

Society Number: 20341R

UNITED OILSEED PRODUCERS LIMITED

**ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2023**

UNITED OILSEED PRODUCERS LIMITED

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UNITED OILSEED PRODUCERS LIMITED

SOCIETY INFORMATION

Directors

T Stuart (Chairman)
A T Cragg
R A Hall
B J Jackson
C S McGregor
R J Sullivan

Secretary

H Casey

Society number

20341R

Registered office

St James House
Gains Lane
Devizes
Wiltshire
SN10 1FB

Independent auditors

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
2 Glass Wharf
Bristol
BS2 0FR

Bankers

HSBC plc
45 Market Place
Devizes
Wiltshire
SN10 1HZ

UNITED OILSEED PRODUCERS LIMITED

GROUP STRATEGIC REPORT

FOR THE YEAR ENDED 30 JUNE 2023

The directors present the Strategic Report of United Oilseeds Producers Limited (the "Group") for the year ended 30 June 2023.

Review of the business

The surplus for the financial year amounted to £1,919,667 (2022: £1,111,715). Total shareholders' funds as at 30 June 2023 were £16,128,136 (2022: £14,108,717). The Co-operative's consolidated net worth rose 14.3% to £16,128,136.

Achieved during a particularly volatile trading environment, these are an excellent set of results for the United Oilseeds Independent co-operative and its shareholder farmer members. In addition to an 72.7% increase in surplus and 14.31% increase net worth, United Oilseeds also had a slight increase in the tonnage of OSR it traded, in comparison to the same period last year, whilst also managing to maintain its increased Oat tonnage traded.

The Co-operative has a 30% share of the UK's certified oilseed rapeseed market and a similar market share of the total rapeseed crop tonnages traded in the UK. It also has the biggest tonnages of oilseed rape (OSR) under pool management in the UK and is the largest supplier of OSR into ADM's crushing plant in Erith - which is the largest in Europe.

Seed sales to growers and agricultural groups again increased over the previous year and was driven by our sales and marketing teams which were able to offer the best performing and market-leading rapeseed varieties.

We continued to benefit from successfully negotiating exclusive agreements to market the UK's top-selling certified oilseed rape varieties, Acacia and Aurelia.

Whilst the UK oilseed rape area increased during the year, below average yields during harvest 2023 means production will not be enough to meet the UK's annual domestic demand during the next financial year. This is despite domestic crush capacity dropping from 1.9 million tons in 2022, to 1.8 million tons in 2023 as a result of the closure of Cargill's rapeseed processing plant in Hull.

This domestic supply and demand deficit will be met by a combination of larger carry-in stocks from last year, as well as significantly higher imports, which will likely reach the 500,000 ton mark.

Unlike last year, crop values for the 2023/24 crop year have been under pressure, weighed by large European carry-in stocks, as well as better than expected crop out turns in some of the major Black Sea producing countries, most notably Ukraine.

Reflecting these weaker commodity prices, which have dropped by more than one-third since last year's record highs, as well as ongoing and well-documented pest pressure, early estimates peg 2023 UK rapeseed plantings down some 10-15% on the previous year, to around 335,000 hectares.

These results have been achieved in a trading environment of unparalleled price volatility. Stubbornly high energy, farm input and transport costs, as well as sharply increasing costs of capital, meant farmers have had to carefully protect and review expenditure and resources.

United Oilseeds have continued to improve their in house efficiencies, mainly through better processes and IT systems, leading to savings compared to budget on overhead costs. In addition to this, higher interest rates and a proactive investment policy for our excess working capital has led to a significant increase in interest earned.

UNITED OILSEED PRODUCERS LIMITED

GROUP STRATEGIC REPORT (continued)

FOR THE YEAR ENDED 30 JUNE 2023

Review of the business (continued)

The Board believes the success of the co-operative's financial performance in this period was due to a number of key factors:

- Providing growers with successful and competitive crop marketing services including Fixed Price and Pools Marketing contracts.
- Offering a sales portfolio of the market-leading seed varieties across the different sectors of the market.
- Having carefully controlled storage capacities within in a network of stores across the UK, providing local storage at competitive prices.
- Maintaining very close and positive relationships with all our stakeholder groups including farmer members, customers, major seed breeders, trading institutions, crushers, haulage companies and storekeepers.
- The high and continuing domestic demand for rapeseed.
- A continuous focus on customer service and improvement plus unique agreements such as our penalty free Produce of Area contracts.
- The skills, commitment and hard work of our loyal staff.
- Healthy Bank cash reserves, which at 30 June 2023 stood at £15.640m (2022: £14.775m).

In 2023, we also saw the departure of our long serving Managing Director of 19 years, Chris Baldwin, following his retirement. For the past two decades, through hard work and dedication, Chris has led United Oilseeds through a period of unparalleled success. His contribution to United Oilseeds and the wider industry has been nothing short of tremendous.

Chris has been replaced as Managing Director by James Warner, who joins the business with nearly 20 years experience in the Agriculture sector, including most recently in various commercial roles for a multinational commodity processing and trading firm.

Key performance indicators

Oilseed rape sales volumes increased to 319,401 metric tonnes (2022: 315,167 metric tonnes).

The directors monitor the profitability of the business. The measure used is surplus before tax and other comprehensive income, which was £2,389,209 (2022: £1,381,121) for the year.

The directors are of the opinion that further analysis using KPIs is not necessary for an understanding of the development, performance or position of the business.

UNITED OILSEED PRODUCERS LIMITED

GROUP STRATEGIC REPORT (continued)

FOR THE YEAR ENDED 30 JUNE 2023

Principal risks and uncertainties

Like other commercial organisations in the agricultural sector and beyond, the Society has been impacted by rises in inflation, energy prices and haulage costs. This has led farmer customers to carefully assess and even reduce their inputs. However, for farmers considering planting oilseed rape, this was to some extent counter balanced by the continuing high UK demand for oilseed rape, which far outstrips domestic supply. The shortage in supply meant market prices for rapeseed generally remained buoyant, which helped to encourage farmers to plant the crop. As a result, in autumn 2022, the UK area planted with rapeseed grew for the second consecutive year.

Nonetheless, market prices for all combinable crop commodities have been seen – and are consistently liable to – sudden and significant swings in value. During the last trading year, the level of this price volatility has exceeded any previously experienced.

Weather conditions are a primary risk in the agri-business sector. Annual oilseed rape volumes, quality and yields are all heavily dependent on weather conditions throughout the crop production cycle. In addition to storms, drought and floods, weather and climate conditions also influence the levels of pests and diseases that can harm the crop.

Future developments

United Oilseeds market share of certified OSR seed sales has continued to increase, currently sitting at around 30% of the UK market. The Society again increased the commodity tonnages it traded during the year, rising 1% on the previous year, up to 319,401 tonnes.

The Group currently has a long term OSR supply agreement with a significant UK crusher. This important agreement was renewed in the year and is now on a rolling basis.

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

The following statement by the directors describes how they have accounted for the matters set out in section 172 (1) of the Companies Act 2006, as part of their duty to promote the success of the Group.

The Directors acknowledge that one of the primary responsibilities of the Board is to ensure the strategy of the United Oilseeds group achieves long-term success and generates sustainable returns for its members, key to which is maintaining engagement with stakeholders, considering the long-term implications of decisions made, and acting to maintain the highest standards of conduct. This duty has been central to the activities of the Board during the year, as discussed below.

Shareholders

The Society is a wholly owned subsidiary of United Oilseed Producers, a Cooperative and Community Benefit Society. As a wholly owned subsidiary of the Society, the directors ensure that the strategy and practices of the Group are fully aligned with the interests of the Society and its members, where appropriate. The key decision in this regard is assessing the level of dividend that can be returned to the Society. In making this assessment, the directors ensure that sufficient reserves are left in the Society to protect its long-term future.

Employees

United Oilseeds is committed to providing an inclusive working environment and providing ongoing training and career development opportunities. The Board's remuneration committee meets regularly to discuss employee engagement and rewards.

UNITED OILSEED PRODUCERS LIMITED
GROUP STRATEGIC REPORT (continued)
FOR THE YEAR ENDED 30 JUNE 2023

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

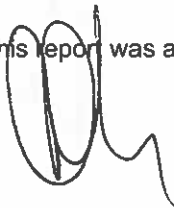
Environment

The directors recognise that the impact of climate change could be significant on United Oilseeds and its members, as yields are heavily dependent on weather conditions in the year. As such, the directors have taken steps to reduce carbon emissions of the Company where possible, such as with the use of energy saving measures in the facilities, such as energy efficient lighting, and encouraging the reduction in car usage wherever possible, for example by the use of video conference calling. The business is also encouraging the use of hybrid and fully electric vehicles in their company cars. In the year, United Oilseeds staff produced an estimated 17 metric tonnes of carbon dioxide from car usage (2022: 34 MT), based on the listed emissions of the respective vehicles. Furthermore, energy usage from the facilities totalled 65,743 kilowatt hours in the year (7 tonnes CO₂) (2022: 69,844 KWh, 7 tonnes CO₂), based on metered readings. The directors have not disclosed carbon emissions from the transport of commodity loads, as United Oilseeds does not control the vehicles used or routes taken. Facility energy usage from gas and electricity is taken directly from metered bills from the Company's energy suppliers. Emissions from car usage has been calculated indirectly from the quantity of fuel purchased, and the car manufacturer quoted fuel efficiency and carbon dioxide emission figures. The Company's intensity figures for the year are 0.11 tCO₂ per £m revenue (2022: 0.23) and 0.8 tCO₂ per employee (2022: 1.3).

Suppliers

A number of the Group's suppliers are also members of the Society. The Group is committed to improving the experience of all of its suppliers and generating long-term sustainable returns for its members. Material contracts are subject to rigorous cost management and review by the Board.

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



T Stuart
Director

Date: 29.11.23

UNITED OILSEED PRODUCERS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2023

The directors present their annual report and the audited financial statements of United Oilseed Producers Limited (the "Society") and the audited consolidated financial statements of the United Oilseed Producers Limited and its subsidiaries (the "Group") for the year ended 30 June 2023.

Principal activity

The principal object of the Society consists of the marketing of its members' oilseed, pulses and oat crop.

The Society has an agreement with United Oilseeds Marketing Limited, a UK registered company and wholly owned subsidiary, with the effect that, members' contracts are managed and executed by United Oilseeds Marketing Limited. All oilseed and protein crop trading and accounting is carried out through United Oilseeds Marketing Limited.

Results and dividends

The surplus for the financial year amounted to £1,919,667 (2022: £1,111,715).

A distribution of £520,000 was declared and paid during the year relating to financial year ended 30 June 2022 (2022: £440,000 paid in respect of 2021). The directors intend to propose a final distribution in respect of the year ended 30 June 2023.

Directors

The directors who served during the year and up to the date of signing the financial statements were:

T Stuart (Chairman)
AT Cragg
RA Hall
B J Jackson
C S McGregor
R J Sullivan

Going concern

The Group meets its day-to-day working capital requirement through its bank facilities. The Group's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the Group should be able to operate within the level of its current facilities. After making enquiries, the directors have a reasonable expectation that the Society has adequate resources to continue in operational existence for the foreseeable future. The Society and its Group therefore continue to adopt the going concern basis in preparing its financial statements.

Future developments

Future developments are disclosed in the Strategic Report on page 4.

Streamlined energy and carbon reporting ('SECR')

Streamline Energy and Carbon Reporting are disclosed in the Strategic Report on page 5.

UNITED OILSEED PRODUCERS LIMITED

DIRECTORS' REPORT (continued)

FOR THE YEAR ENDED 30 JUNE 2023

Directors' Indemnities

The Group maintains liability insurance for its directors and officers. Throughout the year to 30 June 2023, and also at the date of approval of the financial statements, the Group has also provided indemnity for its directors and the secretary, which is a qualifying third party indemnity provision for the purposes of the Companies Act 2006.

Charitable donations

During the financial year the Group made non-political charitable donations amounting to £Nil (2022: £Nil).

Financial risk management

The Group's operations expose it to a variety of risks that include price risk, credit risk and liquidity and cash flow risk. Given the size of the Group the directors have not delegated the responsibility of monitoring financial risk management to a sub-committee of the Board. Management implements the policies set by the Board of directors.

Price risk

The Group is exposed to price risk in its trading. Its trading employees manage this exposure through the various pool arrangements, regular monitoring of Matif prices and internal position reporting. The Group uses oilseed rape futures along with other relevant commodity futures and foreign currency forward contracts to hedge its exposure to price risk.

Credit risk

The Group is exposed to credit risk on its debtor and cash balances. This is mitigated by relationships with long-term customers, credit control and netting arrangements with farmer customers. The Group holds a separate non distributable reserve to provide cover against the risk of any potential future bad debts.

Only banks with an appropriate credit rating are used for the Group's cash balances.

Liquidity risk and Cash flow risk

Liquidity and cash flow risk are managed by the preparation of budgets and monthly management accounts and maintaining banking facilities with a major UK bank that are considered sufficient to meet the cash flow needs of the Group. The facilities are reviewed on an annual basis.

UNITED OILSEED PRODUCERS LIMITED

DIRECTORS' REPORT (continued)

FOR THE YEAR ENDED 30 JUNE 2023

Statement of Directors' Responsibilities

The directors are responsible for preparing the Annual report and the financial statements in accordance with applicable law and regulation.

Co-operative and Community Benefit Society law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the Group and parent Society financial statements in accordance with United Kingdom Accounting Standards including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") applicable law (United Kingdom Generally Accepted Accounting Practice). Under Co-operative and Community Benefit Society 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 Group and the Society and of the surplus or deficit of the Group and Society for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102, 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 and the Society will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Society's transactions and disclose with reasonable accuracy at any time the financial position of the Society and the Group and to enable them to ensure that the financial statements comply with the Co-operative and Community Benefit Societies Act 2014. They are also responsible for safeguarding the assets of the Society and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Statement of disclosure of information to auditors

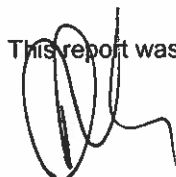
Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Society and the Group's auditors are 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 Society and the Group's auditors are aware of that information.

Independent auditors

Under section 83(1) of the Co-operative and Community Benefit Societies Act 2014, PricewaterhouseCoopers LLP will be deemed to have been reappointed as auditors 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the financial statements with the FCA, whichever is earlier.

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



T Stuart

Director

Date:

29.11.23

UNITED OILSEED PRODUCERS LIMITED

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF UNITED OILSEED PRODUCERS LIMITED

Report on the audit of the financial statements

Opinion

In our opinion, United Oilseed Producers Limited's Group financial statements and Society's financial statements (the "financial statements"):

- give a true and fair view of the state of the Group's and the Society's affairs as at 30 June 2023 and of the Group's and Society's income and expenditure and the Group's cash flows for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Co-operative and Community Benefit Societies Act 2014 and the Co-operative and Community Benefit Societies (Group Accounts) Regulations 1969.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the Group and Society's Balance Sheets as at 30 June 2023; the Group and Society's Income and Expenditure Accounts, the Group Statement of Comprehensive Income, the Group Statement of Cash Flows, and the Group and Society's Statement of Changes in Equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

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 Society's ability to continue as a going concern for a period of at least twelve months from the date on which the financial statements are authorised for issue.

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

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the group's and the society's ability to continue as a going concern.

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

UNITED OILSEED PRODUCERS LIMITED

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF UNITED OILSEED PRODUCERS LIMITED (continued)

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or any form of assurance 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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of the Directors' Responsibilities set out on page 8, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they 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 Society's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intends to liquidate the society or to cease operations, or have no realistic alternative but to do so.

UNITED OILSEED PRODUCERS LIMITED

INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF UNITED OILSEED PRODUCERS LIMITED (continued)

Responsibilities for the financial statements and the audit (continued)

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 an auditors' 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the society/industry, we identified that the principal risks of non-compliance with laws and regulations related to UK tax legislation, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Co-operative and Community Benefit Societies Act 2014 and the Co-operative and Community Benefit Societies (Group Accounts) Regulations 1969. We evaluated 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 the posting of inappropriate journals to manipulate the results of the Group and Society. Audit procedures performed included:

- Identifying and testing journal entries, for example, those with unusual account combinations to revenue or cash;
- Reviewing Board minutes and inquiring with management as to any known or suspected non-compliance with laws and regulations; and
- Incorporating an element of unpredictability in our audit procedures, for example by varying the nature, timing or extent of our testing.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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

Use of this report

This report, including the opinions, has been prepared for and only for the society as a body in accordance with Section 87 (2) and Section 98 (7) of the Co-operative and Community Benefit Societies Act 2014 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

UNITED OILSEED PRODUCERS LIMITED
INDEPENDENT AUDITORS REPORT TO THE MEMBERS OF UNITED
OILSEED PRODUCERS LIMITED (continued)

Other required reporting

Co-operative and Community Benefit Societies Act 2014 exception reporting

Under the Co-operative and Community Benefit Societies Act 2014 we are required to report to you if, in our opinion:

- a satisfactory system of control over the Society's transactions has not been maintained; or
- we have not received all the information and explanations we require for our audit; or
- proper books of account have not been kept by the Society; or
- the Society's financial statements are not in agreement with the books of account.

We have no exceptions to report arising from this responsibility.



PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Bristol
Date: 30 November 2023

UNITED OILSEED PRODUCERS LIMITED
GROUP INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 30 JUNE 2023

	Note	2023 £	2022 £
Turnover	4	174,359,258	175,889,083
Cost of sales		(168,826,806)	(171,127,354)
Trading surplus		5,532,452	4,761,729
Administrative expenses		(3,258,026)	(3,050,445)
Operating surplus	10	2,274,426	1,711,284
Interest receivable and similar income	8	667,133	115,375
Interest payable and similar expenses	9	(32,350)	(5,538)
Distribution of surplus	24	(520,000)	(440,000)
Surplus before taxation		2,389,209	1,381,121
Tax on surplus	11	(469,542)	(269,406)
Surplus for the financial year		1,919,667	1,111,715
Surplus for the financial year attributable to:			
Owners of the parent		1,919,667	1,111,715

All activities relate to continuing operations.

The notes on pages 22 to 38 form an integral part of these financial statements.

UNITED OILSEED PRODUCERS LIMITED
GROUP STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 30 JUNE 2023

	2023	2022
	£	£
Surplus for the financial year	1,919,667	1,111,715
Other comprehensive income		
Changes in fair value of cash flow hedges	115,820	9,515
Total tax on components of other comprehensive income	(17,463)	(2,189)
Other comprehensive income for the financial year, net of tax	98,357	7,326
Total comprehensive income for the financial year	2,018,024	1,119,041

The notes on pages 22 to 38 form an integral part of these financial statements.

UNITED OILSEED PRODUCERS LIMITED
SOCIETY INCOME AND EXPENDITURE ACCOUNT
FOR THE YEAR ENDED 30 JUNE 2023

	2023	2022
	£	£
Dividend received from subsidiary	520,000	440,000
Distribution of surplus	(520,000)	(440,000)
Interest expense	(222)	(200)
Deficit before taxation	(222)	(200)
Tax on deficit	-	-
Deficit for the financial year	(222)	(200)

All activities relate to continuing operations.

The Society has no other comprehensive income other than the result stated above and therefore no separate Statement of Comprehensive Income has been presented.

The notes on pages 22 to 38 form an integral part of these financial statements.

UNITED OILSEED PRODUCERS LIMITED
REGISTERED NUMBER: 20341R
GROUP BALANCE SHEET
AS AT 30 JUNE 2023

	Note	2023 £	2022 £
Fixed assets			
Intangible assets	12	31,169	49,229
Tangible assets	13	653,773	635,507
Investments	14	262,950	202,950
		947,892	887,686
Current assets			
Stock	15	7,574,261	3,100,384
Debtors	16	17,978,906	15,952,899
Cash at bank and in hand	17	15,639,636	14,774,985
		41,192,803	33,828,268
Creditors: amounts falling due within one year	18	(26,012,559)	(20,607,237)
Net current assets		15,180,244	13,221,031
Total assets less current liabilities		16,128,136	14,108,717
Capital and reserves			
Active shares	21	37,155	35,760
Forfeited shares	21	99,100	99,100
Capital reserve	22	5,434	5,434
Cash flow hedge reserve	22	3,357	(95,000)
Other reserve	22	250,000	250,000
Profit and loss account	22	15,733,090	13,813,423
Total members' funds		16,128,136	14,108,717

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



T Stuart
Director



R A Hall
Director



H Casey
Secretary

Date: 29.11.23

The notes on pages 22 to 38 form an integral part of these financial statements.

UNITED OILSEED PRODUCERS LIMITED
REGISTERED NUMBER: 20341R
SOCIETY BALANCE SHEET
AS AT 30 JUNE 2023

	Note	2023 £	2022 £
Fixed assets			
Investments	14	918,637	918,637
Current assets			
Cash at bank and in hand	17	49,123	47,608
Creditors: amounts falling due within one year	18	(302,141)	(301,799)
Net current liabilities		(253,018)	(254,191)
Total assets less current liabilities		665,619	664,446
Capital and reserves			
Active shares	21	37,155	35,760
Forfeited shares	21	99,100	99,100
Profit and loss account	22	529,364	529,586
Total members' funds		665,619	664,446

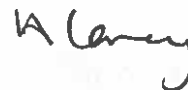
The financial statements on pages 13 to 38 were and authorised for issue by the board and were signed on its behalf by:



T Stuart
Director



R A Hall
Director



H Casey
Secretary

Date: 29.11.23

The notes on pages 22 to 38 form an integral part of these financial statements.

UNITED OILSEED PRODUCERS LIMITED
GROUP STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2023

	Active shares £	Forfeited shares £	Capital reserve £	Cash flow hedge reserve £	Other reserve £	Profit and loss account £	Total members' funds £
At 1 July 2022	35,760	99,100	5,434	(95,000)	250,000	13,813,423	14,108,717
Comprehensive income for the financial year							
Surplus for the financial year	-	-	-	-	-	1,919,667	1,919,667
Changes in fair value of cash flow hedges	-	-	-	115,820	-	-	115,820
Tax on components of other comprehensive income	-	-	-	(17,463)	-	-	(17,463)
Other comprehensive income, net of tax	-	-	-	98,357	-	-	98,357
Total comprehensive income for the financial year	-	-	-	98,357	-	1,919,667	2,018,024
Contributions by and distributions to owners							
New share capital subscribed	1,395	-	-	-	-	-	1,395
Total transactions with owners	1,395	-	-	-	-	-	1,395
At 30 June 2023	37,155	99,100	5,434	3,357	250,000	15,733,090	16,128,136

The notes on pages 22 to 38 form an integral part of these financial statements.

UNITED OILSEED PRODUCERS LIMITED
GROUP STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2022

	Active shares £	Forfeited shares £	Capital reserve £	Cash flow hedge reserve £	Other reserve £	Profit and loss account £	Total members' funds £
At 1 July 2021	34,620	99,055	5,434	(102,326)	250,000	12,701,708	12,988,491
Comprehensive income for the financial year							
Surplus for the financial year	-	-	-	-	-	1,111,715	1,111,715
Changes in fair value of cash flow hedges	-	-	-	9,515	-	-	9,515
Tax on components of other comprehensive income	-	-	-	(2,189)	-	-	(2,189)
Total comprehensive income for the financial year	-	-	-	7,326	-	1,111,715	1,119,041
Contributions by and distributions to owners							
New share capital subscribed	1,185	-	-	-	-	-	1,185
Forfeited shares	(45)	45	-	-	-	-	-
Total transactions with owners	1,140	45	-	-	-	-	1,185
At 30 June 2022	35,760	99,100	5,434	(95,000)	250,000	13,813,423	14,108,717

The notes on pages 22 to 38 form an integral part of these financial statements.

UNITED OILSEED PRODUCERS LIMITED
SOCIETY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 30 JUNE 2023

	Active shares	Forfeited shares	Profit and loss	Total members'
	£	£	account	funds
	£	£	£	£
At 1 July 2021	34,620	99,055	529,786	663,461
Comprehensive expense for the financial year				
Deficit for the financial year	-	-	(200)	(200)
Total comprehensive expense for the financial year	-	-	(200)	(200)
Contributions by and distributions to owners				
New share capital subscribed	1,185	-	-	1,185
Forfeited shares	(45)	45	-	-
Total transactions with owners	1,140	45	-	1,185
At 30 June 2022 and 1 July 2022	35,760	99,100	529,586	664,446
Comprehensive expense for the financial year				
Deficit for the financial year	-	-	(222)	(222)
Total comprehensive expense for the financial year	-	-	(222)	(222)
Contributions by and distributions to owners				
New share capital subscribed	1,395	-	-	1,395
Total transactions with owners	1,395	-	-	1,395
At 30 June 2023	37,155	99,100	529,364	665,619

The notes on pages 22 to 38 form an integral part of these financial statements.

UNITED OILSEED PRODUCERS LIMITED
GROUP STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30 JUNE 2023

	2023 £	2022 £
Cash flows from operating activities		
Profit for the financial year	1,919,667	1,111,715
Adjustments for:		
Amortisation of intangible assets	27,937	64,913
Depreciation of tangible assets	32,612	16,931
Interest expense	32,350	5,538
Interest income	(667,133)	(115,375)
Taxation charge	469,542	269,406
(Increase)/decrease in stocks	(4,473,877)	6,745,441
Increase in debtors	(1,820,860)	(3,700,592)
Decrease in creditors	5,066,537	822,390
Corporation tax paid	(434,261)	(173,897)
Distribution of surplus	520,000	440,000
Net cash generated from operating activities	869,228	5,486,470
Cash flow from investing activities		
Purchase of tangible assets	(9,877)	(18,228)
Purchase of investment properties	(50,878)	(71,919)
Store loans (advanced)/recovered during the year	(60,000)	45,060
Interest received	667,133	115,375
Net cash generated from in investing activities	546,378	70,288
Cash flow from financing activities		
Interest paid	(32,350)	(5,538)
Distribution paid to members	(520,000)	(440,000)
New member share capital subscribed	1,395	1,185
Net cash used in financing activities	(550,955)	(444,353)
Net increase in cash and cash equivalents	864,651	5,112,405
Cash and cash equivalents at the beginning of financial year	14,774,985	9,662,580
Cash and cash equivalents at the end of financial year	15,639,636	14,774,985
Cash and cash equivalents at the end of financial year comprise:		
Cash at bank and in hand	15,639,636	14,774,985

The notes on pages 22 to 38 form an integral part of these financial statements.

UNITED OILSEED PRODUCERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2023

1 General information

The principal activity of United Oilseed Producers Limited (the "Society") is that of a commodity trader and seed merchant.

The Society is a registered society under the Co-operative and Community Benefit Societies Act 2014 and is domiciled in England.

The address of its registered office is:

St James House
Gains Lane
Devizes
Wiltshire
SN10 1FB

2 Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared on the going concern basis, under the historical cost convention as modified by the recognition of derivative financial instruments at fair value, and in accordance with the Co-operative and Community Benefit Societies Act 2014 and applicable accounting standards in the United Kingdom, comprising FRS 102. The principal accounting policies which have been applied consistently are set out below,

The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 3.

The following principal accounting policies have been applied consistently throughout the year:

2.2 Exemptions for qualifying entities under FRS 102

The Society has taken advantage of the exemption, under FRS 102 paragraph 1.12(b), from preparing a Statement of Cash Flows, on the basis that it is a qualifying entity and includes the Society's cash flows in its own consolidated financial statements.

The Society have taken advantage of the exemption, under FRS 102 paragraphs 11.39 - 11.48A and 12.26 - 12.29, from certain financial instruments disclosures due to equivalent disclosures being provided in its own consolidated financial statements.

The Society has taken advantage of the exemption, under FRS 102 paragraph 33.7, from disclosing the total compensation of key management personnel, on the basis that it is a qualifying entity and includes the Society's key management compensation in its own consolidated financial statements.

2.3 Related party transactions

The Society has taken advantage of the exemption, under FRS 102 paragraph 33.2, from disclosing transactions with members of the same Group that are wholly owned.

UNITED OILSEED PRODUCERS LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 JUNE 2023

2 Accounting policies (continued)

2.4 Basis of consolidation

The Group financial statements consolidate the financial statements of the Society and its subsidiaries. All companies within the Group apply the same accounting policies consistently and prepare their financial statements to the same date. Profits and losses on intra-group transactions are eliminated on consolidation.

The consolidated financial statements have been prepared using acquisition accounting.

2.5 Going concern

The Group meets its day-to-day working capital requirement through its bank facilities. The Group's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the Group should be able to operate within the level of its current facilities. After making enquiries, the directors have a reasonable expectation that the Society has adequate resources to continue in operational existence for the foreseeable future. The Society and its Group therefore continue to adopt the going concern basis in preparing its financial statements.

2.6 Turnover

Turnover, which excludes value added tax and trade discounts, represents the invoiced value of goods and services supplied. It also includes commissions' receivable on transactions undertaken on behalf of the commodity pools. Turnover is recognised when the risks and rewards of ownership of the goods are substantially passed to the customer being either delivery to the customer or when the customer confirms acceptance of goods held at third party storage locations.

2.7 Intangible assets and amortisation

Intangible assets include goodwill and computer software assets.

Goodwill is the difference between amounts paid on acquisition of a business and the fair value of the identifiable assets and liabilities. It is amortised to the Income and Expenditure Account over its estimated economic life. Goodwill is amortised at 15% per annum on a straight line basis.

The Group evaluate the carrying value of goodwill in each financial year to determine if there has been impairment in value, which would result in the inability to recover the carrying amount. When it is determined that the carrying value exceeds the recoverable amount, the excess is written off to the Income and Expenditure account.

Software assets are stated at cost less accumulated amortisation. Cost includes original purchase cost plus the cost of third parties and internal employee costs that are directly associated with developing the software assets. Amortisation is recognised to write off the cost of software assets over 5 years.

UNITED OILSEED PRODUCERS LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 JUNE 2023

2 Accounting policies (continued)

2.8 Tangible assets

Tangible assets are stated at historic purchase cost less accumulated depreciation. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use. Depreciation is provided on all tangible fixed assets so as to write off the cost less the estimated residual value of the relevant assets over their anticipated useful lives at the following annual rates on a straight line basis:

Freehold property	-	not depreciated
Motor vehicles	-	15%
Office equipment	-	between 15% and 33%
Computer equipment	-	33%

Freehold property has not been depreciated as in the opinion of the directors the residual value is not materially different from the carrying value and hence any depreciation is immaterial.

2.9 Investments

Investments are payments made to storage facilities for the long-term use of the location.

Investments are initially recorded at cost. The full cost of the investment is repayable by the storage provider at the end of the term of the contract. The investments are reviewed periodically for impairment. An impairment is considered to have occurred where the amount repayable by the storage location is lower than the carrying value of the investment.

2.10 Stocks

Stocks comprise commodities for resale which are valued at the lower of cost and net realisable value and measured on a weighted average basis. Cost includes all direct expenditure incurred in bringing the product to its present location and condition. Net realisable value is the price at which stocks can be sold in the normal course of business after allowing for the costs of realisation. Where necessary, provision is made for obsolete, slow moving and defective stocks.

2.11 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.

UNITED OILSEED PRODUCERS LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 JUNE 2023

2 Accounting policies (continued)

2.12 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 Group Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

2.13 Financial instruments

The Group has applied section 11 and 12 of FRS 102 in respect of recognition and measurement of 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 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 case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows 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 Profit and Loss Account.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

UNITED OILSEED PRODUCERS LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 JUNE 2023

2 Accounting policies (continued)

2.14 Derivative financial instruments

Forward commodity contracts and foreign exchange used in the business are derivative financial instruments. Such contracts are recognised at fair value with changes in fair value recognised in the profit and loss account unless hedge accounting is applied. Realised gains and losses are charged against cost of sales together with the underlying purchase being hedged. Unrealised gains and losses on open contracts are presented separately within operating profit.

Unrealised gains and losses on contracts qualifying as cash flow hedges (which typically comprise the forward foreign exchange contracts) are recognised initially in a cash flow hedge reserve and are subsequently recycled to the income statement at the same time the hedged item is recognised.

Unrealised gains and losses on contracts qualifying as fair value hedges (which typically comprise commodity futures) are recognised in the Income and Expenditure Account together with the offsetting unrealised gain or loss on the hedged item being the future grain sale or purchase commitment.

2.15 Creditors

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

2.16 Foreign currencies

Monetary assets and liabilities expressed 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 ruling at the date of the transaction. Differences arising are dealt with in the Income and Expenditure account.

2.17 Finance costs

Finance costs are charged to the Group Income and Expenditure Account 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.

2.18 Operating leases

Rentals paid under operating leases are charged to the Group Income and Expenditure Account on a straight line basis over the lease term.

UNITED OILSEED PRODUCERS LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 JUNE 2023

2 Accounting policies (continued)

2.19 Pensions

Defined contribution pension plan

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

The contributions are recognised as an expense in the Group Income and Expenditure account when they fall due. Amounts not paid are shown in accruals as a liability in the Group Balance Sheet. The assets of the plan are held separately from the Group in independently administered funds.

2.20 Interest income

Interest income is recognised in the Group Income and Expenditure account using the effective interest method.

2.21 Borrowing costs

All borrowing costs are recognised in the Group Income and Expenditure Account in the year in which they are incurred.

2.22 Provisions for liabilities

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

Provisions are charged as an expense to the Group Income and Expenditure account 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.

2.23 Current and deferred taxation

The charge for taxation is based on the profit for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the Balance Sheet date, where transactions or events have occurred at that date that will result in an obligation to pay more, or right to pay less or to receive more tax with the exception that deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the Balance Sheet date.

UNITED OILSEED PRODUCERS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (continued)

FOR THE YEAR ENDED 30 JUNE 2023

2 Accounting policies (continued)

2.24 Distributions

Distributions to members are shown within surplus on ordinary activities before taxation and are tax deductible. Distributions are paid to members based on their levels of trade with the Society's trading subsidiary.

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

The Group makes estimates and assumptions concerning the future that can impact on balances recognised in the financial statements. Judgements and estimates are based on historical experience and various other factors that are considered reasonable in the circumstances but may differ from subsequent actual results.

The critical accounting judgements that are considered to be significant in the context of these financial statements include:

1. Revenue recognition

Sales made through the Group's Pool arrangements are treated on a net basis with only the commission earned by the Group being recognised in these financial statements. The directors take the view that the Group is acting as an agent for its members, passing on market prices achieved, less commission earned. The gross value of transactions traded through Pool arrangements amount to £46,562,091 (2022: £52,075,651).

2. Derivative financial instruments

The Group uses derivative financial instruments in the form of currency forward contracts and commodity futures to hedge its exposure to currency and price risk on forecast and contracted future sales and purchases. In order to apply hedge accounting, the directors have assessed that the hedges are expected to be effective and that they match with expected future sales and purchases.

The estimate that is considered significant in the context of these financial statements is:

1. Valuation of derivatives

Derivative financial instruments are measured at fair value which is based on the forward price of the relevant commodity or currency contract. The final settlement value of these instruments will depend on the movement of market prices between the balance sheet and the date the contract matures. This impacts the carrying value of individual assets and liabilities which could change by a material amount. However, because of the hedging policy set out in note 22, the potential net movement in fair values of the derivatives and the related forward sales and purchase commitments is highly unlikely to be material.

UNITED OILSEED PRODUCERS LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 JUNE 2023

4 Turnover

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

	2023 £	2022 £
Oilseed rape, other commodities and seed sales	173,790,235	175,450,736
Commission on pool sales	569,023	438,347
	174,359,258	175,889,083

Analysis of turnover by country of destination:

	2023 £	2022 £
United Kingdom	160,192,577	146,890,043
Rest of Europe	14,166,681	28,999,040
	174,359,258	175,889,083

5 Auditors' remuneration

	2023 £	2022 £
Audit of the Society's subsidiaries	44,000	41,200
Fees payable to the Group's auditors in respect of:		
Tax compliance services	24,000	14,000
All other services	8,652	7,210
	32,652	21,210

Auditors' remuneration for audit services to the Society was borne by a subsidiary company.

UNITED OILSEED PRODUCERS LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 JUNE 2023

6 Employees

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

	Group 2023	Group 2022
	£	£
Wages and salaries	2,202,755	2,005,219
Social security costs	284,660	254,090
Other pension costs	281,779	110,069
	2,769,194	2,369,378

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

	2023	2022
	Number	Number
Trading	13	13
Administration	18	18
	31	31

The Society does not have any employees (2022: none).

7 Directors' remuneration

	2023	2022
	£	£
Aggregate directors' remuneration	74,972	103,824

8 Interest receivable and similar income

	2023	2022
	£	£
On short term cash deposits and member advances	667,133	115,375

9 Interest payable and similar expenses

	2023	2022
	£	£
On bank overdrafts	32,350	5,538

UNITED OILSEED PRODUCERS LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 JUNE 2023

10 Operating surplus before taxation

Surplus before taxation is stated after charging:

	2023	2022
	£	£
Depreciation of tangible assets	32,612	16,931
Amortisation of intangible assets	27,937	64,913
Operating lease payments in respect of plant and machinery	62,648	79,066

11 Tax on surplus

	2023	2022
	£	£
Corporation tax		
Current tax on surplus for the financial year	492,313	269,622
Adjustments in respect of prior years	–	49,916
Total current tax	492,313	319,538
Deferred tax:		
Origination and reversal of timing differences	(410)	(3,619)
Effect of changes in tax rates	(90)	(411)
Adjustment in respect of prior years	(22,271)	(46,102)
Total deferred tax	(22,771)	(50,132)
Total tax	469,542	269,406

Factors affecting tax charge for the year

The tax assessed for the year differs from the standard rate of corporation tax in the UK of 20.5% (2022: 19%). The differences are explained below:

	2023	2022
	£	£
Surplus before taxation	2,389,209	1,381,121
Surplus before taxation multiplied by standard rate of corporation tax in the UK of 20.5% (2021: 19%)	489,689	262,413
Effects of:		
Expenses not deductible for tax purposes	2,214	3,591
Adjustments in respect of prior years	(22,271)	3,814
Changes in tax rates	(90)	(1,143)
Effects of group relief/other relief	–	731
Total tax charge for the financial year	469,542	269,406

UNITED OILSEED PRODUCERS LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 JUNE 2023

12 Intangible assets

Group	Computer software £	Goodwill £	Total £
Cost			
At 1 July 2022	1,997,972	236,984	2,234,956
Additions	9,877	–	9,877
At 30 June 2023	2,007,849	236,984	2,244,833
Accumulated amortisation			
At 1 July 2022	1,948,743	236,984	2,185,727
Charge for the year	27,937	–	27,937
At 30 June 2023	1,976,680	236,984	2,213,664
Net book value			
At 30 June 2023	31,169	–	31,169
At 30 June 2022	49,229	–	49,229

The Society does not hold any intangible assets (2022: none).

13 Tangible assets

Group	Freehold property £	Motor vehicles £	Fixtures and fittings £	Computer equipment £	Total £
Cost					
At 1 July 2022	542,820	70,534	123,914	234,352	971,620
Additions	–	–	8,504	42,374	50,878
At 30 June 2023	542,820	70,534	132,418	276,726	1,022,498
Accumulated depreciation					
At 1 July 2022	–	13,009	101,793	221,311	336,113
Charge for the year	–	8,850	11,227	12,535	32,612
At 30 June 2023	–	21,859	113,020	233,846	368,725
Net book value					
At 30 June 2023	542,820	48,675	19,398	42,880	653,773
At 30 June 2022	542,820	57,525	22,121	13,041	635,507

The Society does not hold any tangible assets (2022: none).

UNITED OILSEED PRODUCERS LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 JUNE 2023

14 Investments

Group

	Investments £
Cost	
At 1 July 2022	202,950
Additions	60,000
At 30 June 2023	262,950

Investments comprise interest free loans to grain stores to secure storage facilities and have no fixed date of repayment. The directors are satisfied that the investments are recoverable at their stated net book amounts.

Society

	Investments in subsidiary companies £	Other investments £	Total £
Cost or net book value			
At 1 July 2022	911,126	7,511	918,637
At 30 June 2023	911,126	7,511	918,637

The subsidiary undertakings are:

United Oilseeds Marketing Limited, a company incorporated and registered in the UK. The nature of its business is that of commodity merchants and brokers. The Society owned 100% of the issued share capital as at the Balance Sheet date.

Hubbards Seed Limited, a company registered in the UK the nature of the business is that of a seed merchant. The Society owned 100% of the issued share capital as at the Balance Sheet date. United Agriculture Limited, a company registered in the UK. The Company is dormant. The Society owned 100% of the issued share capital as at the Balance Sheet date.

Other investments comprise of interest free loans to grain stores to secure storage facilities and have no fixed date of repayment.

Companies Act 2006 - Section 479A Disclosure

The following subsidiary is exempt from the requirement relating to audit of its financial statements under S479A of the Companies Act 2006 by virtue of an unconditional guarantee given by the Society of the Company's liabilities as at 30 June 2023:

- Hubbards Seed Limited (Reg number: 07914940)

UNITED OILSEED PRODUCERS LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 JUNE 2023

15 Stocks

	Group 2023 £	Group 2022 £
Finished goods and goods for resale	7,574,261	3,100,384

16 Debtors

	Group 2023 £	Group 2022 £
Trade debtors	13,300,219	12,714,949
Prepayments and accrued income	2,717,347	877,770
Other taxation and social security	112,821	126,211
Deferred taxation (note 20)	31,087	25,780
Derivative financial instruments (note 19)	949,432	1,082,066
Forward grain commitments (note 19)	868,000	1,126,123
	17,978,906	15,952,899

Amounts owed by group undertakings are unsecured and carry no interest.

17 Cash at bank and in hand

	Group 2023 £	Group 2022 £	Society 2023 £	Society 2022 £
Cash at bank and in hand	15,639,636	14,774,985	49,123	47,608

18 Creditors: amounts falling due within one year

	Group 2023 £	Group 2022 £	Society 2023 £	Society 2022 £
Trade creditors	22,085,672	16,032,219	-	-
Amounts owed to group undertakings	-	-	302,141	301,799
Corporation tax	334,813	322,968	-	-
Other taxation and social security	87,425	58,099	-	-
Forward grain commitment (note 19)	864,000	1,082,066	-	-
Accruals and deferred income	1,772,649	1,955,374	-	-
Derivative financial instruments (note 19)	868,000	1,156,511	-	-
	26,012,559	20,607,237	302,141	301,799

Amounts owed to group undertakings are unsecured, carry no interest and are repayable on demand.

UNITED OILSEED PRODUCERS LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 JUNE 2023

19 Financial instruments

	Group 2023 £	Group 2022 £
Financial assets		
Financial assets measured at fair value and held as cash flow hedges		
- Derivative financial instruments	85,432	-
Financial assets measured at fair value and held as fair value hedges		
- Derivative financial instruments	864,000	1,082,066
- Forward grain commitments	868,000	1,126,123
	1,732,000	2,208,189
Financial liabilities		
Financial liabilities measured at fair value and held as cash flow hedges		
- Derivative financial instruments	-	(30,388)
Financial liabilities measured at fair value and held as fair value hedges		
- Forward grain commitments	(864,000)	(1,082,066)
- Derivative financial instruments	(868,000)	(1,126,123)
	(1,732,000)	(2,238,577)

Derivative financial instruments

The Group enters into derivative financial instruments in the form of forward foreign currency contracts and commodity futures to mitigate foreign exchange risk and price risk on contracted and expected future sales and purchases. All contracts taken out are hedges of underlying sales and purchases. The Group does not trade speculatively. When these derivative financial instruments can meet the criteria for hedge accounting in FRS 102, hedge accounting is applied. This is the case for both currency and commodity contracts in the current year.

At 30 June 2023, the fair value of currency contracts held as cash flow hedges was an asset of £85,432 (2022: liability £30,388). The net fair value of commodity contracts held as fair value hedges was a liability of £4,000 (2022: £44,057). The gross asset and liability positions are shown on page 34.

The commodity contracts have been designated as fair value hedges of grain sales or purchase commitments. Accordingly, the hedged commitment has also been recognised as a financial asset/liability at fair value.

UNITED OILSEED PRODUCERS LIMITED
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FOR THE YEAR ENDED 30 JUNE 2023

20 Deferred taxation

Group

	2023
	£
At beginning of the year	25,780
Credited to profit and loss	22,770
Debited to other comprehensive income	(17,463)
At end of year	31,087

The deferred taxation asset is made up as follows:

	Group	Group
	2023	2022
	£	£
Accelerated capital allowances	25,059	30,447
Unrealised gains and losses on derivatives	–	(4,667)
Short term timing differences	6,028	–
	31,087	25,780

21 Members' shares

	Active	Forfeited
	shares	shares
	£	£
At 1 July 2022	35,760	99,100
New issues	1,395	–
At 30 June 2023	37,155	99,100

Members' shares are split between those members who have traded with the Group in the financial year and those who have not traded but still retain a share in the Society.

Each member may hold one share in the Society. Each share has a nominal value of either £1 or £15. The shares do not have a right to any distribution. Each share entitles the member to one vote. Shares are non-transferable.

During the year, new member shares of £1,395 were issued (2022: £1,185). Upon cessation of membership, active shares are cancelled and forfeited and transferred to the forfeited shares account. Forfeited shares are transferred to active shares when a previous member reactivates its account with the Society. During the financial year, no (2022: 45) shares were transferred from the forfeited share capital account. Only the A Ordinary shares confer voting rights and right to attend general meetings of the Society. Dividends may be declared on any class of share without providing a compensatory dividend to the holders of other classes of shares.

UNITED OILSEED PRODUCERS LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 JUNE 2023

22 Reserves

Capital reserve

The capital redemption reserve is a non-distributable reserve amounting to the repurchase of shares in the Group's subsidiary.

Cash flow hedge reserve

The cash hedge reserve relates to unrealised gains and losses on foreign exchange futures contracts which qualify as effective hedges of future sales and purchases, net of related deferred tax.

Other reserves

The other reserve consists of a balance set aside from the Income and Expenditure Account to cover the risk of potential future bad debts.

Profit and loss account

The profit and loss account represents the accumulated profits, losses and distributions of the Group.

23 Pension commitments

Contributions are made on behalf of the employees to their personal pension plan. Contributions are charged in the accounts as incurred. Total pension costs charged in the year were £281,779 (2022: £110,069).

24 Distribution

	2023	2022
	£	£
Distributions declared and paid in the year	520,000	440,000

UNITED OILSEED PRODUCERS LIMITED
NOTES TO THE FINANCIAL STATEMENTS (continued)
FOR THE YEAR ENDED 30 JUNE 2023

25 Related party transactions

Advantage has been taken of the exemption from disclosing transactions and balances with other group companies as permitted by the exemption disclosed in note 2.2.

Directors enter into transactions with the Group, which are at arm's length and on the same terms as are available to other customers with a similar size of enterprise. These are summarised as follows for the year ended 30 June 2023.

	Sales value £	Purchases value £	Balance owed (to)/from at 30 June 2023 £
Interested director			
T Stuart	27,301	416,332	–
R Hall	15,997	34,358	–
A Cragg	1,770	350,323	–
C McGregor	44,607	1,512,350	–
B Jackson	108,795	1,303,707	–

Information relating to the year ended 30 June 2022:

	Sales value £	Purchases value £	Balance owed (to)/from at 30 June 2022 £
Interested director			
T Stuart	9,572	219,130	–
R Hall	13,678	147,973	–
A Cragg	21,637	54,563	–
C McGregor	29,430	930,517	–
B Jackson	27,331	900,192	–

26 Ultimate controlling party

The Society is ultimately controlled by its members who each have equal voting rights.