

# Financial statements Uren Food Group Limited

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**For the year ended 31 March 2021**



**Company No 00517333**

**Uren Food Group Limited**  
**Financial statements for the year ended 31 March 2021**

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## Company information

<b>Company registration number</b>	00517333
<b>Registered office</b>	Wood Park Chester High Road Neston Cheshire CH64 7TB
<b>Directors</b>	P N Barratt P M Jones R J Laird I R Stewart J L Wood
<b>Auditors</b>	Grant Thornton UK LLP Statutory Auditor Chartered Accountants Royal Liver Building Liverpool L3 1PS

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## Report of the directors

### Principal activities

The principal activity of the group is that of processors and distributors of conventional, organic and fair trade food ingredients.

### Business review and results

The profit before tax for the group and its share of its associated company profits was £1,382,000 (2020: £464,000).

The group recorded sales of £77,593,000 (2020: £63,083,000). This strong growth arose from large increases in sales in the United States, our Chilean subsidiary Berries Chile and domestically primarily from our peanut division.

In the UK, sales in all divisions held up well despite the pandemic, and we saw strong growth in our peanut sales. This was attributable to both increased demand with existing customers and also the fact that we have added a number of additional customers during the year.

Berries Chile had a strong year, as it continued to develop its retail customer portfolio on the back of the capital investment made over the last few years.

Uren North America also performed strongly with sales of European fruit to the US increasing markedly in the year.

In Poland, our associate company Uren Novaberry saw an improved profit performance despite challenging market conditions.

Whilst the longer term implications of Brexit remain unclear, the geographical diversity of the Group's customer and supplier base, and the strength of the Group balance sheet mean that it is well positioned to adapt to the changing economic environment. As all importers in the UK, we have seen disruption at UK ports and our haulage partners continue to express concerns about the driver shortage caused by Brexit.

The COVID epidemic did not have a significant impact on the financial results for the year ended 31 March 2021, and has not unduly impacted trading this year from a profit and loss perspective. Our staff have been able to work safely and effectively from home throughout the lockdown periods without any disruption to our operations. Food supply chains have remained robust although increased lead times out of Asia and disruption at UK ports has meant that we have taken the decision to increase stock holding levels in order to ensure we can maintain service levels with our customers.

### Key performance indicators

Key performance indicators include turnover, cost of goods sold as a percentage of sales, and total borrowing levels.

	2021	2020
Revenue (£000)	77,593	63,083
Cost of sales (£000)	71,482	58,274
Cost of sales as percentage of revenue (%)	92.1	92.4
Group borrowing (£000)	10,651	8,415

Group revenues rose 23.0%, due to strong performances in the UK, USA and our Chilean subsidiary. Cost of sales as a % of sales has remained in line with prior year.

## Report of the directors

The group's borrowings increased primarily due to the increased working capital requirement associated with a 23% increase in revenue. In addition, in order to maintain service levels as a consequence of potential disruptions to the supply chain as a consequence of COVID and Brexit. However, we have remained comfortably within our existing banking facilities.

### **Section 172 Statement**

The board of directors of Wood Park Foods Limited consider, both individually and collectively, that they have acted in such a manner that they believe are in good faith to be the most likely to promote the success of the Company for the benefit of its members as a whole (having regard to the stakeholders and other matters set out in s172(1) of the Act) in the decisions they made during the year ended 31 March 2021. When making these decisions, the board of directors seek to understand their impact on the wider stakeholders of the group and act in the interest of these stakeholders while also seeking to generate sustainable growth for the business.

Our employees are our most important asset and we aim to be a responsible employer in our approach to the pay and benefits they receive. Ensuring the health, safety and wellbeing of our employees is of the highest importance and one of the primary considerations in the manner in which we conduct business.

Caring for our customers is fundamental to the success of our business and we endeavour to serve them to the best of our ability. We are committed to ensuring that our products the quality, safety and value of our products as evidenced by our investment in our quality assurance team and in our BRC Agents and Brokers accreditation.

We also aim to act responsibly and fairly in our engagement with suppliers, regulators, insurers, charitable partners, governments and local authorities. All suppliers are paid in accordance with agreed terms.

The intention of the board of directors is always to act responsibly and to ensure that the business operates in a responsible manner, adhering to standards of business conduct and good governance. We recognise that the maintenance of our good reputation, founded on responsible behaviour and integrity, is fundamental to our continuing ability to achieve profitable growth for the benefit of all our stakeholders in the future.

### **Streamlined energy and carbon reporting**

The immediate parent undertaking of the company, Wood Park Foods Limited, has prepared reporting as required under the streamlined energy and carbon reporting guidelines. As Uren Food Group Limited are included within the data presented within the Group Report of Wood Park Foods Limited, the exemption has been taken not to present such information within these financial statements under the available subsidiary exemption.

### **Principal risks and uncertainties**

The directors have set out the principal risks facing the company in the Report of the directors.

Approved and signed on behalf of the board of Directors



I R Stewart  
Director  
21/12/2021 2021

## Report of the directors

The directors present their report together with the audited financial statements for the year ended 31 March 2021.

### **Proposed dividend**

The directors recommend a dividend of £Nil equivalent to £ Nil per qualifying ordinary share for the year ended 31 March 2021 (2020: £1,400,000; £28.00 per share).

### **Directors**

The directors who held office during the year were as follows:

I R Stewart  
P M Jones  
J L Wood  
P N Barratt  
R J Laird

### **Directors responsibilities statements**

The directors are responsible for preparing the Strategic report, the Report of the directors and the financial statements in accordance with applicable law and regulations.

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

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

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

The directors confirm that:

- so far as each director is aware, there is no relevant audit information of which the company and group’s auditor is unaware; and
- the directors have taken all the steps that they ought to have taken as directors to make themselves aware of any relevant audit information and to establish that the company and group’s auditor is aware of that information.

## Report of the directors (continued)

### **Directors responsibilities statements (continued)**

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

### **Political contributions**

Neither the Company nor any of its subsidiaries made any political donations or incurred any political expenditure during the year.

### **Future developments**

The directors aim to maintain the management policies which have resulted in the group's development in recent years and to focus on initiatives which drive improved profitability.

The directors continue to assess the impact of the UK's decision to leave the EU to ensure the group remains competitive in both the UK and global markets.

The impact of the COVID-19 pandemic has been fully evaluated. Whilst there has been a change in sales mix, overall we have seen an increase in demand. With respect to employee welfare, we acted swiftly to ensure staff were able to work effectively and safely from home during lockdown periods and in consultation with our health and safety advisers have implemented a range of measures to ensure those staff who are required to attend the work place can do so safely.

### **Going concern**

Having made reasonable enquiries the Directors are of the opinion that the group has sufficient resources to continue in operational existence for the foreseeable future. The directors have considered the impact of COVID-19 on the group's projections and found that there is no adverse impact on cash-flow or profit forecasts due as our products are primarily utilised in essential food and drink products. As such, the directors continue to adopt the going concern basis of accounting in preparing the financial statements. Further details are disclosed within note 2.

### **Principal risks and uncertainties**

The Company and group use financial instruments, including loans, cash, equity investments and various items, such as trade debtors and trade creditors that arise directly from its operations. The main purpose of these financial instruments is to raise finance for the Company's and group's operations.

The existence of these financial instruments exposes the Company and group to a number of financial risks, which are described in more detail below. In order to manage the Company's and group's exposure to these risks, in particular the exposure to currency risk, the Company and group enter into forward foreign currency contracts.

Currency risk – The group is exposed to translation and transaction foreign currency risk. In relation to translation risk, as far as possible the assets held in the foreign currency are matched to an appropriate level of borrowings in the same currency. Transaction exposures, including those associated with forecast transactions, are hedged when known, principally using forward currency contracts.

Liquidity risk – the Company seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable needs.

Interest risk – The group finances its operations through a mixture of retained profits and bank borrowings. The only interest bearing liabilities are bank borrowings at a variable rate.

## Report of the directors (continued)

### **Auditor**

The auditor, Grant Thornton UK LLP, will be proposed for re-appointment in accordance with section 487(2) of the Companies Act 2006.

Approved and signed on behalf of the board of Directors



I R Stewart

Director

21/12/2021 2021



## Independent auditor's report to the members of Uren Food Group Limited (continued)

### **Opinion**

We have audited the financial statements of Uren Food Group Limited (the parent company) and its subsidiaries (the group) for the year ended 31 March 2021 which comprise the Consolidated statement of comprehensive income, the Consolidated and company balance sheets, the Consolidated and company Statement of changes in equity, the Consolidated statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102; The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 March 2021 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and the parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

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

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



## Independent auditor's report to the members of Uren Food Group Limited (continued)

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

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

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

### **Other information**

The directors are responsible for the other information. The other information comprises the information included in the Strategic report and the Directors' report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

### **Opinions on other matters prescribed by the Companies Act 2006**

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

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

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

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

### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:



## Independent auditor's report to the members of Uren Food Group Limited (continued)

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

### **Responsibilities of directors for the financial statements**

As explained more fully in the directors' responsibilities statement set out on pages 5-7 the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

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



## Independent auditor's report to the members of Uren Food Group Limited (continued)

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

- We obtained an understanding of the legal and regulatory frameworks applicable to the Group and Company, and the industry in which it operates. We determined the Companies Act 2006 to be the most significant laws and regulations to the entity. We enquired of management whether there were any instances of noncompliance with laws and regulations or whether they had any knowledge of actual, suspected fraud. We corroborated the results of our enquiries to supporting documentation. From the procedures performed we did not identify any matters relating to non-compliance with laws and regulation or matters in relation to fraud.
- We assessed the susceptibility of the Group's financial statements to material misstatement, including how fraud might occur. Audit procedures were performed by the engagement team included:
  - Evaluation of the processes and controls established to address the risks related to irregularities and fraud;
  - Testing manual journal entries by use of data analytics, in particular journal entries relating to management estimates and entries determined to be large or relating to unusual transactions;
  - Identifying and testing related party transactions.
- The assessment of the appropriateness of the collective competence and capabilities of the engagement team included consideration of the engagement team's knowledge of the industry in which the client operates in and an understanding of, and practical experiences through training and participation with audit engagements of a similar nature;
- In assessing the potential risks of material misstatement, we obtained an understanding of:
  - The group's operations, including the nature of its revenue sources, expected financial statement disclosures and business risks that may result in risk of material misstatement; and
  - The group's control environment including the adequacy of procedures for authorisation of transactions.
- A subsidiary within the group is audited by an international branch of Grant Thornton, they have been communicated with and report they have not identified any instances of non-compliance with laws and regulations that could give rise to material misstatement of the group financial statements.



## Independent auditor's report to the members of Uren Food Group Limited (continued)

### **Use of our report**

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

A handwritten signature in black ink that reads "Carl Williams".

Carl Williams FCCA

Senior Statutory Auditor  
for and on behalf of Grant Thornton UK LLP  
Statutory Auditor, Chartered Accountants  
Liverpool

21/12/2021 2021

**Uren Food Group Limited**  
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## Consolidated statement of comprehensive income

	Note	2021 £'000	2020 £'000
<b>Turnover</b>	5	77,593	63,083
Cost of sales		<u>(71,482)</u>	<u>(58,274)</u>
<b>Gross profit</b>		6,111	4,809
Administrative expenses		<u>(4,687)</u>	<u>(4,227)</u>
<b>Profit on ordinary activities before interest and taxation</b>		1,424	582
Group share of operating profit in associate		89	112
Other interest receivable and similar income	9	143	91
Interest payable and similar charges	10	<u>(274)</u>	<u>(321)</u>
<b>Profit on ordinary activities before taxation</b>		1,382	464
Tax on profit	11	<u>(271)</u>	<u>(64)</u>
<b>Profit for the financial year</b>		<u><u>1,111</u></u>	<u><u>400</u></u>
<b>Other comprehensive income</b>			
Exchange difference in translation of net assets of operations accounted for in foreign currencies		(226)	(58)
Effective portion of changes in fair value of cash flow hedges		(518)	300
Net change in fair value of cash flow hedges recycled to profit or loss		<u>(300)</u>	<u>82</u>
<b>Other comprehensive income for the financial year net of income tax</b>		<u>(1,044)</u>	<u>324</u>
<b>Total comprehensive income for the year</b>		<u><u>67</u></u>	<u><u>724</u></u>

All activities relate to continuing operations.

The accompanying accounting policies and notes on pages 15 -31 form an integral part of these financial statements

**Uren Food Group Limited**  
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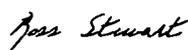
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## Consolidated and company balance sheet

	Note	Group		Company	
		2021 £'000	2020 £'000	2021 £'000	2020 £'000
<b>Fixed assets</b>					
Tangible assets	12	1,820	1,705	766	679
Investments in group undertakings	13	1,858	1,988	318	318
		<u>3,678</u>	<u>3,693</u>	<u>1,084</u>	<u>997</u>
<b>Current assets</b>					
Stocks	14	12,734	8,730	9,781	5,788
Debtors	15	16,404	18,164	15,140	17,613
Cash at bank and in hand		688	712	596	642
		<u>29,826</u>	<u>27,606</u>	<u>25,517</u>	<u>24,043</u>
<b>Creditors: amounts falling due within one year</b>	16	<u>(19,904)</u>	<u>(16,940)</u>	<u>(15,683)</u>	<u>(12,637)</u>
<b>Net current assets</b>		<u>9,922</u>	<u>10,666</u>	<u>9,834</u>	<u>11,406</u>
<b>Total assets less current liabilities</b>		<u>13,600</u>	<u>14,359</u>	<u>10,918</u>	<u>12,403</u>
<b>Creditors: amounts falling due after more than one year</b>	17	<u>(741)</u>	<u>(167)</u>	<u>-</u>	<u>-</u>
<b>Net assets</b>		<u>12,859</u>	<u>14,192</u>	<u>10,918</u>	<u>12,403</u>
<b>Capital and reserves</b>					
Called up share capital		5	5	5	5
Non-distributable reserves		16	16	1	1
Cash flow hedging reserve		(518)	300	(518)	300
Profit and loss account		13,356	13,871	11,430	12,097
<b>Shareholders' funds</b>		<u>12,859</u>	<u>14,192</u>	<u>10,918</u>	<u>12,403</u>

The parent company has taken advantage of section 408 of the Companies Act 2006 and has not included its own profit and loss account in these financial statements. The parent company's profit for the year was £733,000 (2020: loss of £68,000).

These financial statements were approved and authorised for issue by the board of directors on 21/12/2021 and signed on its behalf by:



I R Stewart  
 Director

Company registration no: 00517333

The accompanying accounting policies and notes on pages 15 -31 form an integral part of these financial statements

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## Consolidated statement of changes in equity

	Called up share capital £'000	Non- distributable reserves £'000	Cash flow hedging reserve £'000	Profit and loss account £'000	Total equity £'000
Balance at 31 March 2020	5	16	300	13,871	14,192
<b>Total comprehensive income for the year</b>					
Profit for the year	-	-	-	1,111	1,111
Other comprehensive income	-	-	(818)	(226)	(1,044)
<b>Total comprehensive income for the year</b>	-	-	(818)	885	67
Dividends paid	-	-	-	(1,400)	(1,400)
<b>Balance at 31 March 2021</b>	<b>5</b>	<b>16</b>	<b>(518)</b>	<b>13,356</b>	<b>12,859</b>
Balance at 31 March 2019	5	16	(82)	13,651	13,590
<b>Total comprehensive income for the year</b>					
Profit for the year	-	-	-	400	400
Other comprehensive income	-	-	382	(58)	324
<b>Total comprehensive income for the year</b>	-	-	382	342	724
Dividends paid	-	-	-	(123)	(123)
<b>Balance at 31 March 2020</b>	<b>5</b>	<b>16</b>	<b>300</b>	<b>13,871</b>	<b>14,192</b>

The accompanying accounting policies and notes on pages 15 -31 form an integral part of these financial statements

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## Company statement of changes in equity

	Called up share capital £'000	Non- distributable reserves £'000	Cash flow hedging reserve £'000	Profit and loss account £'000	Total Equity £'000
Balance at 31 March 2020	5	1	300	12,097	12,403
<b>Total comprehensive income for the year</b>					
Profit for the year	-	-	-	733	733
Other comprehensive income	-	-	(818)	-	(818)
<b>Total comprehensive income for the year</b>	-	-	(818)	733	(85)
Dividends paid	-	-	-	(1,400)	(1,400)
<b>Balance at 31 March 2021</b>	<b>5</b>	<b>1</b>	<b>(518)</b>	<b>11,430</b>	<b>10,918</b>
Balance at 31 March 2019	5	1	(82)	12,265	12,189
<b>Total comprehensive income for The year</b>					
Profit for the year	-	-	-	(68)	(68)
Other comprehensive income	-	-	382	-	382
<b>Total comprehensive income for the year</b>	-	-	382	(68)	314
Dividends paid	-	-	-	(100)	(100)
<b>Balance at 31 March 2020</b>	<b>5</b>	<b>1</b>	<b>300</b>	<b>12,097</b>	<b>12,403</b>

The accompanying accounting policies and notes on pages 15 -31 form an integral part of these financial statements

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## Consolidated statement of cash flows

	2021 £'000	2020 £'000
<b>Cash flows from operating activities</b>		
Profit for the financial year	1,111	400
Adjustments for:		
Depreciation	281	213
Foreign exchange losses/(gains)	468	65
Interest receivable and similar income	(143)	(91)
Interest payable and similar charges	274	321
Group share of operating profit in associate	(89)	(112)
Taxation	271	64
Cash from operations	<u>2,172</u>	<u>860</u>
Decrease/(increase) in trade and other debtors	503	633
Decrease/(increase) in stocks	(4,004)	1,901
(Decrease)/increase in trade and other creditors	<u>546</u>	<u>(924)</u>
	(783)	2,470
Income taxes paid	(150)	(86)
<b>Net cash generated from operating activities</b>	<u>(933)</u>	<u>2,384</u>
<b>Cash flows from investing activities</b>		
Purchases of tangible fixed assets	(543)	(358)
Disposal of tangible fixed assets	-	780
Dividends received	80	-
Loan to Wood Park Foods Limited	293	(2,210)
<b>Net cash used in investing activities</b>	<u>(170)</u>	<u>(1,788)</u>
<b>Cash flows from financing activities</b>		
Interest payable	(273)	(321)
Interest receivable	-	91
Proceeds from new loan	674	-
Repayment of finance leases	(113)	(80)
Dividends paid	(747)	(100)
<b>Net cash used in financing activities</b>	<u>(459)</u>	<u>(410)</u>
<b>Net increase in cash and cash equivalents</b>	<u>(1,562)</u>	<u>186</u>

The accompanying accounting policies and notes on pages 15 -31 form an integral part of these financial statements

## Notes to the financial statements

### 1. Company information

Uren Food Group Limited, incorporated in the United Kingdom, registered office and principal place of business being Wood Park, Chester High Road, Neston, Chester, CH64 7TB.

The principal activity of the group is that of processors and distributors of conventional, organic and fair trade food ingredients.

Uren Food Group Limited (the "Company") is a company limited by shares and incorporated and domiciled in the UK.

### 2. Basis of preparation

These financial statements have been prepared in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 - 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' ('FRS 102'), and with the Companies Act 2006. The financial statements have been prepared on the historical cost basis except for the modification to a fair value basis for certain financial instruments as specified in the accounting policies below.

The financial statements are presented in the group's functional currency, Sterling (£).

The group financial statements consolidate the financial statements of Uren Food Group Limited and all of its subsidiary undertakings drawn up to 31 March 2021.

The parent company has taken advantage of section 408 of the Companies Act 2006 and has not included its own Profit and Loss Account in these financial statements. The parent company's profit for the year was £733,000 (2020: loss of £68,000).

The parent company has also adopted the following disclosure exemptions:

- the requirement to present a statement of cash flows and related notes
- financial instrument disclosures, including:
  - categories of financial instruments;
  - items of income, expenses, gains or losses relating to financial instruments; and
  - exposure to and management of financial risks.
- the requirements of section 33 related party disclosures paragraph 33.7

#### **Going concern**

The directors have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future and there is funding available to meet liabilities as they fall due. Cashflow forecasts show the company will remain comfortably within its agreed banking facilities. Thus they continue to adopt the going concern basis in preparing the annual financial statements.

## Notes to the financial statements

### 3. Significant estimates and judgements

Preparation of the financial statements requires management to make significant judgements and estimates. The critical accounting policies where judgements or estimates are necessarily applied are detailed below.

#### a) Provision for impairment of trade debtors

The group maintains a provision for the impairment of trade debtors to account for estimated losses resulting from the inability of customers to make required payments. When evaluating the adequacy of a provision for impairment of trade receivables, management bases its estimates on the aging of trade debtor balances, customer credit worthiness and changes in customer payment terms. While the provision made is based on management's best knowledge of customer circumstances and ability to make payments at the year end, this requires the application of knowledge retained in the group and assumptions to be made about expected receipts from customers, which carries an inherent level of estimation uncertainty. If the financial condition of the Company's customers were to deteriorate actual write-offs might be higher than expected. The total balance of trade debtors and the provision made at 31 March 2021 can be found within note 16.

#### b) Stock provisioning

When calculating the stock provision, management considered the nature and condition of the stocks as well as applying assumptions around anticipated ability to sell the stock and the prevailing market price for each item and estimated demand. As demand and market prices are subject to change the actual provision may be higher than expected. The total balance of stock and the provision made at 31 March 2021 can be found within note 15.

#### c) Cashflow hedge effectiveness

In considering cashflow effectiveness, the timing of the cashflows on each unmatured financial instrument is compared to the estimating timing of the cashflows arising from the on the corresponding sales or purchase contract on a case by case basis. Given that the timing of the cashflows arising from sales or purchase contract may change as a consequence of change in customer demand or changes in production or logistics arrangements with suppliers, the effectiveness of a hedge may be greater or less than expected, changing the extent to which changes in the fair value of effective cashflow hedges are recognised in the statement of other comprehensive income. The change in fair value of effective cashflow hedges for the year ended 31 March 2021 is shown on page 11.

#### d) Investment Impairment

When considering whether the carrying value of investments requires an impairment provision, management undertake a review of the forecast cashflow generation of the investment. Such forecasts require estimates of sales and costs which are subject to change due to commercial and economic variations, and as such, actual impairment provisions may be greater or less than expected. The total value of investments and impairment provision is shown in note 14.

### 4. Accounting policies

#### 4.1 Basic financial instruments

##### Trade and other debtors/creditors

Trade and other debtors are recognised initially at transaction price less attributable transaction costs. Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing

## Notes to the financial statements

### 4. Accounting policies (continued)

transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of instrument for a similar debt instrument.

#### **Interest-bearing borrowings classified as basic financial instruments**

Interest-bearing borrowings are recognised initially at the present value of future payments discounted at a market rate of interest. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method, less any impairment losses.

#### **Investments in subsidiaries and associates**

Investments in subsidiaries and associates are carried at cost less impairment.

#### **Cash and cash equivalents**

Cash and cash equivalents comprise cash balances. Bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalents for the purpose only of the cash flow statement.

### **4.2 Other financial instruments**

#### **Financial instruments not considered to be Basic financial instruments (Other financial instruments)**

Other financial instruments not meeting the definition of Basic Financial Instruments are recognised initially at fair value. Subsequent to initial recognition other financial instruments are measured at fair value with changes recognised in profit or loss except as follows:

- hedging instruments in a designated hedging relationship shall be recognised as set out below.

#### **Derivative financial instruments and hedging**

Derivative financial instruments are recognised at fair value. The gain or loss on remeasurement to fair value is recognised immediately in profit or loss. However, where derivatives qualify for hedge accounting, recognition of any resultant gain or loss depends on the nature of the item being hedged (see below).

#### **Cash flow hedges**

Where a derivative financial instrument is designated as a hedge of the variability in cash flows of a recognised asset or liability, or a highly probable forecast transaction, the effective part of any gain or loss on the derivative financial instrument is recognised directly in other comprehensive income (OCI). Any ineffective portion of the hedge is recognised immediately in profit or loss.

For cash flow hedges, where the forecast transactions resulted in the recognition of a non-financial asset or non-financial liability, the hedging gain or loss recognised in OCI is included in the initial cost or other carrying amount of the asset or liability. Alternatively when the hedged item is recognised in profit or loss the hedging gain or loss is reclassified to profit or loss.

When a hedging instrument expires or is sold, terminated or exercised, or the entity discontinues designation of the hedge relationship but the hedged forecast transaction is still expected to occur, the cumulative gain or loss at that point remains in equity and is recognised in accordance with the above policy when the transaction occurs. If the hedged transaction is no longer expected to take place, the cumulative unrealised gain or loss recognised in equity is recognised in profit or loss immediately.

## Notes to the financial statements

### 4. Accounting policies (continued)

#### 4.3 Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation and accumulated impairment losses.

Where parts of an item of tangible fixed assets have different useful lives, they are accounted for as separate items of tangible fixed assets, for example land is treated separately from buildings.

Depreciation is provided on a reducing balance or straight line basis to write off the cost less the estimated residual value of tangible fixed assets over their estimated useful economic lives as follows:

Freehold land and buildings	-	2% straight line
Plant and machinery	-	8% to 20% reducing balance
Fixtures, fittings	-	15% to 50% reducing balance
Motor vehicles	-	20% to 40% reducing balance

No depreciation is provided on freehold land.

Depreciation methods, useful lives and residual values are reviewed if there is an indication of a significant change since last annual reporting date in the pattern by which the company expects to consume an asset's future economic benefits.

#### 4.4 Leases

Leases in which the Company assumes substantially all the risks and rewards of ownership of the leased asset are classified as finance leases. All other leases are classified as operating leases. Leased assets acquired by way of finance lease are stated on initial recognition at an amount equal to the lower of their fair value and the present value of the minimum lease payments at inception of the lease, including any incremental costs directly attributable to negotiating and arranging the lease. At initial recognition a finance lease liability is recognised equal to the fair value of the leased asset or, if lower, the present value of the minimum lease payments. The present value of the minimum lease payments is calculated using the interest rate implicit in the lease.

The company assesses at each reporting date whether tangible fixed assets (including those leased under a finance lease) are impaired.

#### 4.5 Stocks

Stocks are stated at the lower of cost and net realisable value. Cost includes all expenditure incurred in bringing each product to its final location and condition, which includes a proportion of attributable overheads where appropriate.

#### 4.6 Government grants

Grants are accounted under the accruals model as permitted by FRS102. Grants relating to expenditure on tangible fixed assets are credited to the Statement of Comprehensive Income at the same rate as the depreciation on the assets to which the grant relates. The deferred element of the grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of Comprehensive Income in the same period as the related expenditure.

## Notes to the financial statements

### 4. Accounting policies (continued)

#### 4.7 Impairment excluding stocks, and deferred tax assets

##### Financial assets (including trade and other debtors)

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. For financial instruments measured at cost less impairment an impairment is calculated as the difference between its carrying amount and the best estimate of the amount that the Company would receive for the asset if it were to be sold at the reporting date. Interest on the impaired asset continues to be recognised through the unwinding of the discount. Impairment losses are recognised in profit or loss. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

##### Non-financial assets

The carrying amounts of the Company's non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. The recoverable amount of an asset or cash-generating unit ("CGU") is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets.

An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the units, and then to reduce the carrying amounts of the other assets in the unit (group of units) on a *pro rata* basis.

An impairment loss is reversed if and only if the reasons for the impairment have ceased to apply.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

#### 4.8 Employee benefits

##### Defined contribution plans and other long term employee benefits

The Company operated various defined contribution plans under which the company pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts.

Obligations for contributions to defined contribution pension plans are recognised as an expense in profit or loss in the periods during which services are rendered by employees.

## Notes to the financial statements

### 4. Accounting policies (continued)

#### 4.9 Provisions

A provision is recognised in the balance sheet when the Company has a present legal or constructive obligation as a result of a past event, that can be reliably measured and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are recognised at the best estimate of the amount required to settle the obligation at the reporting date.

Where the Company enters into financial guarantee contracts to guarantee the indebtedness of other companies within its group, the company treats the guarantee contract as a contingent liability until such time as it becomes probable that the company will be required to make a payment under the guarantee.

#### 4.10 Turnover

Turnover represents the net amounts (excluding value added tax and customer discounts) derived from the provision of goods and services to third party customers during the year. Revenue is recognised when the significant risks and rewards of ownership of the goods have been transferred to the buyer.

#### 4.11 Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in profit or loss except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. The following timing differences are not provided for: differences between accumulated depreciation and tax allowances for the cost of a fixed asset if and when all conditions for retaining the tax allowances have been met; and differences relating to investments in subsidiaries and associates to the extent that it is not probable that they will reverse in the foreseeable future and the reporting entity is able to control the reversal of the timing difference. Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Deferred tax is provided in respect of the additional tax that will be paid or avoided on differences between the amount at which an asset (other than goodwill) or liability is recognised in a business combination and the corresponding amount that can be deducted or assessed for tax. Goodwill is adjusted by the amount of such deferred tax.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date. Deferred tax balances are not discounted.

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.

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**Financial statements for the year ended 31 March 2021**

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## Notes to the financial statements

### 5. Turnover

Turnover, analysed geographically between markets, was as follows:

	2021 £'000	2020 £'000
United Kingdom	51,383	45,033
Rest of the World	26,210	18,050
	<u>77,593</u>	<u>63,083</u>

All turnover relates to the sale of fruit, fruit juices and concentrates, vegetables, honey, nuts and other food ingredients.

### 6. Expenses and auditor's remuneration

Included in profit/loss are the following:

	2021 £'000	2020 £'000
Depreciation	281	213
Operating leases	65	74
(Profit)/loss on sale of fixed assets	40	-
Foreign exchange losses/(gains)	468	65
	<u>468</u>	<u>65</u>

Auditor's remuneration

	2021 £'000	2020 £'000
Audit of these financial statements	30	32
Amounts receivable by the company's auditor and its associates in respect of:		
Audit of financial statements of parent of the company	5	4
Taxation compliance services	9	9
	<u>44</u>	<u>45</u>

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## Notes to the financial statements

### 7. Staff numbers and costs

The average number of persons (including directors) during the year, analysed by category, was as follows:

Group	Number of employees	
	2021	2020
Production and distribution	123	146
Sales and marketing	14	14
Administration	32	33
	<u>169</u>	<u>193</u>

The aggregate payroll costs of these persons were as follows:

	2021	2020
	£'000	£'000
Wages and salaries	3,349	3,353
Social security costs	476	434
Contributions to defined contribution plans	179	149
	<u>4,005</u>	<u>3,999</u>

Company	Number of employees	
	2021	2020
Production and distribution	15	14
Sales and marketing	12	12
Administration	11	10
	<u>38</u>	<u>36</u>

The aggregate payroll costs of these persons were as follows:

	2021	2020
	£'000	£'000
Wages and salaries	2,118	2,058
Social security costs	271	278
Contributions to defined contribution plans	72	98
	<u>2,461</u>	<u>2,434</u>

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## Notes to the financial statements

### 8. Directors remuneration

	2021 £'000	2020 £'000
Directors' remuneration	754	817
Company contributions to money purchase pension plans	23	50
Amounts paid to third parties in respect of directors' services	10	10
	<u>786</u>	<u>877</u>

The remuneration of the highest paid director was £ 231,000 (2020: £277,000) and company pension contributions of £Nil (2020: £Nil) were made to a money purchase scheme on his behalf.

### 9. Other interest receivable and similar income

	2021 £'000	2020 £'000
Dividend income	80	-
Interest on group loans	63	91
	<u>143</u>	<u>91</u>

### 10. Interest payable and similar charges

	2021 £'000	2020 £'000
Bank loans and overdrafts wholly repayable within five years	274	321

### 11. Taxation

	2021 £'000	2020 £'000
<b>Current tax</b>		
Current tax on profit for the period	139	62
Overseas taxation	38	8
Adjustments in respect of prior periods	1	-
Share of associate's current tax	19	21
	<u>197</u>	<u>91</u>
Total current tax		
<b>Deferred tax</b> (see note 19)	74	(5)
	<u>271</u>	<u>86</u>
Total tax		

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## Notes to the financial statements

### 11. Taxation (continued)

	2021			2020		
	Current Tax £'000	Deferred tax £'000	Total tax £'000	Current tax £'000	Deferred Tax £'000	Total Tax £'000
Recognised in profit or loss	197	74	271	91	(27)	64
Recognised in other comprehensive income	-	-	-	-	22	22
	<u>197</u>	<u>74</u>	<u>271</u>	<u>91</u>	<u>(5)</u>	<u>86</u>

#### Reconciliation of effective tax rate

	2021 £'000	2020 £'000
Profit for the year	1,111	400
Total tax expense	<u>271</u>	<u>63</u>
Profit excluding taxation	1,382	463
Tax using the UK corporation tax rate of 19% (2019: 19%)	263	88
Effect of tax rates in foreign jurisdictions	1	(30)
Non-deductible expenses	8	6
Permanent differences	-	-
Under/(over) provided in prior years	(1)	-
Total tax expense included in profit or loss	<u>271</u>	<u>64</u>

#### Factors that may effect future tax changes

In the Spring Budget 2021, the Government announced that from 1 April 2023 the corporation tax rate will increase to 25%. Since the proposal to increase the rate to 25% had not been substantially enacted at the balance sheet date, its effects are not included in these financial statements.

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## Notes to the financial statements

### 12. Tangible fixed assets

Group	Freehold land and buildings £'000	Plant and equipment £'000	Fixtures and fittings £'000	Motor vehicles £'000	Total £'000
<b>Cost</b>					
At 1 April 2020	941	1,675	939	88	3,643
Additions	185	183	175	-	543
Disposals	(4)	(16)	(441)	-	(461)
Effect of movements in foreign exchange	(42)	(167)	(15)	(8)	(232)
At 31 March 2021	<u>1,080</u>	<u>1,675</u>	<u>658</u>	<u>80</u>	<u>3,493</u>
<b>Depreciation</b>					
At 1 April 2020	351	853	678	57	1,939
Depreciation charge for the year	30	169	70	12	281
Disposals	(4)	(16)	(432)	-	(452)
Effect of movements in foreign exchange	(21)	(30)	(24)	(20)	(95)
At 31 March 2021	<u>356</u>	<u>976</u>	<u>292</u>	<u>49</u>	<u>1,673</u>
<b>Net book value</b>					
At 31 March 2020	<u>590</u>	<u>822</u>	<u>261</u>	<u>31</u>	<u>1,704</u>
At 31 March 2021	<u>724</u>	<u>669</u>	<u>366</u>	<u>31</u>	<u>1,820</u>

Land and buildings are shown at cost. Land and buildings are represented by a cold store situated in Chile, and the freehold UK head office premises.

Included within the cost of land and buildings is £ 288,000 (2020: £200,000) in respect of land which is not depreciated.

Included in the net book value of plant, equipment and motor vehicles is £575,000 (2020: £568,000) in respect of finance leases. Depreciation for the year on these assets was £137,000 (2020: £152,000).

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## Notes to the financial statements

### 12. Tangible fixed assets (continued)

Company	Freehold land and buildings £'000	Plant and equipment £'000	Fixtures and fittings £'000	Motor vehicles £'000	Total £'000
<b>Cost</b>					
At 1 April 2020	529	19	780	11	1,339
Additions	-	-	154	-	154
Disposals	(4)	(16)	(441)	-	(461)
At 31 March 2021	<u>525</u>	<u>3</u>	<u>493</u>	<u>11</u>	<u>1,032</u>
<b>Depreciation</b>					
At 1 April 2020	102	19	529	10	660
Depreciation charge for the year	4	-	54	-	58
Disposals	(4)	(16)	(432)	-	(452)
At 31 March 2021	<u>102</u>	<u>3</u>	<u>151</u>	<u>10</u>	<u>266</u>
<b>Net book value</b>					
At 31 March 2020	<u>427</u>	<u>1</u>	<u>250</u>	<u>1</u>	<u>679</u>
At 31 March 2021	<u>423</u>	<u>-</u>	<u>342</u>	<u>1</u>	<u>766</u>

Land and buildings are shown at cost. Land and buildings are represented by the freehold UK head office premises. Included within the cost of land and buildings is £200,000 (2020: £200,000) in respect of land which is not depreciated.

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## Notes to the financial statements

### 13. Fixed asset investments

#### Group - Associate company

Uren Novaberry Sp. z.o.o.

	£'000
Cost at beginning and end of the year	<u>4</u>
<b>Share of post-acquisition reserves</b>	
At beginning of the year	1,984
Group share of net profit for the year	70
Exchange adjustment	<u>(200)</u>
<b>At end of the year</b>	<u><u>1,854</u></u>
<b>Net book value</b>	
<b>At 31 March 2021</b>	<u><u>1,858</u></u>
At 31 March 2020	<u><u>1,988</u></u>
<b>Company</b>	<b>Shares in group Undertakings £'000</b>
<b>Cost at beginning and end the year</b>	<u><u>318</u></u>

The company has the following investments in subsidiaries:

Name of company	Country of incorporation	Registered office	Ownership %
Berries Chile SA	Chile	Linares, Chile	80
Uren North America LLC	USA	North Carolina, USA	100
<b>Associate company</b>			
Uren Novaberry Sp. z.o.o.	Poland	Lublin, Poland	34

All the group undertakings are engaged in the same principal activities as the parent company. All companies have a financial year end of 31 March except Berries Chile SA, which has a 31 December year end, a legal requirement in Chile. All shares held are ordinary shares. All the subsidiary undertakings are included in the consolidation.

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**Financial statements for the year ended 31 March 2021**

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## Notes to the financial statements

### 14. Stocks

	Group		Company	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
Finished goods and goods for resale	12,569	8,556	9,781	5,788
Packaging	165	174	-	-
	<u>12,734</u>	<u>8,730</u>	<u>9,781</u>	<u>5,788</u>

In the group accounts stock recognised in cost of sales as an expense in the year was £73,119,000 (2020: £55,158,000). An impairment loss of £221,000 was recognised (2020: £411,000).

In the company accounts stock recognised in cost of sales as an expense in the year was £58,069,000 (2020: £47,314,000). An impairment loss of £180,000 was recognised (2020: £345,000).

### 15. Debtors

	Group		Company	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
Trade debtors	11,567	11,961	10,254	10,797
Amounts owed by group undertakings	-	-	308	1,050
Amounts owed by parent	4,209	5,096	4,209	5,096
Other debtors	66	620	16	505
Prepayments and accrued income	354	159	352	155
Other taxation and social security costs	207	253	-	-
Deferred tax asset (note 19)	1	75	1	10
	<u>16,404</u>	<u>18,164</u>	<u>15,140</u>	<u>17,613</u>

The above amounts owed by group undertakings are stated net of provisions. All debts are repayable on demand. An impairment loss of £273,000 was recognised (2020: £187,000) in the group accounts. In the company accounts, an impairment loss of £255,000 was recognised (2020: £167,000).

### 16. Creditors: amounts falling due within one year

	Group		Company	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
Bank overdrafts and borrowings	2,465	3,041	-	-
Invoice discounting	8,201	6,086	8,201	6,086
Trade creditors	5,817	6,317	4,505	5,425
Amounts owed to associate companies	53	99	53	99
Corporation tax creditor	140	20	140	20
Other taxation and social security	359	714	329	655
Leasing creditor	59	73	-	-
Other creditors	941	206	881	66
Accruals and deferred income	1,869	384	2,250	286
	<u>19,904</u>	<u>16,940</u>	<u>15,683</u>	<u>12,637</u>

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## Notes to the financial statements

### 17. Creditors: amounts falling due within one year (continued)

At 31 March 2021 the company's bank borrowings are secured by a charge against the assets of the Uren Food group. At the balance sheet date group borrowings on which security has been given, total £11,340,000 (2020: £9,127,000).

Obligations under finance leases are secured by way of a charge over the relevant assets.

### 18. Creditors: amounts falling due after more than one year

	Group		Company	
	2021 £'000	2020 £'000	2021 £'000	2020 £'000
Loans	673	-	-	-
Leasing creditor	68	167	-	-
	<u>741</u>	<u>167</u>	<u>-</u>	<u>-</u>

Obligations under finance leases are secured by way of a charge over the relevant assets.

### 19. Deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

	Group 2021 £'000	Company 2021 £'000
<b>Provision for deferred taxation</b>		
(Liability) at beginning of year	75	10
Movement in year - profit and loss	(74)	(9)
<b>Asset at end of year</b>	<u>1</u>	<u>1</u>

In the company and group accounts, the deferred tax asset includes the deferred tax relating to timing differences between capital allowances and depreciation.

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**Financial statements for the year ended 31 March 2021**

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## Notes to the financial statements

### 20. Analysis of changes in net debt

	As at 1 April 2020	Cash flows	Other non- cash changes	As at 31 March 2021
	£'000	£'000	£'000	£'000
<b>Cash and cash equivalents</b>				
Cash	712	(24)	-	688
Overdrafts	(3,041)	576	-	(2,465)
Invoice discounting	(6,086)	(2,115)	-	(8,201)
	<u>(8,415)</u>	<u>(1,563)</u>	<u>-</u>	<u>(9,978)</u>
<b>Borrowings</b>				
Debt due within one year	(73)	73	(59)	(59)
Debt due after one year	(167)	(574)	59	(741)
	<u>(240)</u>	<u>(501)</u>	<u>-</u>	<u>(800)</u>
<b>Total</b>	<u>(8,655)</u>	<u>(2,064)</u>	<u>-</u>	<u>(10,778)</u>

### 21. Capital and reserves

	2021	2020
	£'000	£'000
<b>Share capital</b>		
Allotted, called up and fully paid		
Equity: 2,501 Ordinary A shares of £1 each	2,501	2,501
Equity: 2,499 Ordinary B shares of £1 each	<u>2,499</u>	<u>2,499</u>

All shares are classified in shareholders' funds.

The holders of ordinary A and B shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

#### Cash flow hedging reserve

The hedging reserve comprises the effective portion of the cumulative net change in the fair value of cash flow hedging instruments related to hedged transactions that have not yet occurred.

#### Dividends

After the balance sheet date total dividends of £Nil equivalent to £Nil per qualifying ordinary share (2020: £1,400,000; £280,000 per share) were proposed by the directors. The dividends have not been provided for, as the dividend was not approved before the year end.

### 22. Operating leases

Non-cancellable operating lease rentals are payable as follows:

	Group		Company	
	2021	2020	2021	2020
	£'000	£'000	£'000	£'000
Less than one year	40	59	40	49
Between one and five years	14	31	14	31
	<u>54</u>	<u>90</u>	<u>54</u>	<u>80</u>

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## Notes to the financial statements

### 23. Capital commitments

The group had contracted capital commitments of £Nil (2020: £Nil). The company had contracted capital commitments of £Nil (2020: £Nil).

### 24. Contingencies

Uren Food Group Limited has given guarantees to HMRC in relation to its duty deferment bond amounting to £300,000 (2020: £300,000). On 8 March 2019 the company entered into a cross guarantee and fixed and floating charge agreement with Wood Park Foods Limited in favour of HSBC PLC. This guarantees the Uren Food Group Limited bank facilities of £12,000,000. The directors believe the financial condition of the Group is such that this guarantee will not be called upon. There was a liability of £8,201,000 (2020: £6,086,000) at the end of the current financial year. On 21 January 2020, Uren Food Group provided a guarantee of £2,500,000 in favour of HSBC Chile. This guarantees the Berries Chile SA bank facilities with HSBC. The directors believe the financial condition of the Group is such that this guarantee will not be called upon. There was a liability of £2,500,000 (2020: £2,500,000) at the end of the current financial year.

### 25. Related parties

At the beginning and end of the year Mr ACU Evans, an employee had a 15% interest in Uren Novaberry Sp. z o.o. The company is an associated company of the Uren Group and trades with the group. Uren Novaberry turnover was £5,990,000 for the year ended 31 March 2021 (2020: £5,957,000) of which £1,687,000 (2020: £1,515,000) sales were to Uren Food Group Limited. At 31 March 2021 £53,000 was due to the associate from the group (2020: £99,000) as part of normal trading. No amounts were written off the debt due from Uren Novaberry Sp. z o.o. during the year.

During the year, Uren Food Group entered into transactions with Berries Chile SA, a subsidiary, of which it owns 80%, in the ordinary course of business. Purchases from Berries Chile SA in the year were £1,599,000 (2020 £964,000). At 31 March 2021, £343,000 was due from Berries Chile (2019: £1,004,000).

#### Transactions with key management personnel

Total compensation to key management personnel in the year amounted to £786,000 (2020: £877,000).

### 26. Ultimate parent company

The Directors consider the ultimate and immediate parent company to be Wood Park Foods Limited which owns 100% of the share capital of Uren Food Group Limited. The company registered address of Wood Park Foods Limited is Wood Park, Neston, Wirral, CH64 7TB.

Wood Park Foods Limited is also the ultimate controlling party of the company and the ultimate controlling related party.