

Company registration number 07037738 (England and Wales)

REGAL FOOD PRODUCTS GROUP PLC
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MAY 2023

REGAL FOOD PRODUCTS GROUP PLC

COMPANY INFORMATION

Directors	Mr MA Younis Mr MA Chaudhry Mr A Younis
Secretary	Mr MA Younis
Company number	07037738
Registered office	Regal House Wallis Street Bradford West Yorkshire United Kingdom BD8 9RR
Auditor	BHP LLP New Chartford House Centurion Way Cleckheaton Bradford West Yorkshire BD19 3QB

REGAL FOOD PRODUCTS GROUP PLC

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REGAL FOOD PRODUCTS GROUP PLC

STRATEGIC REPORT

FOR THE YEAR ENDED 31 MAY 2023

The directors present the strategic report for the year ended 31 May 2023.

Fair review of the business

A year of strong growth was a result of the company's resilience and progress made in previous years and within the Directors expectation's given the level of investment in the company's infrastructure and facilities across all sites.

Whilst the effects of Post Brexit, Covid-19 pandemic and the conflict in Ukraine have softened, challenges were still presented, and the level of growth achieved was a testament to the strength of the brands within the company portfolio as well as demand in all the markets served. The product range and NPD has been very progressive and contributed to this growth.

Our business has continued to push our export drive on the back of the Queens Award for Enterprise: The increase in International Trade, is a huge testament to our export growth and confirms our agenda to expand our brands reach and presence globally.

We still stay true to our ethos of being a "family business to be proud of" and our mission is to continue developing a successful portfolio of food brands and businesses.

Future Outlook

Our strategic focus has continued with an emphasis on infrastructure to help support our growth plans as well as scalability. Our efforts in IT and software systems continues at a rapid rate as we continue to develop and expand on the ERP and POS solutions implemented.

A new WMS system has been introduced in our new warehouse facility as well as our distribution centres to help improve efficiencies and improve planning functions through difficult supply chains. Work has completed for our new 20,000 SQFT purpose build warehouse. This has enabled the business to expand on the ever-growing product portfolio as well as creating more jobs for the local community. New racking has been installed also expanding the storage capacity by more than 50%.

Bakehouse 3 is an internal reference to our latest ongoing factory expansion. a 10,000 sqft state of the art facility. We have introduced 3 new processing lines to help improve inefficiencies and throughputs as well as product capabilities. A new packing line has been introduced to help capacity and new offerings for our customers.

Our new van sales system has successfully been implemented which has successfully addressed several inefficiencies as well as improving overall sales performance and service levels. The next phase allows this division to now broaden into new territories as well as help improve the overall sales and deliverance experience for our customers.

The focus will be to continue developing our existing food brands and continuing to affirm their presence as household favourite brands throughout the UK and Worldwide.

I would like to take this opportunity to thank our colleagues, customers, suppliers, and consumers for their continued support.

REGAL FOOD PRODUCTS GROUP PLC

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2023

Our People

Putting our colleagues at the forefront of our business ensures individual talents are recognised and rewarded, recognising and harnessing talent and skills. We are a workplace for all, embracing all areas of diversity resulting in an inclusive and inspiring place to work.

We are committed to equal opportunities, ensuring the encouragement of career progression and development and promoting equal opportunities in all aspects of the business.

Regal Training Academy provides platforms to learn new skills and gain industry recognised qualifications, putting our employee's personal development first.

Our Employee of the Month programme recognises individuals for their dedication and commitment to the work they undertake.

We undertake employment through apprenticeships and gateway-to-work programs, offering employment opportunities for those needing that first step.

The wellbeing of our colleagues is priority with support opportunities provided through our HR department as well as the use of external professionals to support individual needs.

Our Communities

As a successful food manufacturer and distributor which established itself within the heart of a local community, it is vital within our operations that we have a major impact on our communities locally, throughout the UK and around the world. Charity work is at the heart of everything we do.

We have a strong commitment in supporting both local and international charities whilst delivering on initiative's providing young people opportunities to participate in sociable activities.

As a major employer, we provide those within our community opportunities to further develop through mentoring opportunities, enhancing skills and knowledge.

As part of an on-going campaign to beat poverty we supply on a weekly basis 100's of our products as donations to charities and food banks throughout the UK as well as internationally.

Through the sponsorship and support of sporting clubs it's important we support these areas of social activities that give many within our community a platform to aspire and inspire.

In our mission to break down barriers and allow room for diversity, we work with partners to deliver and support community outreach work.

Our Environment

Reducing our carbon foot and working towards a greener planet is fundamental within our product and distribution facilities. We are committed to manufacturing delicious foods in a way that is environmentally sustainable.

A thorough recycling programme is crucial in our daily operations with all card and paper materials recycled, along with the processing of food waste resulting in animal feed.

Working collectively with major supermarket chains ensures our packaging is classified as green and is suitable for recycling purposes.

The reduction of plastic micron used within our manufacturing sites and distribution centres reduces the amount of waste going to landfill each year.

The modernising and reducing of our distribution fleet ensures the minimising of our carbon foot. This practise results in us reaching our 3,000 shops smarter and greener.

~~As part of our ongoing energy reduction strategy, our sites have seen the latest state-of-art infrastructure and facilities installed. Further development will see solar power installed. - 2 -~~

REGAL FOOD PRODUCTS GROUP PLC

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2023

Principal Risks and Uncertainties

Regal Food Products Group PLC operates in the very competitive UK bakery market. To manage this, we continue to develop our brand and strengthen our category management expertise. By holding a portfolio of food brands that people love it has helped us gain recognition in The Grocer Magazine as the "UK's Top 20 Bakery Brands". Consumer demand and trends are clearly key drivers of the products which the group supplies.

Brexit is reflective of the exchange rates. Effects on the availability, quality, and price of raw material as crops continue to be volatile. However, these are issues that are just becoming the norm of business life and we seek to manage any difficulties collaboratively with both our supply chain and customers.

Having strong relationships with our supply chain has shown to be the right approach and one which we look to continue to build on.

Key performance indicators

The board assessed the following KPIs as the most effective measures for monitoring the company's progress against its strategic objectives:

- Underlying sales growth- year on year increase in sales revenue.
- Group operating margin- group operating profit as a percentage of sales revenue.
- Free cash flow- cash generated from operations less tax and net interest paid.

Performance against KPIs:

	2023	2022
Underlying sales growth	37.5%	2.6%
Operating margin	3.3%	4.0%
Net cash (outflow)/inflow from operating activities	£1.47M	(£46K)

Our Vision and Core Values

Being a family business to be proud of is at the heart of what we do here at Regal. Our customers, suppliers and most importantly the brilliant team here at Regal help the groups vision to have a portfolio of food brands which always exceed our customers' expectations. We are committed to investing in our infrastructure, people, systems, and local communities to achieve this.

Sustainability

The company takes its responsibility to wider society seriously and supports the development of a sustainable and socially responsible business model, underpinned by a set of values that guide our behaviour. We believe that the community must benefit by having our business here.

Innovation

Here at Regal innovation is in our DNA. After a substantial amount of investment in NPD infrastructure the group has geared themselves up for expansion on all fronts in terms of ranging. The Board are always looking at new and more robust ways to help the business grow.

New products have not only helped the group diversify into sweets and snacks, but work is underway on the company's new frozen division which will create more jobs for the local community, The board always aspire to be at the forefront of innovation.

Our in-house Research & Development centre and team have championed many ideas and overcome a number of uncertainties to ensure we are still at the forefront of New Product Development.

REGAL FOOD PRODUCTS GROUP PLC

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2023

Group Compliance

The group operates its business in a manner that actively seeks to prevent or minimize the possibility of its operations causing harm to people or the environment. We strive to provide the material and resources to educate and involve every individual in the group in achieving this objective.

The group currently holds the BRC accreditation. Compliance with technical standards relating to the supply of food products in today's world is increasingly demanding. Our technical teams are very active, constantly monitoring all relevant aspects of internal performance, of our suppliers and that of our license and co pack partners, with a view to maintaining the highest food safety standards.

Our principal objectives in this area are to:

- Meet and, where appropriate, exceed the requirements of all relevant legislation.
- Seek to design best practice safety features into new buildings, products and services and manage our facilities wisely and to minimize any risk to health and safety.
- Measure divisional management teams for their contribution to the continuous improvement of safety, health, and environmental performance.

On behalf of the board

Mr MA Younis
Director

15 November 2023

REGAL FOOD PRODUCTS GROUP PLC

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 MAY 2023

The directors present their annual report and financial statements for the year ended 31 May 2023.

Principal activities

The principal activity of the company continued to be that of the wholesale of food and confectionery products.

Results and dividends

The results for the year are set out on page 10.

Ordinary dividends were paid amounting to £474,880. The directors do not recommend payment of a final dividend.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mr MA Younis
Mr MA Chaudhry
Mr A Younis

Auditor

In accordance with the company's articles, a resolution proposing that BHP LLP be reappointed as auditor of the company will be put at a General Meeting.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board

Mr MA Younis
Director

15 November 2023

REGAL FOOD PRODUCTS GROUP PLC

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 MAY 2023

The directors are responsible for preparing the annual report 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 law). 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 of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the ;
- 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'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. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

REGAL FOOD PRODUCTS GROUP PLC

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF REGAL FOOD PRODUCTS GROUP PLC

Opinion

We have audited the financial statements of Regal Food Products Group PLC (the 'company') for the year ended 31 May 2023 which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity and notes to the financial statements, including 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 company's affairs as at 31 May 2023 and of its 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 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

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.

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.

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. 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. 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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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 our 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.

REGAL FOOD PRODUCTS GROUP PLC

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF REGAL FOOD PRODUCTS GROUP PLC

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the 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.

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:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of 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

As explained more fully in the directors' responsibilities statement, 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 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.

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.

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.

We gained an understanding of the legal and regulatory framework applicable to the company and the industry in which it operates and considered the risk of acts by the company that were contrary to applicable laws and regulations, including fraud. We designed audit procedures to respond to the risk, recognising that 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.

We focussed on laws and regulations, relevant to the company, which could give rise to a material misstatement in the financial statements. Our tests included agreeing the financial statement disclosures to underlying supporting documentation, enquiries with management, review of the company's operation of controls within the year, in particular, cash and stock controls, and review of expenses, such as legal costs. There are inherent limitations in the audit procedures described and, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it.

As part of our audit, we addressed the risk of management override of internal controls, including testing of journals and review of nominal ledger. We evaluated whether there was evidence of bias by the directors that represented a risk of material misstatement due to fraud.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

REGAL FOOD PRODUCTS GROUP PLC

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF REGAL FOOD PRODUCTS GROUP PLC

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.

Lesley Kendrew
Senior Statutory Auditor
For and on behalf of BHP LLP

15 November 2023

Chartered Accountants
Statutory Auditor

New Chartford House
Centurion Way
Cleckheaton
Bradford
West Yorkshire
BD19 3QB

REGAL FOOD PRODUCTS GROUP PLC

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MAY 2023

	Notes	2023 £	2022 £
Turnover	3	31,823,458	23,258,440
Cost of sales		(28,582,441)	(20,237,252)
Gross profit		3,241,017	3,021,188
Distribution costs		(258,768)	(235,260)
Administrative expenses		(2,207,486)	(1,971,090)
Other operating income		295,386	124,700
Operating profit	4	1,070,149	939,538
Interest payable and similar expenses	7	(92,022)	(68,747)
Profit before taxation		978,127	870,791
Tax on profit	8	(322,448)	42,674
Profit for the financial year		655,679	913,465

The profit and loss account has been prepared on the basis that all operations are continuing operations.

REGAL FOOD PRODUCTS GROUP PLC

BALANCE SHEET

AS AT 31 MAY 2023

	Notes	2023 £	£	2022 £	£
Fixed assets					
Intangible assets	10		2,858		9,938
Tangible assets	11		4,024,620		3,818,131
Investment properties	12		216,000		216,000
Investments	13		185,980		185,980
			<u>4,429,458</u>		<u>4,230,049</u>
Current assets					
Stocks	15	1,457,315		1,013,295	
Debtors	16	5,612,866		5,170,166	
Cash at bank and in hand		184,753		55,235	
		<u>7,254,934</u>		<u>6,238,696</u>	
Creditors: amounts falling due within one year	17	(5,198,500)		(4,116,119)	
Net current assets			<u>2,056,434</u>		<u>2,122,577</u>
Total assets less current liabilities			<u>6,485,892</u>		<u>6,352,626</u>
Creditors: amounts falling due after more than one year	18		(1,650,904)		(1,814,437)
Provisions for liabilities					
Deferred tax liability	20	405,200		289,200	
		<u>(405,200)</u>		<u>(289,200)</u>	
Net assets			<u><u>4,429,788</u></u>		<u><u>4,248,989</u></u>
Capital and reserves					
Called up share capital	23	50,010		50,010	
Revaluation reserve		382,831		391,531	
Profit and loss reserves		3,996,947		3,807,448	
Total equity			<u><u>4,429,788</u></u>		<u><u>4,248,989</u></u>

The financial statements were approved by the board of directors and authorised for issue on 15 November 2023 and are signed on its behalf by:

Mr MA Younis
Director

Company Registration No. 07037738

REGAL FOOD PRODUCTS GROUP PLC

STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 MAY 2023

		Share capital	Revaluation reserve	Profit and loss reserves	Total
	Notes	£	£	£	£
Balance at 1 June 2021		50,010	400,231	3,406,363	3,856,604
Year ended 31 May 2022:					
Profit and total comprehensive income for the year		-	-	913,465	913,465
Dividends	9	-	-	(521,080)	(521,080)
Transfers		-	(8,700)	8,700	-
Balance at 31 May 2022		50,010	391,531	3,807,448	4,248,989
Year ended 31 May 2023:					
Profit and total comprehensive income for the year		-	-	655,679	655,679
Dividends	9	-	-	(474,880)	(474,880)
Transfers		-	(8,700)	8,700	-
Balance at 31 May 2023		50,010	382,831	3,996,947	4,429,788

REGAL FOOD PRODUCTS GROUP PLC

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MAY 2023

1 Accounting policies

Company information

Regal Food Products Group PLC is a private company limited by shares incorporated in England and Wales. The registered office is Regal House, Wallis Street, Bradford, West Yorkshire, United Kingdom, BD8 9RR.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, [modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value]. The principal accounting policies adopted are set out below.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues': Interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 26 'Share based Payment': Share-based payment expense charged to profit or loss, reconciliation of opening and closing number and weighted average exercise price of share options, how the fair value of options granted was measured, measurement and carrying amount of liabilities for cash-settled share-based payments, explanation of modifications to arrangements;
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

The company has taken advantage of the exemption under section 400 of the Companies Act 2006 not to prepare consolidated accounts. The financial statements present information about the company as an individual entity and not about its group.

Regal Food Products Group PLC is a wholly owned subsidiary of RFPG Holdings Limited and the results of Regal Food Products Group PLC are included in the consolidated financial statements of RFPG Holdings Limited which are available from Companies House.

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

REGAL FOOD PRODUCTS GROUP PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2023

1 Accounting policies

(Continued)

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

1.4 Research and development expenditure

Research expenditure is written off against profits in the year in which it is incurred. Identifiable development expenditure is capitalised to the extent that the technical, commercial and financial feasibility can be demonstrated.

1.5 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Development costs	33.33% straight line
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1.6 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	2% straight line
Plant and equipment	10% straight line
Fixtures and fittings	20% straight line
Motor vehicles	33.33% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

Properties whose fair value can be measured reliably are held under the revaluation model and are carried at a revalued amount, being their fair value at the date of valuation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. The fair value of the land and buildings is usually considered to be their market value.

Revaluation gains and losses are recognised in other comprehensive income and accumulated in equity, except to the extent that a revaluation gain reverses a revaluation loss previously recognised in profit or loss or a revaluation loss exceeds the accumulated revaluation gains recognised in equity; such gains and losses are recognised in profit or loss.

1.7 Investment properties

Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. Changes in fair value are recognised in profit or loss.

REGAL FOOD PRODUCTS GROUP PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2023

1 Accounting policies

(Continued)

1.8 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The company considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Entities in which the company has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

1.9 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. 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 which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.10 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of cost and replacement cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

REGAL FOOD PRODUCTS GROUP PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2023

1 Accounting policies

(Continued)

1.11 Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.12 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. 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.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

REGAL FOOD PRODUCTS GROUP PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2023

1 Accounting policies

(Continued)

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, 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 payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

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

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.13 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.14 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

REGAL FOOD PRODUCTS GROUP PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2023

1 Accounting policies

(Continued)

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.15 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.16 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.17 Leases

Rental income from operating leases is recognised on a straight line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight line basis over the lease term.

1.18 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

1.19 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

REGAL FOOD PRODUCTS GROUP PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2023

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Turnover and other revenue

	2023 £	2022 £
Turnover analysed by class of business		
Sale of food and confectionery products	31,823,458	23,258,440
	<u>31,823,458</u>	<u>23,258,440</u>
	2023 £	2022 £
Turnover analysed by geographical market		
United Kingdom	28,878,446	20,712,470
Overseas	2,945,012	2,545,970
	<u>31,823,458</u>	<u>23,258,440</u>
	2023 £	2022 £
Other revenue		
Grants received	22,200	22,200
	<u>22,200</u>	<u>22,200</u>

4 Operating profit

	2023 £	2022 £
Operating profit for the year is stated after charging/(crediting):		
Exchange (gains)/losses	(14,500)	86,417
Government grants	(22,200)	(22,200)
Fees payable to the company's auditor for the audit of the company's financial statements	17,900	17,000
Depreciation of owned tangible fixed assets	473,009	406,848
Profit on disposal of tangible fixed assets	(10,208)	(28,692)
Amortisation of intangible assets	7,080	22,377
	<u>7,080</u>	<u>22,377</u>

REGAL FOOD PRODUCTS GROUP PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2023

5 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2023 Number	2022 Number
Administration	5	6
Sales	3	3
Warehouse	1	1
Drivers	2	2
Bakery	1	-
Total	12	12

Their aggregate remuneration comprised:

	2023 £	2022 £
Wages and salaries	331,252	291,535
Social security costs	36,141	29,734
Pension costs	1,304	1,253
	368,697	322,522

6 Directors' remuneration

	2023 £	2022 £
Remuneration for qualifying services	75,052	73,652

7 Interest payable and similar expenses

	2023 £	2022 £
Interest on bank overdrafts and loans	84,158	57,342
Other interest	7,864	11,405
	92,022	68,747

REGAL FOOD PRODUCTS GROUP PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2023

8 Taxation

	2023 £	2022 £
Current tax		
UK corporation tax on profits for the current period	112,657	156,973
Adjustments in respect of prior periods	93,791	(252,517)
Total current tax	206,448	(95,544)
Deferred tax		
Origination and reversal of timing differences	116,000	52,870
Total tax charge/(credit)	322,448	(42,674)

The actual charge/(credit) for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2023 £	2022 £
Profit before taxation	978,127	870,791
Expected tax charge based on the standard rate of corporation tax in the UK of 20.00% (2022: 19.00%)	195,625	165,450
Tax effect of expenses that are not deductible in determining taxable profit	773	27,282
Adjustments in respect of prior years	93,791	(252,517)
Other permanent differences	(26,210)	(10,918)
Deferred tax adjustments in respect of prior years	25,000	20,184
Remeasurement of deferred tax for changes in tax rates	11,751	7,845
Movement in deferred tax not recognised	32,209	-
Underprovision	(10,491)	-
Taxation charge/(credit) for the year	322,448	(42,674)

9 Dividends

	2023 £	2022 £
Interim paid	474,880	521,080

REGAL FOOD PRODUCTS GROUP PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2023

10 Intangible fixed assets

	Development costs £
Cost	
At 1 June 2022 and 31 May 2023	151,506
Amortisation and impairment	
At 1 June 2022	141,568
Amortisation charged for the year	7,080
At 31 May 2023	148,648
Carrying amount	
At 31 May 2023	2,858
At 31 May 2022	9,938

11 Tangible fixed assets

	Freehold land and buildings £	Plant and equipment £	Fixtures and fittings £	Motor vehicles £	Total £
Cost or valuation					
At 1 June 2022	2,509,833	2,035,985	1,699,780	333,359	6,578,957
Additions	-	465,556	74,401	140,000	679,957
Disposals	-	-	-	(45,425)	(45,425)
At 31 May 2023	2,509,833	2,501,541	1,774,181	427,934	7,213,489
Depreciation and impairment					
At 1 June 2022	218,908	1,014,733	1,296,382	230,803	2,760,826
Depreciation charged in the year	43,400	185,339	150,472	93,798	473,009
Eliminated in respect of disposals	-	-	-	(44,966)	(44,966)
At 31 May 2023	262,308	1,200,072	1,446,854	279,635	3,188,869
Carrying amount					
At 31 May 2023	2,247,525	1,301,469	327,327	148,299	4,024,620
At 31 May 2022	2,290,925	1,021,252	403,398	102,556	3,818,131

Land and buildings with a carrying amount of £2,007,525 (2022 - £2,040,925) were valued during the year ended 31 May 2022 by Walker Singleton Chartered Surveyors, independent valuers not connected with the company, on the basis of market value. The valuation conforms to International Valuation Standards and was based on recent market transactions on arm's length terms for similar properties. No change to the existing carrying value was necessary in the financial statements.

REGAL FOOD PRODUCTS GROUP PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2023

11 Tangible fixed assets

(Continued)

The following assets are carried at valuation. If the assets were measured using the cost model, the carrying amounts would be as follows:

	2023 £	2022 £
Cost	1,734,968	1,734,968
Accumulated depreciation	(143,186)	(108,487)
Carrying value	<u>1,591,782</u>	<u>1,626,481</u>

12 Investment property

2023
£

Fair value

At 1 June 2022 and 31 May 2023

216,000

Investment property comprises the elements of the company's buildings which are not occupied and used in the operation of the business. The property was acquired on an arms length basis and the split of value between freehold land and buildings and investment properties has been assessed based on occupation and usage.

Investment property was valued during the year ended 31 May 2022 by Walker Singleton Chartered Surveyors, independent valuers not connected with the company, on the basis of market value. The valuation conforms to International Valuation Standards and was based on recent market transactions on arm's length terms for similar properties. No change to the existing carrying value was necessary in the financial statements.

13 Fixed asset investments

	Notes	2023 £	2022 £
Investments in subsidiaries	14	1	1
Loans to associates		185,979	185,979
		<u>185,980</u>	<u>185,980</u>

The loans to associates balance represents the company's interest as a member of The Baking Company LLP.

REGAL FOOD PRODUCTS GROUP PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2023

14 Subsidiaries

Separate company financial statements are required to be prepared by law. Consolidated financial statements for the RFPG Holdings Limited group are prepared and publicly available.

Details of the company's subsidiaries at 31 May 2023 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct
Regal Food Products Limited	England and Wales	Dormant	Ordinary shares	100.00

15 Stocks

	2023 £	2022 £
Finished goods and goods for resale	1,457,315	1,013,295

16 Debtors

	2023 £	2022 £
Amounts falling due within one year:		
Trade debtors	3,518,460	3,451,614
Corporation tax recoverable	-	1,362
Other debtors	2,086,260	1,705,504
Prepayments and accrued income	8,146	11,686
	<u>5,612,866</u>	<u>5,170,166</u>

17 Creditors: amounts falling due within one year

	Notes	2023 £	2022 £
Bank loans and overdrafts	19	599,187	656,904
Trade creditors		3,371,384	2,959,833
Corporation tax		333,420	-
Other taxation and social security		6,635	32,364
Other creditors		870,874	450,018
Accruals and deferred income		17,000	17,000
		<u>5,198,500</u>	<u>4,116,119</u>

REGAL FOOD PRODUCTS GROUP PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2023

18 Creditors: amounts falling due after more than one year

	Notes	2023 £	2022 £
Bank loans and overdrafts	19	1,429,321	1,491,705
Other borrowings	19	75,450	154,399
Government grants	21	146,133	168,333
		<u>1,650,904</u>	<u>1,814,437</u>

19 Loans and overdrafts

	2023 £	2022 £
Bank loans	1,849,016	1,870,585
Bank overdrafts	179,492	278,024
Other loans	75,450	154,399
	<u>2,103,958</u>	<u>2,303,008</u>
Payable within one year	599,187	656,904
Payable after one year	<u>1,504,771</u>	<u>1,646,104</u>

The long-term loans are secured by fixed and floating charges over the assets of the company.

20 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon:

	Liabilities 2023 £	Liabilities 2022 £
Balances:		
Accelerated capital allowances	<u>405,200</u>	<u>289,200</u>
Movements in the year:		2023 £
Liability at 1 June 2022		289,200
Charge to profit or loss		<u>116,000</u>
Liability at 31 May 2023		<u>405,200</u>

The deferred tax liability set out above relates to capital allowances. Approximately £93,000 is expected to reverse within 12 months.

REGAL FOOD PRODUCTS GROUP PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2023

21 Government grants

	2023 £	2022 £
Arising from government grants	146,133	168,333

From 2016 to May 2021 the company received total grant funding of £223,366 to contribute towards the purchase of a new property in order to increase both manufacturing capacity and employee numbers.

The grant is being released to the profit and loss account over the useful economic life of the property.

22 Retirement benefit schemes

	2023 £	2022 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	1,304	1,253

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

23 Share capital

	2023 Number	2022 Number	2023 £	2022 £
Ordinary share capital				
Issued and fully paid				
Ordinary shares of £1 each of £1 each	50,000	50,000	50,000	50,000
Ordinary B share of £1 each of £1 each	1	1	1	1
Ordinary C share of £1 each of £1 each	1	1	1	1
Ordinary D share of £1 each of £1 each	1	1	1	1
Ordinary E share of £1 each of £1 each	1	1	1	1
Ordinary F share of £1 each of £1 each	1	1	1	1
Ordinary G share of £1 each of £1 each	1	1	1	1
Ordinary H shares of £1 each of £1 each	4	4	4	4
	<u>50,010</u>	<u>50,010</u>	<u>50,010</u>	<u>50,010</u>

Ordinary shares rank pari passu in all respects in relation to voting rights, dividends, and capital distributions including on winding up and redemption of shares at the option of the company and or the shareholder.

Alphabet shares carry no voting rights to participate in receiving a distribution in the winding up of the company. They carry rights to participate in receiving a dividend which is separate to that of the full ordinary shares.

24 Capital commitments

Amounts contracted for but not provided in the financial statements:

	2023 £	2022 £
Acquisition of tangible fixed assets	69,393	-

REGAL FOOD PRODUCTS GROUP PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2023

25 Events after the reporting date

On 1 September 2023, RFPG Holdings Limited acquired 100% of the issued share capital of Love Handmade Cakes Limited, a company registered in England and Wales, and Regal Food Products Group plc became guarantor.

26 Related party transactions

Transactions with related parties

During the year the company entered into the following transactions with related parties:

	Purchases 2023 £	Purchases 2022 £
Entities over which the entity has control, joint control or significant influence	13,531,137	10,198,574

	Management charges receivable		Rent receivable	
	2023 £	2022 £	2023 £	2022 £
Entities over which the entity has control, joint control or significant influence	60,000	60,000	161,186	116,748
Other related parties	28,000	32,000	-	-

The following amounts were outstanding at the reporting end date:

	2023 £	2022 £
Amounts due to related parties		
Entities over which the entity has control, joint control or significant influence	1,056,065	1,226,220

	2023 £	2022 £
Amounts due from related parties		
Entities over which the entity has control, joint control or significant influence	185,979	185,979
Other related parties	762,446	571,841

REGAL FOOD PRODUCTS GROUP PLC

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MAY 2023

27 Directors' transactions

Interest free loans have been granted by the directors to the company as follows:

Description	% Rate	Opening balance £	Amounts advanced £	Amounts repaid £	Closing balance £
Loan account	-	(534)	220,758	(221,162)	(938)
		<u>(534)</u>	<u>220,758</u>	<u>(221,162)</u>	<u>(938)</u>

28 Ultimate controlling party

The company's parent is RFPG Holdings Limited. The smallest group of undertakings for which group accounts are drawn up and of which the company is a member is RFPG Holdings Limited, the registered office is Regal House, Wallis Street, Bradford, BD8 9RR.

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.