts (see note 13)	227,777	12,000
Trade creditors	1,464,145	786,029
Tax	-	52,513
Social security and other taxes	162,290	153,842
Other creditors	1,405,729	374,258
Accruals and deferred income	<u>320,697</u>	<u>356,826</u>
	<u>3,580,638</u>	<u>1,735,468</u>

12. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2021 £	2020 £
Bank loans (see note 13)	<u>1,155,558</u>	<u>1,000,000</u>

13. LOANS

An analysis of the maturity of loans is given below:

	2021 £	2020 £
Amounts falling due within one year or on demand:		
Bank loans	<u>227,777</u>	<u>12,000</u>
Amounts falling due between one and two years:		
Bank loans - 1-2 years	<u>850,000</u>	<u>1,000,000</u>
Amounts falling due between two and five years:		
Bank loans - 2-5 years	<u>305,558</u>	<u>-</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2021****14. LEASING AGREEMENTS**

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2021	2020
	£	£
Within one year	372,604	168,720
Between one and five years	<u>861,134</u>	<u>674,880</u>
	<u>1,233,738</u>	<u>843,600</u>

15. SECURED DEBTS

HSBC Invoice Finance (UK) Limited holds a floating charge with a negative pledge on all the property or undertaking of the company. They also hold a fixed charge on purchased debts which fail to vest and the amount is secured on all monies due or to become due from the company to the chargee under the terms of the aforementioned instrument creating or evidencing the charge.

HSBC Bank PLC has a legal mortgage, legal assignment and chattel mortgage on all monies due or to become due from the company to the charge on any account whatsoever. They also hold a fixed and floating charge over the undertaking and all property and assets present and future, including goodwill, book debts, uncalled capital, buildings, fixtures, fixed plant & machinery of the company.

Midlands Bank PLC holds a fixed and floating charge on all monies due or to become due from the company to the chargee on any account whatsoever.

16. PROVISIONS FOR LIABILITIES

	2021	2020
	£	£
Deferred tax		
Accelerated capital allowances	<u>26,425</u>	<u>39,559</u>
		Deferred tax
		£
Balance at 1 July 2020		39,559
Utilised during year		<u>(13,134)</u>
Balance at 30 June 2021		<u>26,425</u>

The deferred tax balance is made up of a liability for capital allowances of (£35,673) and an asset due to corporation tax losses carried forward of £9,248.

JOHN SHEPPARD BUTCHERS LIMITED (REGISTERED NUMBER: 02727662)

**NOTES TO THE FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 30 JUNE 2021**

17. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2021 £	2020 £
10,000	Ordinary	£1	<u>10,000</u>	<u>10,000</u>

18. RESERVES

	Retained earnings £
At 1 July 2020	1,178,769
Deficit for the year	(56,911)
Dividends	<u>(160,000)</u>
At 30 June 2021	<u>961,858</u>

19. ULTIMATE PARENT COMPANY

JSB Companies Limited is regarded by the director as being the company's ultimate parent company.

The Parent and ultimate parent company is JSB Companies Limited, a company registered in England and Wales.

The results of this company are included in the consolidated accounts of JSB Companies Limited and the consolidated accounts are available to view at Companies House.

20. DIRECTOR'S ADVANCES, CREDITS AND GUARANTEES

At the Balance sheet date Mr R Sheppard owed the company £45,827 (2020: £94,935).

21. RELATED PARTY DISCLOSURES

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

Other than the directors there are no other members of key management. Directors' remuneration is reported in note 3.

22. ULTIMATE CONTROLLING PARTY

The ultimate controlling party is Mr Richard Sheppard by virtue of his shareholding in JSB Companies Limited.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.