

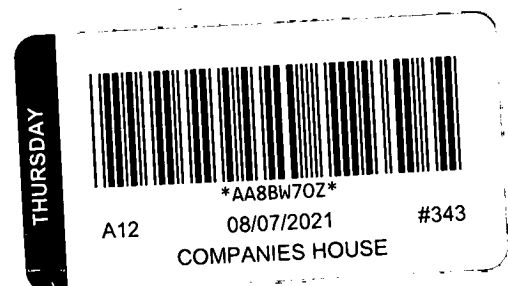
R & R Tofu Limited

Financial Statements:

Year Ended

31 December 2020

Company Number 09906929



R & R Tofu Limited

Company Information

Directors	Y Hayashi D J Knibbs L Smith I York
Registered number	09906929
Registered office	4 Rye Close York Road Business Park Malton North Yorkshire YO17 6YD
Independent auditor	BDO LLP Central Square 29 Wellington Street Leeds LS1 4DL
Bankers	HSBC Bank Plc 13 Parliament Street York England YO1 8RS

R & R Tofu Limited

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R & R Tofu Limited
Registered number:09906929

Statement of Financial Position
As at 31 December 2020

	Note	2020 £	2020 £	2019 £	2019 £
Fixed assets					
Intangible assets	5		8,135		4,938
Investments	6		1,036,776		1,036,775
			<u>1,044,911</u>		<u>1,041,713</u>
Current assets					
Debtors: amounts falling due within one year	7	3,956		3,957	
Cash at bank and in hand		54		100	
		<u>4,010</u>		<u>4,057</u>	
Creditors: amounts falling due within one year	8	(26,759)		(22,414)	
Net current liabilities			<u>(22,749)</u>		<u>(18,357)</u>
Net assets			<u>1,022,162</u>		<u>1,023,356</u>
Capital and reserves					
Called up share capital	9		614,601		614,600
Share premium account	10		414,101		414,101
Profit and loss account	10		(6,540)		(5,345)
Total equity			<u>1,022,162</u>		<u>1,023,356</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 comprehensive income 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

15 June 2021


D J Krubbs
Director

The notes on pages 2 to 7 form part of these financial statements.

R & R Tofu Limited

Notes to the Financial Statements For the Year Ended 31 December 2020

1. General information

R & R Tofu Limited is a private company limited by shares and incorporated in England and Wales under the Companies Act 2006. The address of the registered office is given on the company information page and the nature of the company's operations and its principal activity are set out in the directors' report.

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 preparation of financial statements in compliance with Section 1A of FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the company's accounting policies (see note 3).

The presentational and functional currency of these financial statements is GBP. Values are rounded to the nearest pound.

The following principal accounting policies have been applied:

2.2 Going concern and the impact of Covid-19

In light of the recent Covid-19 pandemic, the directors have considered the impact of Covid-19 on going concern status of the company, and its subsidiary The Tofoo Company Limited ("Tofoo Company").

The company generates no income and so its liabilities are funded from cash generated by its subsidiary undertaking. On this basis the conclusions drawn in relation to going concern are implicitly linked to that of Tofoo Company.

With respect to Tofoo Company, the directors have considered how the pandemic will affect demand for products, supply of raw materials, operational capacity and the funding levels needed to meet day to day requirements. It has benefitted from further increasing sales since the end of the accounting period. The markets that Tofoo Company is operating in, Meat Free and tofu (especially in major food retail), have performed extremely well right through lockdown and beyond reflecting the consumer trend looking for meat alternatives.

We recognise the wider economic impacts of Covid-19 and in some cases (especially in Foodservice) this could impact sales of the Tofoo Company's products, although at 4% share of business this is unlikely to be material. We have modelled downsides in sales, margin and operating performance and in all those downside scenarios the business remains profitable and has positive cash balances.

Tofoo Company is continuing to invest in further capital assets to support growth and enjoys a good relationship with its banking partners who continue to provide affordable finance as well as overdraft facilities that can be utilised if needed. The bank has recently renewed those facilities.

Regarding the going concern assessment of Tofoo Company, the directors have considered the availability of bank funding and the strong income generation from trading activities and are confident they have the facilities to meet future needs.

R & R Tofu Limited

Notes to the Financial Statements For the Year Ended 31 December 2020

2. Accounting policies (continued)

2.2 Going concern and the impact of Covid-19 (continued)

Tofoo Company has taken precautions to protect the welfare of its employees where possible, in its factory and office social distancing has been put in place, we also utilise remote working where possible. It has also implemented strict hygiene & sanitising policies and issued protective equipment where deemed necessary. The business is working closely with local employment agencies to make sure it has the flexible staff needed to meet its output needs. The business has also done supply chain assessments and there are no impediments to supply of raw materials.

Whilst recognising the uncertainty generated across the wider economy from the Covid 19 pandemic, the directors have carefully assessed the expected impact on the business across the key areas outlined above. On the basis of these considerations, the very strong trading performance of Tofoo Company since the start of the new financial year, and having regard to the financial and working capital needs (that have included assessment of downsides), the directors have concluded its appropriate to prepare the financial statements of Tofoo Company on a going concern basis.

Furthermore, the directors consider that it is appropriate that the accounts of the company also be prepared on a going concern basis have had regard for the funding required by the company for a period of not less than 12 months and the ability to be able to utilise cash generated from Tofoo Company.

2.3 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.

The estimated useful lives range as follows:

Trademarks	-	10% straight line
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2.4 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.5 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.6 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.

R & R Tofu Limited

Notes to the Financial Statements For the Year Ended 31 December 2020

2. Accounting policies (continued)

2.7 Financial instruments

The company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like other debtors and creditors and intercompany loans.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is an 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.

2.8 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

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Notes to the Financial Statements For the Year Ended 31 December 2020

3. Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements, the directors have made the following judgements:

- Investments:

In preparing the financial statements, the directors have considered whether there are any indicators of impairment of the company's investments. Factors taken into consideration include the past and expected future performance of the subsidiary. The fixed asset investment in subsidiary is £1,036,776 (2019: £1,036,775) as per note 6.

4. Employees

The average monthly number of employees, including directors, during the year was Nil (2019 - Nil).

5. Intangible assets

	Other intangible assets £
Cost	
At 1 January 2020	6,242
Additions	4,245
At 31 December 2020	10,487
Amortisation	
At 1 January 2020	1,304
Charge for the year	1,048
At 31 December 2020	2,352
Net book value	
At 31 December 2020	8,135
At 31 December 2019	4,938

R & R Tofu Limited

Notes to the Financial Statements For the Year Ended 31 December 2020

6. Fixed asset investments

	Investments in subsidiary companies £
Cost or valuation	
At 1 January 2020	1,036,775
Additions	1
At 31 December 2020	<u>1,036,776</u>

Subsidiary undertakings

The following were subsidiary undertakings of the company:

Name	Registered office	Principal activity	Holding
The Tofoo Company Limited	4 Rye Close, York Road Business Park, Malton, North Yorkshire, YO17 6YD	The manufacture of tofu	100%
The Tofoo Company Ireland Limited	4 Rye Close, York Road Business Park, Malton, North Yorkshire, YO17 6YD	The manufacture of tofu	100%

The Tofoo Company Ireland Limited

7. Debtors: amounts falling due within one year

	2020 £	2019 £
Other debtors	<u>3,956</u>	<u>3,957</u>

8. Creditors: amounts falling due within one year

	2020 £	2019 £
Amounts due to group undertakings	<u>26,759</u>	<u>22,414</u>

R & R Tofu Limited

Notes to the Financial Statements For the Year Ended 31 December 2020

9. Share capital

	2020 £	2019 £
Allotted, called up and fully paid		
1,128,335 ordinary A shares shares of £0.18 each	203,100	203,100
411,501 ordinary B shares shares of £1.00 each	411,501	411,500
	<u>614,601</u>	<u>614,600</u>

The ordinary shares each carry one voting right. The pre-emption rights of the B shareholders ranks below the A shareholders. The first £411,501 of dividend that the company pays will go to B shareholder's.

10. Reserves

The company's capital and reserves are as follows:

Called up share capital

Called up share capital represents the nominal value of the shares issued.

Share premium account

The share premium account includes the premium on issue of equity shares, net of any issue costs.

Profit and loss account

The profit and loss account represents cumulative profits or losses, net of dividends paid and other adjustments.

11. Related party transactions

The company has taken advantage of the exemption available in Section 33.1A of FRS 102 whereby it has not disclosed transactions with the ultimate parent company or any wholly owned subsidiary undertaking of the group.

12. Controlling party

The ultimate controlling party is Mr David Knibbs & Mrs Lydia Smith, these company directors control the company by virtue of their majority shareholding.

13. Auditor's information

An audit of the company's financial statements was carried out by BDO LLP as statutory auditor who reported to the company's members on 30 June 2021. The auditor's report was signed by Neil Ebdon as senior statutory auditor and was unqualified.