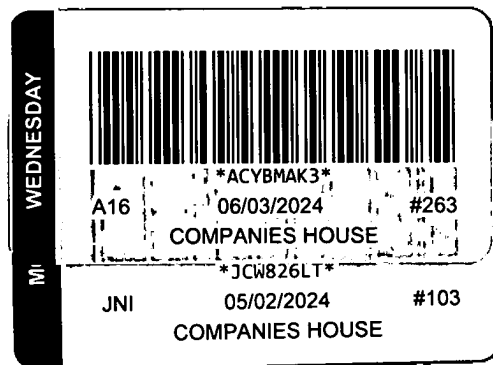


Wassen International Limited
(Registration number 01154116)
ANNUAL REPORT AND FINANCIAL STATEMENTS
for the year ended 28 February 2023



REVISED

Wassen International Limited
(Registration number 01154116)
Annual Report And Financial Statements for the year ended 28 February 2023

Index

The reports and statements set out below comprise the annual report and financial statements presented to the shareholder:

	Page
Company information	2
Directors' report	3 - 5
Statement of directors' responsibilities in respect of the financial statements	6
Independent auditors' report to the members of Wassen International Limited	7 - 9
Statement of Comprehensive Income	10
Statement of Financial Position	11
Statement of Changes in Equity	12
Notes to the Financial Statements	13 - 26

Directors' report

The directors present their annual report and the audited financial statements of the company for the year ended 28 February 2023. The directors do not recommend the payment of a final dividend.

This report has been prepared in accordance with the special provisions relating to small companies within part 15 and Section 414B of the Companies Act 2006 and a strategic report is not included.

1. Principal activities, review of business and future developments

The principal activity of the company is that of the supply and marketing of nutritional supplements. Both the level of business and the year end financial position remain satisfactory and the directors expect that the level of activity will be sustained for the foreseeable future. The company did not undertake any other significant business activity in the year.

2. Political donations and political expenditure

The company made no political donations or incurred any political expenditure during the current or prior year.

3. Functional currency

The financial statements are presented in Great British Pound ("GBP"), which is the currency of the primary economic environment in which the entity operates.

4. Results and dividends

The results of the company are shown on page 10. The directors have declared a total dividend during the year of £ nil (2022: £ nil). The directors do not recommend the payment of a final dividend.

Profit for the year amounted to £ 367 183 (2022: £ 894 366).

5. Post balance sheet events

The directors are not aware of any matter or circumstance material to the annual financial statements arising since the reporting date and the date of approval of the annual financial statements.

6. Going concern

The directors have considered the company's cash and net asset position, making appropriate enquiries and reviewing forecasts of future trading levels and cash flows covering the period 12 months from the date of signing these financial statements and taking into account the following:

- The banking facilities currently available and expected to be available to the company.

The directors have reviewed forecasts for the company and operating results remain in line with the directors' expectations. The company has adequate resources to continue to operate as a going concern.

On this basis, the directors have formed a judgement at the time of approving the financial statements that there is a reasonable expectation that the company have sufficient resources to continue in operation for the foreseeable future. For this reason the directors consider the adoption of the going concern basis in preparing the financial statements is appropriate.

Company information

Country of incorporation	United Kingdom
Company registration number	01154116
Directors	WJL Loubser C Hallet GJ Malan
Nature of business and principal activities	Supply and marketing of fatty acid nutritional supplements
Registered office	11 Waterside Business Park Livingstone Road Hessle England HU13 0EG
Holding company	Wassen Group Holdings Limited incorporated in United Kingdom
Independent auditors	PricewaterhouseCoopers LLP Merchant Square 20-22 Wellington Place Belfast BT1 6GE
Banker	HSBC 26 Broad Street Reading Berkshire RG1 2 BU
Solicitor	Boy Louw Incorporated 188 Main Road Paarl 7646

Directors' Report (Continued)

12. Financial risk management

The Company's operations expose them to a variety of financial risks that include price risk, foreign exchange risk, credit risk, liquidity risk and interest rate risk. The Company has a risk management programme in place that seeks to limit the adverse effects on the financial performance of the Company by monitoring levels of debt finance and the related finance costs. Given the size of the Company, the directors have not delegated the responsibility of monitoring financial risk management to a sub-committee of the Board. The policies set by the directors are implemented by the Company's finance department.

Price risk

The Company is not exposed to commodity or equity securities price risk as a result of their operations. The directors will revisit the appropriateness of this policy should the Company's operations change significantly in size or nature.

Foreign exchange risk

While a significant percentage of the Company's revenues and expenses are denominated in Sterling, the Company are exposed to foreign exchange risk in the normal course of business, principally on sales and purchases in Euros, Canadian dollars and New Zealand dollars. Management of this risk is kept constantly under review and appropriate measures taken where required.

Credit risk

The Company has implemented policies that require appropriate credit checks on potential customers before sales are made. The amount of exposure to individual customers is subject to a limit, which is reassessed regularly by the Board.

Liquidity risk

The Company actively maintains both short-term and long-term debt finance that is designed to ensure the Company has sufficient available funds for operations and planned expansions.

Interest rate risk

The Company has interest bearing liabilities, which relate to bank loans and overdrafts. Debt is maintained at a variable rate.

The report was approved by the board of directors and was signed on their behalf by:



Director
Date: 05-09-2023 | 10:29 SAST

11 Waterside Business Park
Livingstone Road
Hessle
England
HU13 0EG

Directors' Report (Continued)

7. Directors

The directors of the company who held office during the year and up to the date of the signing of the financial statements, unless otherwise stated, were as follows:

Names	Changes
WJL Loubser	
C Hallet	
GJ Malan	Appointed 1 November 2022

There have been no other changes to the directorate for the year under review.

8. Directors' indemnities

The directors have the benefit of an indemnity, which is a qualifying third party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force. The company has purchased and maintained throughout the financial year directors' and Officers' liability insurance in respect of itself and its directors.

9. Disclosure of information to auditors

Each of the persons who is a director at the date of approval of this report confirms that:

- (a) so far as each director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- (b) he/she has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

10. Independent auditors

Pursuant to section 487 of the Companies Act 2006, the auditors will be deemed to be appointed and PricewaterhouseCoopers LLP will therefore continue in office.

11. Small companies exemption

This report has been prepared in accordance with the special provisions relating to small companies within part 15 and Section 414B of the Companies Act 2006 and a strategic report is not included.

Independent auditors' report to the members of Wassen International Limited

Report on the audit of the financial statements

Opinion

In our opinion, Wassen International Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 28 February 2023 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including 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 Companies Act 2006.

We have audited the financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), which comprise: the Statement of Financial Position as at 28 February 2023; the Statement of Comprehensive Income and the 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 company 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 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.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the company'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.

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, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

Statement of directors' responsibilities in respect of the financial statements

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements 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).

Under company law, directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- 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;
- make judgements and accounting estimates that are reasonable and prudent; 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 safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are also responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006.

The report was approved by the board of directors and was signed on their behalf by:



WJL Loubser
Director 05-09-2023 | 10:29 SAST
Date: _____
11 Waterside Business Park
Livingstone Road
Hessle
England
HU13 0EG

Independent auditors' report to the members of Wassen International Limited (continued)

Reporting on other information (continued)

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.

With respect to the Directors' report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Directors' report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' report for the year ended 28 February 2023 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Directors' report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of directors' responsibilities in respect of the financial statements, 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 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 company or to cease operations, or have no realistic alternative but to do so.

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 company and industry, we identified that the principal risks of non-compliance with laws and regulations related to UK tax regulation and Companies Act 2006, and we considered the extent to which non-compliance might have a material effect on the financial statements.

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 posting inappropriate journal entries to manipulate financial results and management bias in accounting estimates or significant judgements.

Independent auditors' report to the members of Wassen International Limited (continued)

Responsibilities for the financial statements and the audit (continued)

Auditors' responsibilities for the audit of the financial statements (continued)

Audit procedures performed by the engagement team included:

- Discussions with management, including consideration of known or suspected instances of non-compliance with laws and regulation and fraud
- Identification and testing of unusual journal entries; and
- Evaluation and, where appropriate, challenging assumptions and judgements made by management in determining significant accounting estimates.

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 company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 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.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

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

We have no exceptions to report arising from this responsibility.

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to: prepare financial statements in accordance with the small companies regime; take advantage of the small companies exemption in preparing the Directors' report; and take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.



Brenda Heenan (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Belfast
7 September 2023

Wassen International Limited
(Registration number 01154116)
Annual Report And Financial Statements for the year ended 28 February 2023

Statement of Financial Position as at 28 February 2023

	Notes	2023 £	2022 £
Assets			
Non-Current Assets			
Property, plant and equipment	13	20 030	14 499
Deferred tax	14	533 434	654 333
Trade and other receivables greater than one year	16	684 466	-
		1 237 930	668 832
Current Assets			
Inventories	15	1 344 969	1 419 610
Trade and other receivables less than one year	17	2 424 395	2 709 575
Cash and cash equivalents	18	175 113	152 351
		3 944 477	4 281 536
Total Assets		5 182 407	4 950 368
Equity and Liabilities			
Equity			
Share capital	20	1	1
Capital contribution reserves	21	65 000	65 000
Retained earnings	21	2 821 445	2 454 262
		2 886 446	2 519 263
Liabilities			
Current Liabilities			
Trade and other payables	19	2 295 961	2 431 105
Total Equity and Liabilities		5 182 407	4 950 368

The financial statements on pages 10 to 26, were approved by the directors on the
05-09-2023 | 10:29 SAST and were signed by:



WIL LOUGHER

Director 05-09-2023 | 10:29 SAST
Date:

11 Waterside Business Park
Livingstone Road
Hessle
England
HU13 0EG

Statement of Comprehensive Income for the year ended 28 February 2023

	Notes	2023 £	2022 £
Turnover	4	7 038 733	8 099 428
Cost of sales		<u>(4 275 225)</u>	<u>(5 025 991)</u>
Gross profit		2 763 508	3 073 437
Administrative expenses		(1 645 072)	(1 713 898)
Distribution costs		<u>(533 747)</u>	<u>(384 707)</u>
Operating profit	5	584 689	974 832
Interest receivable and similar income	9	-	20 463
Interest payable and similar expenses	10	<u>(96 607)</u>	<u>(84 937)</u>
Profit before taxation		488 082	910 358
Tax on profit	11	<u>(120 899)</u>	<u>(15 992)</u>
Profit for the financial year		367 183	894 366
Other comprehensive income		-	-
Total comprehensive income for the financial year		<u>367 183</u>	<u>894 366</u>

The company's results all relate to continuing operations.

Notes to the Financial Statements for the year ended 28 February 2023

1. General Information

The company is a private company limited by shares incorporated and domiciled in the United Kingdom and registered in England.

The principal activity of the company is that of the supply and marketing of fatty acid nutritional supplements.

2. Statement of compliance

These financial statements were prepared in accordance with Financial Reporting Standard 102 *The Financial Reporting Standard* applicable in the UK and Republic Ireland ("FRS 102") as issued in August 2014. The amendments to FRS 102 issued in July 2015 have been applied and the Companies Act of 2006.

3. Accounting policies

Basis of preparation

The financial statements are prepared on the going concern basis under the historical cost convention. 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 company'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 below. These policies have been consistently applied to all years presented, unless otherwise stated. The company has chosen to apply paragraph 1A(1) of Schedule 1 of the Large and Medium Companies and Groups (Accounts and Reports) Regulation 2008 (SI 2008/410) and has adopted its balance sheet format. The financial year represents the year ended 28 February 2023 (2022: financial year ended 28 February 2022).

New standards, amendments and interpretations issued but not yet effective

There are no new standards, amendment or interpretations that will have a material impact on the company.

Exemptions for qualifying entities under FRS 102

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17 (d);
- the requirements of Section 11 Financial Instruments paragraphs 11.41(b), 11.41(c), 11.41(e), 11.41(f), 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Vital Health Foods Proprietary Limited as at 28 February 2023 and these financial statements may be obtained from the head office of the group (Lavender Lane, Kuils River, 7580, South Africa).

Wassen International Limited
(Registration number 01154116)
Annual Report And Financial Statements for the year ended 28 February 2023

Statement of Changes in Equity for the year ended 28 February 2023

	Called up Share capital	Capital redemption reserves	Retained earnings	Total equity
	£	£	£	£
Balance at 01 March 2021	1	65 000	1 559 896	1 624 897
Profit for the financial year	-	-	894 366	894 366
Balance at 28 February 2022	1	65 000	2 454 262	2 519 263
Profit for the financial year	-	-	367 183	367 183
Balance at 28 February 2023	1	65 000	2 821 445	2 886 446

Notes to the Financial Statements for the year ended 28 February 2023

3. Accounting policies (continued)

Foreign Currency

The company's functional and presentation currency is Great British Pound ('GBP').

Transaction and balances

Foreign currency transactions are translated into the functional currency using the rate of exchange at the date of the transaction.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction. All exchange differences are included in the profit or loss account.

Turnover

Turnover comprised of the supply and marketing of fatty acid nutritional supplements in the United Kingdom and the rest of Europe.

Turnover is measured at the fair value of the consideration received or receivable and represents the amounts receivable for goods and services provided in the normal course of business, net of trade discounts and volume rebates, and value added tax.

Turnover from the sale of goods is recognised when all the following conditions have been satisfied:

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

Taxation

Taxation expense for the year comprises current and deferred tax recognised in the reporting period. Tax is recognised in the Statement of comprehensive income, except to the extent that it related to items recognised in other comprehensive income or directly in equity. In this case tax is also recognised in other comprehensive income or directly in equity respectively.

Current or deferred taxation assets and liabilities are not discounted.

(i) Current tax

Current tax is the amount of income tax payable in respect of the taxable profit for the year or prior years. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the year end.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Notes to the Financial Statements for the year ended 28 February 2023

3. Accounting policies (continued)

Going concern

The directors have considered the company's cash and net asset position, making appropriate enquiries and reviewing forecasts of future trading levels and cash flows covering the period 12 months from the date of signing these financial statements and taking into account the following:

- The banking facilities currently available and expected to be available to the company.

The directors have reviewed forecasts of the company and operating results remain in line with the directors' expectations. The company has adequate resources to continue to operate as a going concern.

On this basis, the directors have formed a judgement at the time of approving the financial statements that there is a reasonable expectation that the company have sufficient resources to continue in operation for the foreseeable future. For this reason the directors consider the adoption of the going concern basis in preparing the financial statements is appropriate.

Summary of significant accounting policies

The principle accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Critical accounting judgements and estimate uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

There are no critical accounting estimates or judgements.

Notes to the Financial Statements for the year ended 28 February 2023

3. Accounting policies (continued)

At each reporting date, inventory is assessed for impairment. If inventory is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in the Statement of comprehensive income.

Financial instruments

The company has chosen to adopt Sections 11 of FRS 102 in respect of financial instruments. The company enters into only basic financial instrument transactions and therefore Section 12 of FRS 102 is not applicable. As the company has not chosen to designate financial instruments as at fair value through profit or loss it has not provided disclosures under FRS 11.39 to 11.48A.

(i) Financial assets

Basic financial assets, including debtors, cash and cash equivalents and loans to fellow group companies are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at the market rate of interest.

Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measure at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Financial assets are derecognised when:

- (a) the contractual right to the cash flows from the asset expire or are settled, or
- (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party, or
- (c) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

(ii) Financial liabilities

Basic financial liabilities, including creditors and loans to fellow group companies, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at the market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest method.

Loans from fellow group undertakings are classified as current liabilities if repayable on demand. If not, they are presented as non-current liabilities.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

Notes to the Financial Statements for the year ended 28 February 2023

3. Accounting policies (continued)

(ii) Deferred tax

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 that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date.

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

Deferred tax is measured at the tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Intangible assets

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

Amortisation is provided on the following bases:

Trademarks	-10% straight line
Development expenditure	-10% straight line
Goodwill	- 5% straight line

Tangible assets

Tangible assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical costs include expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The company adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to the Statement of comprehensive income during the period in which they are incurred.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Plant and machinery	8% - 33% per annum
---------------------	--------------------

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

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

Inventory

Inventory is stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a weighted average cost method. Work in progress and finished goods include labour and attributable overheads.

Notes to the Financial Statements for the year ended 28 February 2023

3. Accounting policies (continued)

Impairment of fixed assets and goodwill

Assets that are subject to depreciation or amortisation are assessed at each reporting date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs). Non-financial assets that have been previously impaired are reviewed at each reporting date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.

Pensions

Defined contribution pension plan

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

The contributions are recognised as an expense in the Statement of comprehensive income when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the company in independently administered funds.

Borrowing costs

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

Exceptional items

The company classifies certain one-off charges or credits that have a material impact on the company's financial results as 'exceptional items'. These are disclosed separately to provide further understanding of the financial performance of the company.

Notes to the Financial Statements for the year ended 28 February 2023

3. Accounting policies (continued)

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.

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.

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.

Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares are shown in equity as a deduction, net of tax, from the proceeds.

Related party transactions

The company disclosed transactions with related parties within the same group. The company has taken advantage of the exemption from disclosing related party transactions that are wholly owned within the same group under paragraph 33.1A from the provisions of FRS 102.

Operating leases: Lessee

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

Notes to the Financial Statements for the year ended 28 February 2023

Figures in Pounds	2023	2022
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8. Directors' emoluments

Emoluments of £142 384 (2022: £136 367) were paid to the directors or any individuals holding a prescribed office during the year.

During the year retirement benefits were accruing to one of the directors (2022: one) in respect of defined contribution pension scheme.

The value of the company's contribution paid to a defined contribution pension scheme in respect of the highest paid director amounted to £10 370 (2022: £9 294).

9. Interest receivable and similar income

Bank interest income	-	20 463
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10. Interest payable and similar expenses

CID* interest expense	96 607	84 937
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* Confidential invoice discounting

11. Tax on profit

a) Tax expense included in profit or loss

Current

Corporation tax - current year	-	-
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Deferred

Originating and reversing temporary differences	120 909	227 367
Effect of tax rate change on opening balance	-	(211 608)
Arising from prior period adjustments	(10)	233
Total tax charge	120 899	15 992

b) Reconciliation of tax charge

The differences are explained below:

Profit before taxation	488 082	910 358
Tax at the applicable tax rate of 19.00% (2022: 19.00%)	92 736	172 968
Tax effect of adjustments on taxable income		
Fixed asset differences	(845)	(262)
Expenses not deductible for tax purposes	-	93
Arising from prior period adjustments	(10)	233
Remeasurement of deferred tax for changes in tax rates	29 018	(157 040)
Total tax charge	120 899	15 992

Notes to the Financial Statements for the year ended 28 February 2023

Figures in Pounds	2023	2022
4. Turnover		
Turnover - by destination		
Sales - United Kingdom	912 146	957 429
Sales - Europe	4 986 233	5 378 987
Sales - Rest of the world	1 140 354	1 763 012
	7 038 733	8 099 428

The whole of the turnover is attributable to the one principle activity of the company.

5. Operating profit

Operating profit for the year is stated after charging (crediting):

Operating lease charges		
• Premises	19 090	17 460
• Equipment	2 123	1 777
	21 213	19 237
Amortisation of intangible assets	-	1 226
Bad debts	7 697	-
Depreciation of tangible assets	9 297	9 283
Employee costs	542 166	618 602
Exchange differences	(3 789)	54 580
Legal expenses	28 034	21 788
Movement on stock provision	23 291	1 031
Purchases	4 251 784	5 024 960
Research and development costs	50 261	69 493

6. Auditors' remuneration

Fees payable to the company's auditors and its associates for the audit of the company's annual financial statements	39 270	35 700
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Included in the audit fee is £4,400 (2022: £4,000) which was borne by Wassen International Limited on behalf of Wassen Group Holdings Limited.

7. Employees

Wages and salaries	481 343	553 139
Social security costs	36 272	37 071
Other pension costs	24 551	28 392
	542 166	618 602

The average monthly number of employees, including the directors, during the year was 12 (2022: 14).

Key management compensation for group amounted to £142 384 (2022: £136 367).

Notes to the Financial Statements for the year ended 28 February 2022

Figures in Pounds

13. Property, plant and equipment (continued)

Reconciliation of property, plant and equipment - 2023

	Opening balance	Additions	Depreciation	Closing balance
Plant and machinery	14 499	14 828	(9 297)	20 030

Reconciliation of property, plant and equipment - 2022

	Opening balance	Additions	Depreciation	Closing balance
Plant and machinery	19 182	4 600	(9 283)	14 499

14. Deferred tax

Deferred tax asset

Property plant and equipment	30 178	39 835
Tax losses carried forward	503 256	614 498
	533 434	654 333

Reconciliation of deferred tax asset

At beginning of year	654 333	670 325
Deferred tax charged to Statement of Comprehensive Income	(120 899)	(15 992)
	533 434	654 333

15. Inventories

Raw materials and consumables	1 138 111	1 127 647
Finished goods and goods for resale	208 043	316 439
	1 346 154	1 444 086
Provision for impairment	(1 185)	(24 476)
	1 344 969	1 419 610

There is no significant difference between the replacement cost of the inventory and its carrying amount.

16. Trade and other receivables greater than one year

Amounts owed by group undertakings *	684 466	-
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* The loan due from Wassen Group Holdings Limited is unsecured, interest free and has no fixed terms of repayment with an unconditional right for Wassen Group Holdings Limited to defer repayment of amounts due on 28 February each year for a period of 1 year and 1 day.

Notes to the Financial Statements for the year ended 28 February 2023

Figures in Pounds	2023	2022
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11. Tax on profit (continued)

c) Tax rate changes

In the Spring Budget 2021, the UK Government announced that from 1 April 2023 the corporation tax rate would increase to 25% (rather than remaining at 19%, as previously enacted). This new law was substantively enacted on 24 May 2021. Deferred taxes at the balance sheet date have been measured using these enacted tax rates and reflected in these financial statements.

12. Intangible assets

	2023			2022		
	Cost	Accumulated amortisation	Carrying value	Cost	Accumulated amortisation	Carrying value
Trademarks	113 946	(113 946)	-	113 946	(113 946)	-
Goodwill	1 174 508	(1 174 508)	-	1 174 508	(1 174 508)	-
Development	1 129	(1 129)	-	1 129	(1 129)	-
Total	1 289 583	(1 289 583)	-	1 289 583	(1 289 583)	-

Reconciliation of intangible assets - 2022

	Opening balance	Amortisation	Closing balance
Trademarks	1 226	(1 226)	-

No intangible assets were disposed of in the current financial year (2022 : no disposals of intangible assets).

13. Property, plant and equipment

	2023			2022		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
Plant and machinery	99 435	(79 405)	20 030	84 607	(70 108)	14 499
Total	99 435	(79 405)	20 030	84 607	(70 108)	14 499

Notes to the Financial Statements for the year ended 28 February 2023

Figures in Pounds	2023	2022
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21. Reserves

Capital redemption reserve

Capital redemption reserve is a non-distributable reserve and represents paid up share capital.

Retained earnings

Profit or loss account includes all current and prior year retained profits or accumulated losses.

Retained earnings

Opening balance	2 454 262	1 559 896
Profit for the financial year	367 183	894 366
Closing balance	2 821 445	2 454 262

22. Commitments

Authorised capital expenditure

There were no capital commitments at year end. (2022: no commitments).

Operating leases – as lessee (expense)

Minimum lease payments due

- within one year	15 750	13 625
- in second to fifth year inclusive	4 769	17 750
	20 519	31 375

Operating lease payments represents rentals payable by the company for its offices. The lease has a contractual term of six years beginning on 20 June 2018.

23. Retirement benefits

Defined contribution plan

The pension cost represents the contribution payable by the company to certain employee's personal pension schemes. Contributions of £2 074 were unpaid at year-end (2022: £6 288) and were included in other payables in note 19.

24. Related party transactions

The company has availed of the exemption under FRS102 Section 33.1A in relation to the disclosure of transactions with group companies as all voting rights are controlled within the group.

25. Ultimate parent undertaking and controlling party

The ultimate parent undertaking is Nurture Brands Proprietary Limited.

The smallest group of consolidated financial statements, which include this entity, is headed up by Vital Health Foods Proprietary Limited. Copies of Vital Health Foods Proprietary Limited consolidated financial statements can be obtained from the head office of the company with registered address: Lavender Lane, Kuils River, 7580, South Africa.

Notes to the Financial Statements for the year ended 28 February 2023

Figures in Pounds	2023	2022
17. Trade and other receivables less than one year		
Trade debtors	2 341 041	2 544 554
Amounts owed by group undertakings	-	4 219
Other receivables	-	500
Taxation and social securities	13 692	102 747
Prepayments and accrued income	69 662	57 555
	2 424 395	2 709 575

The bad debt expense recognised in the Statement of comprehensive income for the year was £7 697 (2022: £nil).

Included in trade debtors is an amount of £1 689 831 (2022: £927 328) which is provided as security for an invoice discounting facility as indicated in note 19.

18. Cash and cash equivalents

Cash at bank	175 113	152 351
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19. Trade and other payables

Invoice discounting	1 436 356	788 229
Trade creditors	762 347	520 084
Amounts owed to group undertakings *	-	949 473
Taxation and social security	11 884	11 315
Other payables	2 074	6 288
Accruals and deferred income	83 300	155 716
	2 295 961	2 431 105

The discounting facility of Bibby Financial Services Ltd is secured by the invoices which the facility relates to as well as a fixed and floating charge held over the company's tangible assets.

Personal guarantee and indemnity from the directors of the company provided as security for the invoice discounting facility.

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

20. Called up share capital

Allotted called up and fully paid up

4 (2022: 4) Ordinary shares of £0.25 each (2022: £0.25 each)	1	1
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Reconciliation of number of shares issued:

At the beginning of the year	4	4
At end of year	4	4

Notes to the Financial Statements for the year ended 28 February 2023

Figures in Pounds	2023	2022
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25. Ultimate parent undertaking and controlling party (continued)

The largest group of consolidated financial statements, which include this entity, is headed by Nurture Brands Proprietary Limited. Copies of Nurture Brands Proprietary Limited consolidated financial statements can be obtained from the head office of the company with registered address: Barinor's Vineyard South, The Vineyards Office Estate, Bellville, 7530, South Africa.

The ultimate controlling party is Agri-Vie Fund II Proprietary Limited by virtue of its majority shareholding in Nurture Brands Proprietary Limited, which in turn owns Vital Health Foods Proprietary Limited, which then has a majority share in Wassen Group Holdings Limited.

26. Post balance sheet events

The directors are not aware of any matter or circumstance material to the annual financial statements arising since the reporting date and the date of approval of the annual financial statements.

27. Categories of financial instruments

Financial assets that are debt instruments measured at amortised cost

Trade and other receivables *	2 341 036	2 549 273
Amounts owed by group undertakings	684 466	-
	3 025 502	2 549 273

* excluding 'Prepayments and accrued income' and 'Other taxation and social securities (VAT)'. Refer to note 17.

Financial liabilities measured at amortised cost

Trade and other payables **	2 200 777	1 314 601
Amounts owed to group undertakings	-	949 473
	2 200 777	2 264 074

** excluding 'taxation and social security' and 'accruals and deferred income'. Refer to note 19.