

**REPORT OF THE DIRECTORS AND**  
**UNAUDITED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022**  
**FOR**  
**VBITES FOODS LIMITED**

**CONTENTS OF THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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**VBITES FOODS LIMITED**

**COMPANY INFORMATION**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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**DIRECTORS:**

Miss H A Mills  
F J Buese

**REGISTERED OFFICE:**

44 Grand Parade  
Brighton  
BN2 9QA

**REGISTERED NUMBER:**

02820029 (England and Wales)

**ACCOUNTANTS:**

Chariot House Limited  
Chartered Accountants  
44 Grand Parade  
Brighton  
East Sussex  
BN2 9QA

**REPORT OF THE DIRECTORS**  
**FOR THE YEAR ENDED 31 MARCH 2022**

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The directors present their report with the financial statements of the company for the year ended 31 March 2022.

**PRINCIPAL ACTIVITY**

The principal activity of the company in the year under review was that of the manufacture and wholesale of vegan foods.

**REVIEW OF BUSINESS**

During the year, the company continued to be impacted by post Covid and Brexit impacts. However, despite the challenging macroeconomic climate the company grew revenue 25% year on year. This combined with the continued strategic investment in facilities, new product development, plant and machinery, capacity, and resourcing for growth, has structured the company to be growth ready and profitable in future years.

**FUTURE DEVELOPMENTS**

The company faces new macroeconomic challenges in the wake of significant cost pressures driven by energy, raw material availability as well as unprecedented inflationary increases driving a cost-of-living crisis for the UK and global economy as whole. However, with continued unified investment and support from all our shareholders, the company is able to weather these economic storms and remains well positioned for a return to profitability and continued growth in the medium to longer term.

**DIRECTORS**

Miss H A Mills has held office during the whole of the period from 1 April 2021 to the date of this report.

Other changes in directors holding office are as follows:

F J Buesc - appointed 8 December 2021

**POST BALANCE SHEET EVENT**

Post year end Food 'or International GmbH a subsidiary of Pfeifer & Langen Industrie - und Handels - KG elected to convert a £2m loan outstanding at the balance sheet date into ordinary share capital of the company.

The investment signals the strengthening of the strategic partnership between the two companies with VBites laying claim to the broadest range of plant-based product IP in the world and Pfeifer & Langen being one of the leading international plant ingredient farm to fork manufacturers. The partnership will enable the acceleration of growth across all segments including plant based cheeses, fish free and meat free alternatives. Future expansion will come through VBites existing significant product range, increased manufacturing capability in the VBites Peterlee site in the North East, Corby in the Midlands and the EU manufacturing capabilities of the wider group, and also developing opportunities with further key strategic accounts.

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

**ON BEHALF OF THE BOARD:**

Miss H A Mills - Director

27 March 2023

**CHARTERED ACCOUNTANTS' REPORT TO THE BOARD OF DIRECTORS**  
**ON THE UNAUDITED FINANCIAL STATEMENTS OF**  
**VBITES FOODS LIMITED**

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The following reproduces the text of the report prepared for the directors in respect of the company's annual unaudited financial statements. In accordance with the Companies Act 2006, the company is only required to file a Balance Sheet. Readers are cautioned that the Income Statement and certain other primary statements and the Report of the Directors are not required to be filed with the Registrar of Companies.

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of VBites Foods Limited for the year ended 31 March 2022 which comprise the Income Statement, Balance Sheet and the related notes from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed within the ICAEW's regulations and guidance at <http://www.icaew.com/en/membership/regulations-standards-and-guidance>.

This report is made solely to the Board of Directors of VBites Foods Limited, as a body, in accordance with our terms of engagement. Our work has been undertaken solely to prepare for your approval the financial statements of VBites Foods Limited and state those matters that we have agreed to state to the Board of Directors of VBites Foods Limited, as a body, in this report in accordance with ICAEW Technical Release 07/16AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than VBites Foods Limited and its Board of Directors, as a body, for our work or for this report.

It is your duty to ensure that VBites Foods Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and loss of VBites Foods Limited. You consider that VBites Foods Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of VBites Foods Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

Chariot House Limited  
Chartered Accountants  
44 Grand Parade  
Brighton  
East Sussex  
BN2 9QA

27 March 2023

**BALANCE SHEET**  
**31 MARCH 2022**

	Notes	2022 £	2021 £
<b>FIXED ASSETS</b>			
Tangible assets	4	3,867,827	2,620,948
<b>CURRENT ASSETS</b>			
Stocks		1,944,210	926,278
Debtors	5	1,755,800	1,062,683
Cash at bank and in hand		<u>1,695,212</u>	<u>36,585</u>
		5,395,222	2,025,546
<b>CREDITORS</b>			
Amounts falling due within one year	6	<u>(2,983,141)</u>	<u>(3,658,485)</u>
<b>NET CURRENT ASSETS/(LIABILITIES)</b>		<u>2,412,081</u>	<u>(1,632,939)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		6,279,908	988,009
<b>CREDITORS</b>			
Amounts falling due after more than one year	7	(6,055,150)	(4,718,577)
<b>PROVISIONS FOR LIABILITIES</b>		<u>(705,861)</u>	<u>-</u>
<b>NET LIABILITIES</b>		<u>(481,103)</u>	<u>(3,730,568)</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital		3	2
Share premium		6,242,454	-
Retained earnings		<u>(6,723,560)</u>	<u>(3,730,570)</u>
		<u>(481,103)</u>	<u>(3,730,568)</u>

The company is entitled to exemption from audit under Section 477 of the Companies Act 2006 for the year ended 31 March 2022.

The members have not required the company to obtain an audit of its financial statements for the year ended 31 March 2022 in accordance with Section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for:

- (a) ensuring that the company keeps accounting records which comply with Sections 386 and 387 of the Companies Act 2006 and
- (b) preparing financial statements which give a true and fair view of the state of affairs of the company as at the end of each financial year and of its profit or loss for each financial year in accordance with the requirements of Sections 394 and 395 and which otherwise comply with the requirements of the Companies Act 2006 relating to financial statements, so far as applicable to the company.

**BALANCE SHEET - continued**  
**31 MARCH 2022**

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

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the Board of Directors and authorised for issue on 27 March 2023 and were signed on its behalf by:

Miss H A Mills - Director

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

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**1. STATUTORY INFORMATION**

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

**2. ACCOUNTING POLICIES**

**Basis of preparing the financial statements**

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" including the provisions of Section 1A "Small Entities" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

**Turnover**

Turnover is measured at the fair value of consideration, received or receivable, for goods and services provided in the ordinary course of the company's activities.

Turnover excludes discounts, rebates and is shown net of value added tax and other sales taxes.

For goods sold directly to public or trade, revenue is recognised on receipt of goods by the customer.

**Tangible fixed assets**

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

Plant and machinery etc                      - 33% on cost, 25% on cost, 20% on cost and 10% on cost

Plant and machinery being constructed is not depreciated until the asset is completed and ready to be used in production.

**Stocks**

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

For ingredients to be used in the production of vegan food, stock is valued at the lower of cost and net realisable value, after making due allowances for obsolete and slow moving stock.

For unfinished vegan food products this is work in progress and is valued at the sum of the cost of the ingredients.

For finished vegan food products the goods are valued at the lower of the sum of the cost of the ingredients and net realisable value.

**Taxation**

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

Current or deferred taxation assets and liabilities are not discounted.

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

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

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**2. ACCOUNTING POLICIES - continued**

**Deferred tax**

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

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

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

**Research and development**

Expenditure on research and development is written off in the year in which it is incurred.

**Hire purchase and leasing commitments**

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

**Pension costs and other post-retirement benefits**

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

**Going concern**

The financial statements have been prepared on a going concern basis after taking into consideration the existing and potential effects of coronavirus on the activities of the business. The directors have reasonable expectation that the company has adequate resources to continue in operation for the foreseeable future, and to meet its liabilities as and when they become due for a period of not less than one year from the approval of these financial statements. Having regard to this the directors continue to adopt the going concern basis of accounting in preparing the annual financial statements.

**3. EMPLOYEES AND DIRECTORS**

The average number of employees during the year was 112 (2021 - 126 ).

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

**4. TANGIBLE FIXED ASSETS**

	Plant and machinery etc £
<b>COST</b>	
At 1 April 2021	5,295,980
Additions	2,070,755
Disposals	(7,800)
At 31 March 2022	<u>7,358,935</u>
<b>DEPRECIATION</b>	
At 1 April 2021	2,675,032
Charge for year	823,876
Eliminated on disposal	(7,800)
At 31 March 2022	<u>3,491,108</u>
<b>NET BOOK VALUE</b>	
At 31 March 2022	<u>3,867,827</u>
At 31 March 2021	<u>2,620,948</u>

Plant and machinery cost includes £756,547 relating to a new production line which was still under construction at the balance sheet date. The asset has not been depreciated in these accounts.

**5. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2022 £	2021 £
Trade debtors	690,857	154,315
Other debtors	<u>1,064,943</u>	<u>908,368</u>
	<u>1,755,800</u>	<u>1,062,683</u>

**6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR**

	2022 £	2021 £
Bank loans and overdrafts	-	1,053,415
Trade creditors	1,716,356	1,028,519
Taxation and social security	175,320	315,312
Other creditors	<u>1,091,465</u>	<u>1,261,239</u>
	<u>2,983,141</u>	<u>3,658,485</u>

**7. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	2022 £	2021 £
Other creditors	<u>6,055,150</u>	<u>4,718,577</u>

**NOTES TO THE FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31 MARCH 2022****8. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES**

The following advances and credits to a director subsisted during the years ended 31 March 2022 and 31 March 2021:

	2022 £	2021 £
<b>Miss H A Mills</b>		
Balance outstanding at start of year	313,761	(3,721,604)
Amounts advanced	-	4,035,365
Amounts repaid	(313,761)	-
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>-</u>	<u>313,761</u>

**9. RELATED PARTY DISCLOSURES**

At the balance sheet date the company owed Seckloe 2016 Limited, its parent, £3,695,504. The company may repay the loan at any time but at the latest repay the loan by 29 September 2027. The interest rate on the loan is 2% per annum above SONIA.

Seckloe 2016 Limited is a 100% subsidiary of B @ 1 Org Limited. B @ 1 Org Limited is 100% owned by Miss H A Mills.

**10. ULTIMATE CONTROLLING PARTY**

The controlling party is Miss H A Mills.

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