

Registered number: 09406975

AUTUMN FOODS HOLDINGS LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022



AUTUMN FOODS HOLDINGS LIMITED

COMPANY INFORMATION

Directors	Mr G M Buchanan Mr W E Buchanan Mr S A Harley Mr G C Long (appointed 21 April 2022) Mr J M Reid
Registered number	09406975
Registered office	Loomswood Farms Hasketon Woodbridge Suffolk IP13 6JW
Independent auditors	Larking Gowen LLP Chartered Accountants & Statutory Auditors 1st Floor Prospect House Rouen Road Norwich NR1 1RE

AUTUMN FOODS HOLDINGS LIMITED

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AUTUMN FOODS HOLDINGS LIMITED

GROUP STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

Introduction

The directors present the Group Strategic Report for the year ended 31 December 2022. The principal activity of the Group continued to be that of import and distribution of fresh and frozen food products.

Business review

Throughout the period the Group was engaged in the import and export of the highest quality meat, poultry and game.

The Group has responded to global economic challenges by continually reviewing their effect on its markets. The Group has used forward currency contracts to reduce this exposure to exchange rate mechanisms whilst also dealing with more European suppliers in Sterling.

The trading subsidiary, Reids of Norwich Limited, is BRCGS accredited showing that it meets the requirements in the Global Standard for Agents and Brokers and holds Authorised Economic Operator (AEO) certification.

The Group has continued to generate good profits and the directors are pleased with the performance of the business.

The Group continues to credit risk assess its customers, only dealing with those deemed to be strong. The Group works with suppliers who constantly produce quality, value products whilst also adhering to regulatory requirements.

The Group is well financed and is able to manage its working capital requirements. Trading in the first part of the new financial year remains strong.

Principal risks and uncertainties

The management of the business and the execution of the Group's strategy are subject to a number of risks and uncertainties. The key business risks and uncertainties affecting the Group are considered to be competition and the general economic climate as a whole.

Treasure operations and financial instruments

The Group operates a centralised treasury function which is responsible for managing the liquidity, interest and foreign currency risk associated with the Group's activities. The Group's principal financial instruments include invoice financing; in addition, the Group has various other financial assets and liabilities such as trade receivables and trade payables arising directly from its operations.

Liquidity risk

The Group manages its cash and borrowing requirements centrally to maximise interest income and minimise interest expense, whilst ensuring that the Group has sufficient liquid resources to meet the operating needs of its business.

Foreign currency risk

The Group's principal foreign currency exposures arise from trading operations in overseas countries. The risk is effectively managed through increasing the geographical spread of sales and the operation of bank accounts in foreign currencies as well as entering into foreign exchange contracts to minimise exposure.

AUTUMN FOODS HOLDINGS LIMITED

GROUP STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

Impact of Global events

At the time of signing the financial statements, the directors have considered the continuing impact of the war in Ukraine together with the current pressures on the UK and wider Global economy and how these impact on the supply chain. The Group continues to monitor product availability, pricing and lead times closely and continues to work with suppliers to manage those risks.

The directors consider that the financial strength of the Group, when taking account of the current customer base held, the levels of insurance taken and the low operating cost base as well as operating from their Group owned premises, remains strong. The directors believe that these strengths will allow the Group to continue to meet its customers' requirements for the foreseeable future.

Financial key performance indicators

The directors consider that the key financial performance indicators are those that communicate the financial position and strengths of the Group as a whole, these being turnover, gross profit margin and operating margin.

Turnover has increased from £56,766,392 in 2021 to £81,631,912 in the year, driven by increases in the price of poultry together with an increase in market share. The Group has seen a small decrease in gross margin from 7.7% to 6.4%. Additionally, the Group has seen a stable operating margin of approximately 2% for the year.

The consolidated statement of financial position shows that the net assets at the year end have increased from £4,601,069 to £5,824,273. This is due to the continued profitability of the Group throughout the year.

This report was approved by the board and signed on its behalf.



Mr G C Long
Director

Date: 21/04/23

AUTUMN FOODS HOLDINGS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

The directors present their report and the financial statements for the year ended 31 December 2022.

Directors' responsibilities statement

The directors are responsible for preparing the Group Strategic Report, the Directors' Report and the consolidated 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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 the Group and of the profit or loss of the Group for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Group's financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group 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 the Group and to 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 the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Results and dividends

The profit for the year, after taxation, amounted to £1,223,204 (2021 - £969,828).

Total comprehensive income for the year amounted to £1,223,204 (2021 - £1,020,692).

There was no dividend proposed for the year (2021 - £Nil).

Directors

The directors who served during the year were:

Mr G M Buchanan
Mr W E Buchanan
Mr S A Harley
Mr G C Long (appointed 21 April 2022)
Mr J M Reid

Future developments

The Group plans to continue to support existing customers whilst expanding its markets where suitable opportunities arise.

AUTUMN FOODS HOLDINGS LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

Matters covered in the Group Strategic Report

Information on exposure to risks is covered in the Strategic report.

Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company and the Group's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company and the Group's auditors are aware of that information.

This report was approved by the board and signed on its behalf.



Mr G C Long
Director

Date: 21/04/23

AUTUMN FOODS HOLDINGS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AUTUMN FOODS HOLDINGS LIMITED

Opinion

We have audited the financial statements of Autumn Foods Holdings Limited (the 'parent Company') and its subsidiaries (the 'Group') for the year ended 31 December 2022, which comprise the Group Statement of Comprehensive Income, the Group and Company Statements of Financial Position, the Group Statement of Cash Flows, the Group and Company Statement of Changes in Equity and the related notes, including a summary of 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 Group's and of the parent Company's affairs as at 31 December 2022 and of the Group's 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 Group's or the parent 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 Auditors' 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.

AUTUMN FOODS HOLDINGS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AUTUMN FOODS HOLDINGS LIMITED (CONTINUED)

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Group 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 Group Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and the parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group 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 by the parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent Company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' 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 set out on page 3, 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 Group's and the parent 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 Group or the parent Company or to cease operations, or have no realistic alternative but to do so.

AUTUMN FOODS HOLDINGS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AUTUMN FOODS HOLDINGS LIMITED (CONTINUED)

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Group 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.

Due to the field in which the Group operates, we identified the following areas as those most likely to have a material impact on the financial statements: Foods Standard Agency and Environment Agency regulations; BRC accreditation; employment law; and compliance with the UK Companies Act.

The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud, is detailed below:

- Enquiries with management about any known or suspected instances of non-compliance with laws and regulations, accidents in the workplace and fraud;
- Challenging assumptions and judgements made by management in their significant accounting estimates, in particular in relation to property valuation and goodwill;
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness and evaluating the business rationale of significant transactions outside the normal course of business;
- Reviewing the accreditation and appropriateness of storage providers and enquiries with management for any known incidents which may impact on the financial statements;
- Reviewing the minutes of board meetings for evidence of matters which may impact on the financial statements; and
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.

Due to the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our Auditors' Report.

AUTUMN FOODS HOLDINGS LIMITED

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF AUTUMN FOODS HOLDINGS LIMITED
(CONTINUED)**

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 Auditors' 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.



Charles Savory FCA (Senior Statutory Auditor)

for and on behalf of
Larking Gowen LLP

Chartered Accountants
Statutory Auditors

1st Floor Prospect House
Rouen Road
Norwich
NR1 1RE

Date: 21/4/23

AUTUMN FOODS HOLDINGS LIMITED

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Note	2022 £	2021 £
Turnover	4	81,631,912	56,766,392
Cost of sales		(76,389,980)	(52,398,359)
Gross profit		5,241,932	4,368,033
Administrative expenses		(3,640,684)	(3,101,039)
Other operating income	5	4,320	4,320
Operating profit	6	1,605,568	1,271,314
Interest payable and similar expenses	10	(30,595)	(12,346)
Profit before taxation		1,574,973	1,258,968
Tax on profit	11	(351,769)	(289,140)
Profit for the financial year		1,223,204	969,828
Unrealised surplus on revaluation of tangible fixed assets		-	76,000
Deferred tax relating to revalued tangible fixed assets		-	(25,136)
Total comprehensive income for the year		1,223,204	1,020,692
Profit for the year attributable to:			
Owners of the parent Company		1,223,204	969,828
		1,223,204	969,828

There were no recognised gains and losses for 2022 or 2021 other than those included in the consolidated statement of comprehensive income.

The notes on pages 16 to 34 form part of these financial statements.

AUTUMN FOODS HOLDINGS LIMITED
REGISTERED NUMBER: 09406975

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2022

	Note	2022 £	2021 £
Fixed assets			
Intangible assets	13	911,709	1,116,802
Tangible assets	14	507,000	520,000
		<u>1,418,709</u>	<u>1,636,802</u>
Current assets			
Stocks	16	1,719,447	1,433,622
Debtors: amounts falling due within one year	17	13,071,970	7,618,600
Cash at bank and in hand	18	1,629,377	361,618
		<u>16,420,794</u>	<u>9,413,840</u>
Creditors: amounts falling due within one year	19	(11,963,033)	(6,397,666)
Net current assets		<u>4,457,761</u>	<u>3,016,174</u>
Total assets less current liabilities		<u>5,876,470</u>	<u>4,652,976</u>
Provisions for liabilities			
Deferred taxation	20	(52,197)	(51,907)
Net assets		<u><u>5,824,273</u></u>	<u><u>4,601,069</u></u>
Capital and reserves			
Called up share capital	21	73,500	73,500
Share premium account	22	28,752	28,752
Revaluation reserve	22	107,837	110,687
Profit and loss account	22	5,614,184	4,388,130
		<u><u>5,824,273</u></u>	<u><u>4,601,069</u></u>

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


Mr G C Long
 Director

Date: 21/04/23


The notes on pages 16 to 34 form part of these financial statements.

AUTUMN FOODS HOLDINGS LIMITED
REGISTERED NUMBER: 09406975

COMPANY STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2022

	Note	2022 £	2021 £
Fixed assets			
Investments	15	4,539,949	4,539,949
		<u>4,539,949</u>	<u>4,539,949</u>
Creditors: amounts falling due within one year	19	(1,823,426)	(2,573,426)
Net current liabilities		<u>(1,823,426)</u>	<u>(2,573,426)</u>
Total assets less current liabilities		<u>2,716,523</u>	<u>1,966,523</u>
Net assets		<u>2,716,523</u>	<u>1,966,523</u>
Capital and reserves			
Called up share capital	21	73,500	73,500
Share premium account	22	28,752	28,752
Profit and loss account brought forward		1,864,271	1,114,271
Profit for the year		750,000	750,000
Profit and loss account carried forward		2,614,271	1,864,271
		<u>2,716,523</u>	<u>1,966,523</u>

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


Mr G C Long
 Director

Date: 21/04/23

The notes on pages 16 to 34 form part of these financial statements.

AUTUMN FOODS HOLDINGS LIMITED

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Called up share capital £	Share premium account £	Revaluation reserve £	Profit and loss account £	Total equity £
At 1 January 2021	73,500	28,752	90,600	3,387,525	3,580,377
Comprehensive income for the year					
Profit for the year	-	-	-	969,828	969,828
Surplus on revaluation of freehold property	-	-	76,000	-	76,000
Deferred tax on revaluation of freehold property	-	-	(25,136)	-	(25,136)
Transfer between reserves	-	-	(30,777)	30,777	-
At 1 January 2022	73,500	28,752	110,687	4,388,130	4,601,069
Profit for the year	-	-	-	1,223,204	1,223,204
Transfer between reserves	-	-	(2,850)	2,850	-
At 31 December 2022	73,500	28,752	107,837	5,614,184	5,824,273

The notes on pages 16 to 34 form part of these financial statements.

AUTUMN FOODS HOLDINGS LIMITED

**COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Called up share capital £	Share premium account £	Profit and loss account £	Total equity £
At 1 January 2021	73,500	28,752	1,114,271	1,216,523
Profit for the year	-	-	750,000	750,000
At 1 January 2022	73,500	28,752	1,864,271	1,966,523
Profit for the year	-	-	750,000	750,000
At 31 December 2022	73,500	28,752	2,614,271	2,716,523

The notes on pages 16 to 34 form part of these financial statements.

AUTUMN FOODS HOLDINGS LIMITED

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 DECEMBER 2022**

	2022	2021
	£	£
Cash flows from operating activities		
Profit for the financial year	1,223,204	969,828
Adjustments for:		
Amortisation of intangible assets	255,093	250,093
Depreciation of tangible assets	13,000	12,000
Interest paid	30,595	12,346
Taxation charge	351,769	289,140
Increase in stocks	(285,825)	(108,713)
Increase in debtors	(5,034,273)	(821,021)
Increase in loans to related parties	(450,000)	-
Increase in creditors	3,159,875	1,110,778
Corporation tax paid	(497,264)	(198,200)
Net cash generated from operating activities	(1,233,826)	1,516,251
Cash flows from investing activities		
Purchase of intangible fixed assets	(50,000)	-
Net cash from investing activities	(50,000)	-
Cash flows from financing activities		
Movements on invoice discounting	2,582,180	(1,470,320)
Interest paid	(30,595)	(12,346)
Net cash used in financing activities	2,551,585	(1,482,666)
Net increase in cash and cash equivalents	1,267,759	33,585
Cash and cash equivalents at beginning of year	361,618	328,033
Cash and cash equivalents at the end of year	1,629,377	361,618
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	1,629,377	361,618
	1,629,377	361,618

The notes on pages 16 to 34 form part of these financial statements.

AUTUMN FOODS HOLDINGS LIMITED

**CONSOLIDATED ANALYSIS OF NET DEBT
FOR THE YEAR ENDED 31 DECEMBER 2022**

	At 1 January 2022 £	Cash flows £	At 31 December 2022 £
Cash at bank and in hand	361,618	1,267,759	1,629,377
Invoice discounting creditor	-	(2,551,277)	(2,551,277)
Invoice discounting debtor	197,539	(30,903)	166,636
	<u>559,157</u>	<u>(1,314,421)</u>	<u>(755,264)</u>

The notes on pages 16 to 34 form part of these financial statements.

AUTUMN FOODS HOLDINGS LIMITED

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

1. General information

Autumn Foods Holdings Limited is a private company limited by shares and incorporated in England and Wales, registration number 09406975. The registered office is Loomswood Farms, Hasketon, Woodbridge, Suffolk, IP13 6JW.

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 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 FRS 102 requires the use of certain critical accounting estimates. It also requires Group management to exercise judgement in applying the Group's accounting policies (see note 3).

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Comprehensive Income in these financial statements.

The financial statements are presented in Sterling which is the functional currency of the Company and rounded to the nearest £.

The following principal accounting policies have been applied:

2.2 Basis of consolidation

In the parent company financial statements, the cost of a business combination is the fair value at the acquisition date of the assets given, equity instruments issued and liabilities incurred or assumed, plus costs directly attributable to the business combination. The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill. The cost of the combination includes the estimated amount of contingent consideration that is probable and can be measured reliably, and is adjusted for changes in contingent consideration after the acquisition date. Provisional fair values recognised for business combinations in previous periods are adjusted retrospectively for final fair values determined in the 12 months following the acquisition date. Investments in subsidiaries, joint ventures and associates are accounted for at cost less impairment.

The consolidated financial statements incorporate those of Autumn Foods Holdings Limited and all of its subsidiaries (i.e. entities that the Group controls through its power to govern the financial and operating policies so as to obtain economic benefits).

All financial statements are made up to 31 December 2022. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the Group.

All intra-group transactions, balances and unrealised gains on transactions between Group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

AUTUMN FOODS HOLDINGS LIMITED

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

2. Accounting policies (continued)

2.3 Going concern

The directors have considered the continuing impact of the war in Ukraine together with the current pressures on the UK and wider Global economy and how these impact on the supply chain. The Group continues to monitor product availability, pricing and lead times closely and continues to work with suppliers to manage those risks.

The directors consider that the financial strength of the Group, when taking account of the current customer base held, the levels of insurance taken and the low operating cost base as well as operating from their Group owned premises, remains strong. The directors believe that these strengths will allow the Group to continue to meet its customers' requirements for the foreseeable future.

Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

2.4 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

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

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

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

2.5 Turnover

Turnover comprises income recognised by the Group in respect of the sale of fresh and frozen food products.

Turnover is recognised at the fair value of the consideration received or receivable for goods provided 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.

Turnover 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 delivery), the amount of turnover 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.

AUTUMN FOODS HOLDINGS LIMITED

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

2. Accounting policies (continued)

2.6 Operating leases: the Group as lessee

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

2.7 Finance costs

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

2.8 Pensions

Defined contribution pension plan

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

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Group in independently administered funds.

2.9 Current and deferred taxation

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

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

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

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

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

AUTUMN FOODS HOLDINGS LIMITED

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

2. Accounting policies (continued)

2.10 Intangible assets

Goodwill represents the excess of the cost of acquisition of a business over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which has been assessed by the directors at year end as 10 years.

Other 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.

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

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:

Customer relationships - 5 years

2.11 Tangible fixed assets

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

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

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

Depreciation is provided on the following basis:

Freehold property	- 2.5% per annum
Fixtures and fittings	- 2 - 25% per annum

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

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

AUTUMN FOODS HOLDINGS LIMITED

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

2. Accounting policies (continued)

2.12 Revaluation of tangible fixed assets

Individual freehold and leasehold properties are carried at current year value at fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are undertaken with sufficient regularity to ensure the carrying amount does not differ materially from that which would be determined using fair value at the reporting date.

Fair values are determined from market based evidence normally undertaken by professionally qualified valuers.

Revaluation gains and losses are recognised in other comprehensive income unless losses exceed the previously recognised gains or reflect a clear consumption of economic benefits, in which case the excess losses are recognised in profit or loss.

2.13 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.14 Stocks

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

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

2.15 Debtors

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

2.16 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.

In the Consolidated Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

2.17 Creditors

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

AUTUMN FOODS HOLDINGS LIMITED

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

2. Accounting policies (continued)

2.18 Provisions for liabilities

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

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

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

2.19 Financial instruments

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 Consolidated Statement of Comprehensive Income.

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 Group 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.

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 income as appropriate. The company does not currently apply hedge accounting for interest rate and foreign exchange derivatives.

2.20 Factoring arrangements

Where debts are assigned to a factor who has full recourse to the Company for its losses, the gross amount of the relevant debts are shown in debtors and the proceeds received from the factor are included within liabilities.

AUTUMN FOODS HOLDINGS LIMITED

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

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

The preparation of the financial statements requires management to make judgements, estimates and assumptions that impact the amounts reported for assets and liabilities as at the statement of financial position date and the amounts reported as revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

Valuation of fixed assets

Freehold property is carried in the accounts at fair value. The determination thereof is an estimate that involves application of judgement. Details of the valuation is given in note 14.

Goodwill

An estimation is made in relation to the recoverability and useful economic life of goodwill. In determining the question of goodwill the directors have concluded that there are no separable intangible assets. See note 13.

4. Turnover

All turnover is derived from the principal activities of the Group.

Analysis of turnover by country of destination:

	2022 £	2021 £
United Kingdom	72,770,745	50,867,065
Rest of Europe	8,861,167	5,899,327
	<u>81,631,912</u>	<u>56,766,392</u>

5. Other operating income

	2022 £	2021 £
Rental income and service charges	4,320	4,320
	<u>4,320</u>	<u>4,320</u>

AUTUMN FOODS HOLDINGS LIMITED

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

6. Operating profit

The operating profit is stated after charging:

	2022	2021
	£	£
Other operating lease rentals	-	7,486

7. Auditors' remuneration

	2022	2021
	£	£
Fees payable to the Group's auditors and its associates for the audit of the Group's financial statements	12,300	11,200

8. Employees

Staff costs, including directors' remuneration, were as follows:

	Group 2022	<i>Group 2021</i>	Company 2022	<i>Company 2021</i>
	£	£	£	£
Wages and salaries	1,913,428	1,689,543	-	-
Social security costs	237,516	210,611	-	-
Cost of defined contribution scheme	121,924	139,883	-	-
	2,272,868	2,040,037	-	-

The average monthly number of employees, including the directors, during the year was as follows:

	2022	2021
	No.	No.
Sales and marketing	12	12
Logistics	5	5
Administration	6	5
	23	22

The Company has no employees other than the directors, who did not receive any remuneration (2021-£nil) through the Company.

AUTUMN FOODS HOLDINGS LIMITED

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

9. Directors' remuneration

	2022	2021
	£	£
Directors' emoluments	125,864	151,961
Group contributions to defined contribution pension schemes	15,863	1,319
	141,727	153,280

During the year retirement benefits were accruing to 2 directors (2021 - 1) in respect of defined contribution pension schemes.

The directors of the parent company and subsidiary companies are considered to be the key management personnel of the Group. Total remuneration paid to key management personnel was £813,349 (2021 - £815,679).

No key management personnel are remunerated through Autumn Foods Holdings Limited, only through its subsidiary companies.

10. Interest payable and similar expenses

	2022	2021
	£	£
Bank interest payable	60	148
Other interest payable	30,535	12,198
	30,595	12,346

AUTUMN FOODS HOLDINGS LIMITED

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

11. Taxation

	2022 £	2021 £
Corporation tax		
Current tax on profits for the year	351,479	289,393
Adjustments in respect of previous periods	-	(502)
Total current tax	351,479	288,891
Deferred tax		
Origination and reversal of timing differences	221	(254)
Changes to tax rates	69	-
Adjustments in respect of prior periods	-	503
Total deferred tax	290	249
Taxation on profit on ordinary activities	351,769	289,140

AUTUMN FOODS HOLDINGS LIMITED

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

11. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2021 - *higher than*) the standard rate of corporation tax in the UK of 19% (2021 - 19%). The differences are explained below:

	2022 £	2021 £
Profit on ordinary activities before tax	<u>1,574,973</u>	<u>1,258,968</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021 - 19%)	299,245	239,204
Effects of:		
Non-tax deductible amortisation of goodwill and impairment	47,518	47,518
Expenses not deductible for tax purposes	1,658	655
Capital allowances for year in excess of depreciation	3,279	2,280
Remeasurement of deferred tax for changes in rates	69	(518)
Adjustments to tax charge in respect of prior periods	-	1
Total tax charge for the year	<u>351,769</u>	<u>289,140</u>

Factors that may affect future tax charges

The Finance Act 2021 includes an increase in the rate of corporation tax from 19% to 25% with effect from 1 April 2023.

12. Parent company profit for the year

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Comprehensive Income in these financial statements. The profit after tax of the parent Company for the year was £750,000 (2021 - £750,000).

AUTUMN FOODS HOLDINGS LIMITED

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

13. Intangible assets

Group

	Customer relationships £	Goodwill £	Total £
Cost			
At 1 January 2022	-	2,500,935	2,500,935
Additions	50,000	-	50,000
At 31 December 2022	<u>50,000</u>	<u>2,500,935</u>	<u>2,550,935</u>
Amortisation			
At 1 January 2022	-	1,384,133	1,384,133
Charge for the year	5,000	250,093	255,093
At 31 December 2022	<u>5,000</u>	<u>1,634,226</u>	<u>1,639,226</u>
Net book value			
At 31 December 2022	<u>45,000</u>	<u>866,709</u>	<u>911,709</u>
At 31 December 2021	<u>-</u>	<u>1,116,802</u>	<u>1,116,802</u>

During the year the Group purchased the wholesale trading business of Peter Thompson Group Limited, a company under common control, for consideration of £50,000.

The Company had no intangible assets at 31 December 2022 or 31 December 2021.

AUTUMN FOODS HOLDINGS LIMITED

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

14. Tangible fixed assets

Group

	Freehold property £	Fixtures and fittings £	Total £
Cost or valuation			
At 1 January 2022	520,000	3,987	523,987
At 31 December 2022	520,000	3,987	523,987
Depreciation			
At 1 January 2022	-	3,987	3,987
Charge for the year on owned assets	13,000	-	13,000
At 31 December 2022	13,000	3,987	16,987
Net book value			
At 31 December 2022	507,000	-	507,000
At 31 December 2021	520,000	-	520,000

The freehold land and buildings were revalued on 6 October 2021 by Roche Chartered Surveyors, a firm of chartered surveyors, on a market value at vacant possession basis at £520,000. The directors consider that the valuation at 31 December 2022 is £507,000.

If the land and buildings had not been included at valuation they would have been included under the historical cost convention as follows:

	2022 £	2021 £
Group		
Cost	406,000	406,000
Accumulated depreciation	(60,900)	(50,750)
Net book value	345,100	355,250

The company had no tangible fixed assets as at 31 December 2022 or 31 December 2021.

AUTUMN FOODS HOLDINGS LIMITED

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

15. Fixed asset investments

Company

	Investments in subsidiary companies £
Cost	
At 1 January 2022	7,248,276
At 31 December 2022	<u>7,248,276</u>
Impairment	
At 1 January 2022	2,708,327
At 31 December 2022	<u>2,708,327</u>
Net book value	
At 31 December 2022	<u><u>4,539,949</u></u>
At 31 December 2021	<u><u>4,539,949</u></u>

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Class of shares	Holding
Autumn Foods Limited	Ordinary	100%
Reids of Norwich Limited	Ordinary	100%

The registered office of both subsidiary companies is Golden Lion House, 15 St. John Maddermarket, Norwich, Norfolk, England, NR2 1DN.

The principal activity of Reids of Norwich Limited is the import and export of poultry meat. Autumn Foods Limited was dormant for the year ended 31 December 2022.

AUTUMN FOODS HOLDINGS LIMITED

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

16. Stocks

	Group 2022 £	<i>Group 2021 £</i>
Finished goods and goods for resale	1,719,447	<i>1,433,622</i>

Stocks are stated net of provisions of £27,002 (2021: £16,743).

The company had no stocks at 31 December 2022 or 31 December 2021.

17. Debtors

	Group 2022 £	<i>Group 2021 £</i>
Trade debtors	12,206,983	<i>7,314,325</i>
Loans made to related parties	450,000	<i>-</i>
Other debtors	301,538	<i>242,400</i>
Prepayments and accrued income	113,449	<i>61,875</i>
	13,071,970	<i>7,618,600</i>

Trade debtors are stated net of provisions of £Nil (2021 - £15,235). A bad debt expense of £6,208 (2021 - £42,826) was recognised as an administrative expense during the year.

During the year Reids of Norwich Limited, a subsidiary company, made a loan of £450,000 to Gressingham Smithfield Limited, a company under common control. This loan is interest free and repayable in the coming year.

The company had no debtors at 31 December 2022 or 31 December 2021.

18. Cash and cash equivalents

	Group 2022 £	<i>Group 2021 £</i>
Cash at bank and in hand	1,629,377	<i>361,618</i>

The company had no cash or cash equivalents at 31 December 2022 or 31 December 2021.

AUTUMN FOODS HOLDINGS LIMITED

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

19. Creditors: Amounts falling due within one year

	Group 2022 £	<i>Group 2021 £</i>	Company 2022 £	<i>Company 2021 £</i>
Trade creditors	8,597,640	5,646,102	-	-
Amounts owed to group undertakings	-	-	1,709,187	2,459,187
Corporation tax	143,608	289,393	-	-
Other taxation and social security	234,808	188,894	-	-
Proceeds of factored debts	2,551,277	-	-	-
Other creditors	188,833	183,068	114,239	114,239
Accruals and deferred income	246,867	90,209	-	-
	<u>11,963,033</u>	<u>6,397,666</u>	<u>1,823,426</u>	<u>2,573,426</u>

The invoice financing facility is secured by a fixed and floating charge over Group assets.

Whilst there are no terms relating to the amount owed by the parent company to its subsidiaries, it is unlikely to be fully repaid in the foreseeable future since the parent's primary asset is its investment in its subsidiaries. An intercompany dividend in the current year of £750,000 saw the balance reduce in the year ended 31 December 2022.

20. Deferred taxation

Group

	2022 £
At beginning of year	(51,907)
Charged to profit or loss	(290)
At end of year	<u>(52,197)</u>

The provision for deferred taxation is made up as follows:

	Group 2022 £	<i>Group 2021 £</i>
Accelerated capital allowances	1,865	2,156
Capital gains	(54,062)	(54,063)
	<u>(52,197)</u>	<u>(51,907)</u>

AUTUMN FOODS HOLDINGS LIMITED

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

21. Share capital

	2022	2021
	£	£
Allotted, called up and fully paid		
73,500 (2021 - 73,500) Ordinary shares of £1 each	73,500	73,500

22. Reserves

Share premium account

Represents the nominal value of shares that have been issued.

Revaluation reserve

This reserve is used to record increases in fair value of the freehold property and decreases to the extent that the decrease relates to an increase on the same asset.

Profit and loss account

Includes all current and prior period retained profits and losses.

23. Pension commitments

The company offers a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £121,924 (2021: £139,883). Contributions totalling £250 (2021: £250) were payable to the fund at the balance sheet date.

24. Commitments under operating leases

The Group and the Company had no commitments under non-cancellable operating leases at the reporting date.

AUTUMN FOODS HOLDINGS LIMITED

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

25. Derivatives

The Group entered into forward exchange contracts to buy specific amounts of foreign currency in the future at a predetermined exchange rate. Forward exchange contracts are entered into anticipating foreign currency receipts of payments for supplier orders. The Group does not use derivative financial instruments for speculative purposes.

These contracts expire at various dates between 5 January 2023 and 27 January 2023. A summary of the net amount of currency to be purchased under these exchange rate contracts is given below:

	2022	2021
Group		
Euro (EUR) purchased	4,120,000	5,330,000

Fair Value

The directors have obtained a period end valuation of the foreign exchange contracts from the Group's bank which states a fair value of £71,759 in favour of the Group (2021: £43,931 in favour of the bank). The Group does not recognise these on the statement of financial position under the grounds of materiality.

AUTUMN FOODS HOLDINGS LIMITED

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

26. Related party transactions

The joint majority shareholders of Autumn Foods Holdings Limited are Mr W and Mr G Buchanan who are also majority shareholders and members in Green Label Foods Limited and Green Label Poultry Limited collectively known as the Gressingham Group.

During the year Reids of Norwich Limited, a subsidiary company of Autumn Foods Holdings Limited, made sales of £9,096,356 (2021: £7,338,850) to Green Label Foods Limited. Reids of Norwich Limited also made purchases of £2,963 (2021: £643,442) from Green Label Foods Limited. At the year end a debtor of £613,636 (2021: £745,167) was owed in respect of these transactions.

A management fee of £458,666 (2021: £250,000) was charged in the year from Green Label Foods Ltd to Reids of Norwich Limited. At the year end a prepayment of £83,334 (2021: £42,000) was recognised and a creditor of £300,000 (2021: £Nil) was outstanding in relation to these management charges.

During the year Reids of Norwich Limited made sales of £1,231,122 (2021: £717,487) with J.F. Edwards (Smithfield) Limited, a company under common control by Mr W and Mr G Buchanan. At the year end a debtor of £87,879 (2021: £31,807) was owed in respect of these transactions.

During the year Reids of Norwich Limited made sales of £259,575 and purchases of £97,275 with Peter Thompson Group Limited, a company that came under common control of Mr W and Mr G Buchanan in the year. At the year end a debtor of £8,472 and creditor of £210 was outstanding in respect of these transactions.

During the year the Reids of Norwich Limited purchased the wholesale trading business of Peter Thompson Group Limited, a company under common control of Mr W and Mr G Buchanan, for consideration of £50,000. In addition, during the year Reids of Norwich Limited made a loan of £500,000 to Gressingham Smithfield Limited, a company under common control of Mr W and Mr G Buchanan. The amount outstanding at year end of £450,000 is included within loans made to related parties, see note 17.

At 31 December 2022, the Gressingham Group and its majority shareholders were owed £114,239 (2021: £114,239) by Autumn Foods Holdings Limited in respect of the acquisitions of Autumn Foods Limited and Reids of Norwich Limited.

The Group has taken advantage of the exemption to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member.

27. Controlling party

The ultimate controlling parties of the Company are considered to be Geoff Buchanan and William Buchanan through their nominee companies G.M.B. Nominees Limited and W.E.B Nominees Limited.