

NATUREDIET PET FOODS LIMITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 31 MARCH 2022



NATUREDIET PET FOODS LIMITED
REGISTERED NUMBER: 02097854

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2022

	Note	2022 £000	2021 £000
Fixed assets			
Intangible assets	4	56	19
Tangible assets	5	4,015	4,442
		<u>4,071</u>	<u>4,461</u>
Current assets			
Stocks	6	1,022	617
Debtors: amounts falling due within one year	7	1,285	950
Bank and cash balances		113	247
		<u>2,420</u>	<u>1,814</u>
Creditors: amounts falling due within one year	8	(2,339)	(1,315)
Net current assets		<u>81</u>	<u>499</u>
Total assets less current liabilities		<u>4,152</u>	<u>4,960</u>
Creditors: amounts falling due after more than one year	9	(3,221)	(3,629)
Provisions for liabilities			
Deferred tax	10	-	(74)
Other provisions	11	(10)	(10)
		<u>(10)</u>	<u>(84)</u>
Net assets		<u><u>921</u></u>	<u><u>1,247</u></u>

NATUREDIET PET FOODS LIMITED
REGISTERED NUMBER: 02097854

STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 MARCH 2022

	Note	2022 £000	2021 £000
Capital and reserves			
Called up share capital	12	7	7
Capital redemption reserve		150	150
Profit and loss account		764	1,090
		<u>921</u>	<u>1,247</u>

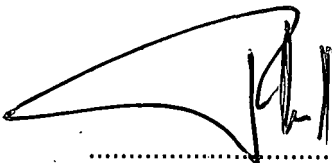
The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of income and retained earnings in accordance with provisions applicable to companies subject to the small companies' regime.

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

9/12/2022



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T L Hansell
Director

The notes on pages 3 to 14 form part of these financial statements.

NATUREDIET PET FOODS LIMITED

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

1. General information

Naturediet Pet Foods Limited is a private company, limited by shares and incorporated in England and Wales, registration number 02097854. The registered office is Swaffham Road, Ickburgh, Thetford, Norfolk, IP26 5HX.

The principal activity of the Company is the manufacture and sale of pet foods.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The financial statements are presented in sterling which is the functional currency of the Company and rounded to the nearest £1,000.

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

2.2 Going concern

The Directors have considered the Company's financial position at the time of signing the financial statements, in the context of the current challenging economic climate. At the time of signing the financial statements, the Company continues to operate successfully.

The Director's have considered the Company's current financial position and future prospects in the context of the ongoing challenging economic climate. On the basis of the information currently available, including ongoing support from the parent company, the Directors have concluded that the Company should have adequate financial resources to continue to operate for the foreseeable future, being at least 12 months from the date of signing these financial statements. Accordingly, the Directors continue to adopt the going concern basis of accounting in preparing these financial statements.

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

2. Accounting policies (continued)

2.3 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate: Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

2.4 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Company and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before turnover is recognised:

Sale of goods

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

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

2.5 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

2.6 Leased assets: the Company as lessee

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets. Assets acquired by finance lease are depreciated over the shorter of the lease term and their useful lives. Assets acquired by hire purchase are depreciated over their useful lives. Finance leases are those where substantially all of the benefits and risks of ownership are assumed by the company. Obligations under such agreements are included in creditors net of the finance charge allocated to future periods. The finance element of the rental payment is charged to profit or loss so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

NATUREDIET PET FOODS LIMITED

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

2. Accounting policies (continued)

2.7 Research and development

Research and development expenditure is written off in the year which it is incurred.

2.8 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of income and retained earnings in the same period as the related expenditure.

2.9 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.10 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 profit or loss 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.

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

2. Accounting policies (continued)

2.11 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the reporting date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

2.12 Exceptional items

Exceptional items are transactions that fall within the ordinary activities of the Company but are presented separately due to their size or incidence.

2.13 Intangible assets

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

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

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

2. Accounting policies (continued)

2.14 Tangible fixed assets

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

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

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 profit or loss 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:

Leasehold property improvements	- 2% straight line
Plant and machinery	- 10%-20% straight line
Motor vehicles	- 25% straight line

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 profit or loss.

2.15 Stocks

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

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.16 Debtors

Short term debtors are measured at transaction price, less any impairment.

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

2. Accounting policies (continued)

2.17 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.

2.18 Creditors

Short term creditors are measured at the transaction price.

2.19 Provisions for liabilities

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

Provisions are charged as an expense to profit or loss in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the reporting date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of financial position.

2.20 Invoice discounting

Where debts are invoice discounted the separate presentation is shown with the gross amount of the debts included within trade debtors and the advances received from invoice discounting being shown as a liability within creditors.

2.21 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, and loans to related parties.

2.22 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

3. Employees

The average monthly number of employees, including directors, during the year was 22 (2021 - 29).

NATUREDIET PET FOODS LIMITED

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

4. Intangible assets

	Website £000	Other intangibles £000	Total £000
Cost			
At 1 April 2021	30	3	33
Additions	34	12	46
At 31 March 2022	<u>64</u>	<u>15</u>	<u>79</u>
Amortisation			
At 1 April 2021	14	-	14
Charge for the year on owned assets	8	1	9
At 31 March 2022	<u>22</u>	<u>1</u>	<u>23</u>
Net book value			
At 31 March 2022	<u>42</u>	<u>14</u>	<u>56</u>
At 31 March 2021	<u>16</u>	<u>3</u>	<u>19</u>

NATUREDIET PET FOODS LIMITED

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

5. Tangible fixed assets

	Leasehold property improvements £000	Plant and machinery £000	Total £000
Cost or valuation			
At 1 April 2021	208	6,909	7,117
Additions	10	89	99
At 31 March 2022	218	6,998	7,216
Depreciation			
At 1 April 2021	23	2,652	2,675
Charge for the year	4	522	526
At 31 March 2022	27	3,174	3,201
Net book value			
At 31 March 2022	191	3,824	4,015
At 31 March 2021	185	4,257	4,442

The net book value of assets held under finance leases or hire purchase contracts, included in the above, total £2,665,157 (2021 - £2,887,197).

6. Stocks

	2022 £000	2021 £000
Raw materials and consumables	581	325
Finished goods and goods for resale	441	292
	1,022	617

NATUREDIET PET FOODS LIMITED

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

7. Debtors

	2022 £000	2021 £000
Trade debtors	929	654
Amounts owed by group undertakings	7	5
Other debtors	83	62
Prepayments and accrued income	189	229
Deferred taxation	77	-
	<u>1,285</u>	<u>950</u>

8. Creditors: Amounts falling due within one year

	2022 £000	2021 £000
Advances from invoice discounting	522	178
Trade creditors	880	413
Amounts owed to group undertakings	356	100
Other taxation and social security	123	147
Obligations under finance lease and hire purchase contracts	296	266
Other creditors	6	54
Accruals and deferred income	156	157
	<u>2,339</u>	<u>1,315</u>

Advances from invoice discounting are secured on the Company's trade debtors.

Obligations under finance leases and hire purchase contracts are secured on the related assets.

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

	2022 £000	2021 £000
Net obligations under finance leases and hire purchase contracts	2,461	2,769
Amounts owed to group undertakings	760	860
	<u>3,221</u>	<u>3,629</u>

Obligations under finance leases and hire purchase contracts are secured on the related assets.

NATUREDIET PET FOODS LIMITED

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

10. Deferred taxation

	2022 £000	2021 £000
At beginning of year	(75)	(152)
Credited/(charged) to profit or loss	152	78
At end of year	77	(74)

The deferred taxation balance is made up as follows:

	2022 £000	2021 £000
Accelerated capital allowances	(406)	(485)
Tax losses carried forward	480	444
Other timing differences	3	(34)
	77	(75)

11. Provisions

	Dilapidations £000
At 1 April 2021	10
At 31 March 2022	10

Provision is made for the cost of making good dilapidations when the Company vacates the property.

NATUREDIET PET FOODS LIMITED

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

12. Share capital

	2022 £000	2021 £000
Allotted, called up and fully paid		
4,000 (2021 - 4,000) Ordinary A shares of £1 each	4	4
2,500 (2021 - 2,500) Ordinary C shares of £1 each	3	3
	<u>7</u>	<u>7</u>

Share capital represents the nominal value of shares issued, shares carry voting rights and an entitlement to dividends. The Ordinary A and C shares rank pari passu in all respects.

13. Contingent liabilities

The Company has entered into a cross guarantee with other group companies in respect of bank borrowings totalling £5,871,000 (2021: £5,190,000).

14. Capital commitments

At 31 March 2022 the Company had capital commitments as follows:

	2022 £000	2021 £000
Contracted for but not provided in these financial statements	-	34
	<u>-</u>	<u>34</u>

15. Pension commitments

The Company contributes to the defined contribution pension plans of certain employees. The pension cost charge represents contributions payable by the Company and amounted to £25,000 (2021 - £25,000).

The Company operates an approved defined contribution pension scheme for other employees. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £17,000 (2021 - £12,000). At the year end there were contributions amounting to £3,000 (2021- £2,000) payable.

NATUREDIET PET FOODS LIMITED

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

16. Controlling party

The Immediate Parent Undertaking is Skinner's Pet Food Holdings Limited, a Company registered in England and Wales. Consolidated accounts are available from Companies House, Cardiff, CF14 3UZ.

The Ultimate Parent Undertaking is Roger Skinner Holdings Limited, a Company registered in England and Wales. Consolidated accounts are available from Companies House, Cardiff, CF14 3UZ.

The Ultimate Controlling Party is Mr R A S Skinner by virtue of his beneficial shareholding in the Ultimate Parent Company.

17. Auditors' information

The auditors' report on the financial statements for the year ended 31 March 2022 was unqualified.

The audit report was signed on 9/12/2022 by Charles Savory FCA (Senior statutory auditor) on behalf of Larking Gowen LLP.