

THATCHERS CIDER COMPANY LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 AUGUST 2022



THATCHERS CIDER COMPANY LIMITED

COMPANY INFORMATION

DIRECTORS

Digby Jones
Martin Thatcher
Charlotte Boyle
Robert Davis
Gary Delafield
Mark Jelbert (appointed 23 November 2021)
Christopher Milton
Lance Moir
Jonathan Nixon (appointed 31 October 2022)
Robert Sandall

REGISTERED NUMBER

00550634

REGISTERED OFFICE

Myrtle Farm
Station Road
Sandford
Winscombe
Somerset
BS25 5RA

INDEPENDENT AUDITORS

Bishop Fleming LLP
Chartered Accountants & Statutory Auditors
10 Temple Back
Bristol
BS1 6FL

BANKERS

HSBC Bank plc
Weston-Super-Mare
Somerset
BS23 1JE

THATCHERS CIDER COMPANY LIMITED

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**STRATEGIC REPORT
FOR THE YEAR ENDED 31 AUGUST 2022**

The Directors present their strategic report and the financial statements for the year ended 31 August 2022.

BUSINESS REVIEW AND FUTURE DEVELOPMENTS

Thatchers Cider is a fourth-generation cider maker, established in 1904, and operating, as it has for the last 118 years, from its family farm in the heart of Somerset. With a deep-rooted ethos of producing quality, premium ciders sustainably, Thatchers is best known for its leading cider brands including Thatchers Gold and Thatchers Haze, sold throughout the UK in both the on and off-trade channels.

Set against a background of a disrupted market due to the continuing effects of Covid-19 challenges and staff shortages, particularly within the hospitality industry, and the more recent effects of rising energy costs and the cost-of-living crisis, the growth of the Thatchers range of premium ciders continued to out-perform the total cider market during this period. As the number one family-owned cider maker in the UK, and the UK's second largest cider maker, Thatchers has increased its market share once again to 14% of total market.

With our portfolio of premium brands in both packaged and draught formats, we continued to see impressive growth for our ciders, flagship brand Thatchers Gold being the number one apple cider for brand growth, and Thatchers Haze the UK's number one cloudy apple cider.

Thanks to the ability through continued investment and close customer relationships to react quickly to customer demands, Thatchers succeeded in growing its off-trade channel share to 13% of the market in this period.

The dynamic of the cider market is changing, impacted significantly by external forces affecting the hospitality industry. On-trade volumes have been recovering from Covid challenges and in fact now exceed 2019 levels.

The Directors believe the company is well positioned to continue to grow with its continued emphasis on the production of premium ciders to the absolute highest quality standards. Thatchers sells its ciders throughout the UK, as well as in over 25 countries internationally. We pride ourselves in developing new, innovative ciders aligned with ever changing market and consumer expectations, whilst upholding our reputation for quality.

During this period, we introduced two new innovations. Thatchers Blood Orange Cider became the biggest cider launch of 2022, reflecting the market appetite for new and exciting products. Our revolutionary Fusion Font, featuring three fruit flavours, has been installed in well over 1,000 hospitality outlets this year.

As a family run, independent company, Thatchers places the highest importance on investing back into the company to achieve its aims.

As such, we continued with our established programme of investment in plant and machinery in line with our strategic plan. This plan places the utmost importance on producing the highest quality ciders and achieving the highest levels of customer service. During the year a further £12m (2021: £2m) was invested in our production facility and a further £14m was committed in the construction of an automated warehouse system.

The state-of-the-art, sustainably built warehouse will allow us to reach the highest levels of efficiency in our logistics operations, whilst providing increased on-site storage capacity to meet customer demand. Furthermore, it will significantly reduce the number of journeys made by our lorries, with all product storage being brought on site to Myrtle Farm.

The strategic direction of the company is continuously assessed by the Directors to ensure that the company remains aligned with ever changing market and consumer expectations.

The Directors believe the company has established a strong market position and intend to continue to re enforce the company's standing across all routes to market.

STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022

PRINCIPAL RISKS AND UNCERTAINTIES

The **environment and sustainability** are at the forefront of the company's agenda. The Directors continue to review and develop programmes to reduce energy consumption and the need for plastics and packing materials throughout the production process and supply chain.

The ongoing effects of **rising energy costs and the cost-of-living crisis**, for our staff, our company, our customers and our consumers, is an area for concern. As a producer we continue to experience rapidly increasing costs arising from raw materials and **energy**.

Rising inflation is an ongoing concern, for all businesses including our own.

Alongside global economic issues we are faced with ongoing uncertainties associated with Government and industry changes, that will put the cider industry, a British success story, under even more pressure.

Of serious concern is the Government review of the **duty band system** and its potential significant impact on the cider industry, together with further increases in alcohol duty levels, making cider uncompetitive against other drinks categories. We are an active member of the National Association of Cider Makers and support their lobbying for the industry.

The proposed introduction of the **Deposit Return Scheme in Scotland** from August 2023 would prove demanding both logistically and financially. We are looking at how the proposals would work in practice and how we would mitigate the financial implications. We are monitoring carefully as to its possible extension within other markets.

The **Extended Producer Responsibility** requirements from 2024 will encourage producers to use less packaging and use more recyclable materials. We are continually working on reducing the environmental impact of our packaging and are reviewing how these new requirements will affect our business.

Potential changes to rules in Scotland for the **promotion, marketing and sponsorship of alcohol** will have implications across the industry. We remain a committed member of the industry regulator, The Portman Group abiding by their extensive voluntary codes of conduct.

FINANCIAL KEY PERFORMANCE INDICATORS

Turnover for the year increased by 23.3% (£29.4m) to £155.5m.

This turnover equates to £704,000 per headcount whilst the company continues to grow and develop its employee base further.

Operating profit percentage was 10.9% of turnover (2021: 11.3%).

**STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2022**

RESEARCH AND DEVELOPMENT ACTIVITIES

Thatchers and its Directors continue to actively participate in the furtherance of the cider industry whilst running its own core research and development projects. We take our responsibilities to the environment seriously and continue to invest to reduce our carbon footprint. This involves continued innovations in packaging, in particular reducing the amount of plastic used; in energy generation; and in the reduction of waste.

We continue to invest in the development of our Somerset orchards, and through trials we are looking ahead to determine the varieties of apple that will meet the needs of future consumer tastes. In this period, we have invested in a trial of dessert apple varieties, planting some 3,000 trees, which we will monitor for their cider making suitability. We continue to work closely with the University of Bristol in a scientific research project that reveals the DNA fingerprinting of apple varieties, aiding future variety development. We have over 500 acres of our own orchards, with 180,000 apple trees. We have a further 1,500 acres of West Country Orchard farmed by 25 contracted growers, for whom we hold an annual Growers Day at Myrtle Farm.

Our orchards provide a natural haven for wildlife and as such contribute greatly to the biodiversity of the surroundings. Our orchard team embrace sustainable and regenerative measures and initiatives throughout their daily routines. This year we planted a 1 acre wildlife area at Myrtle Farm, containing native trees, hedges and wildflowers, which will increase biodiversity by over 85%.

We continue to look at changing consumer habits and, in particular, at the growth of the fruit cider market. In 2022 we introduced Blood Orange Cider, the biggest cider launch of the year. For the on-trade channel the three-in-one Fusion Font was rolled out to hospitality customers, bringing three infused premium fruit flavoured ciders to the bar in one single font.

We strongly believe that investing in the development of new products to increase consumer choice is essential to the continued health of the cider category.

DIRECTORS' STATEMENT OF COMPLIANCE WITH DUTY TO PROMOTE THE SUCCESS OF THE COMPANY

Thatchers Cider Company Limited is an independent, privately owned fourth-generation cider company established in 1904. It is the intention to develop and evolve the company and the Directors are delighted that the fifth generation are already actively involved within the business.

The dividend recommended and paid during the year reflected the overall profitability of the company.

Health & Safety remains a priority within Thatchers. Thatchers is committed to the provision and maintenance of safe and healthy working conditions and will continue to deliver the necessary information, instruction and training to achieve it.

The Board receives regular updates and reports from all departments within the business. The reports focus on the key elements from within those departments. The Board regularly liaises with management, at all levels, to ensure it understands fully any issues and requirements in order that they can be addressed in a timely manner.

The Board wishes to thank all its staff for its continued support and commitment throughout the year.

This report was approved by the board on

26/5/23 .

and signed on its behalf.



Digby Jones
Chairman

THATCHERS CIDER COMPANY LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 AUGUST 2022

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

PRINCIPAL ACTIVITY

The principal activities of the company are those of manufacture and sale of cider and processing of fruit.

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £13,554,395 (2021: £11,146,327).

During the year dividends of £7,000,000 (2021: £6,000,000) were recommended and paid.

DIRECTORS

The directors who served during the year were:

Digby Jones
Martin Thatcher
Charlotte Boyle
Robert Davis
Gary Delafield
Mark Jelbert (appointed 23 November 2021)
Christopher Milton
Lance Moir
Robert Sandall

ENGAGEMENT WITH EMPLOYEES

The Health & Safety of everyone at Thatchers is of paramount importance and we continually strive for a positive Health & Safety and wellbeing culture that involves all members of staff. We continue to invest in initiatives to maintain the highest levels of health and safety, integrated alongside our quality and environmental programmes.

With a responsibility on every individual member of staff to play their part in a safe working environment, we have continued with our series of online training courses this year as well as face-to-face training. Training courses are tailored to individual job roles and cover a wide range of topics, such as Fire Safety and Driver Awareness.

Leadership and Development is pivotal to the ongoing growth and success at Thatchers. We continue to train our people through field sales training and team leader training. We are running a bespoke management development programme for 14 of our future leaders with experts who are all internationally renowned in their respective fields.

Thatchers remain committed to the Early Careers Apprenticeship programme which started five years ago. In this period our first sales academy apprentices successfully completed their training and a further four apprentices were recruited. Our Early Careers programme remains the leading apprenticeship programme in the cider industry. Our ambition is to double the number of apprentices we employ in coming years.

THATCHERS CIDER COMPANY LIMITED

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

ENGAGEMENT WITH SUPPLIERS, CUSTOMERS AND OTHERS

The development of long-term relationships is critical to the success of Thatchers. Such relationships have enabled Thatchers to continue to focus on its targets, both short-term and long-term, whilst still maintaining the high levels of quality across the entire product range.

Suppliers are reviewed on a regular basis and visits to Myrtle Farm are welcomed. Audits form a significant part of the evaluation process. Thatchers continues to recruit predominantly British suppliers and interacts with all elements of its supply chain to maximise efficiencies and performance.

We are committed to working with our customers to deliver the highest quality product range through investment in our production facilities. We continue to liaise with our customers on a regular basis to ensure demands are being met and service levels maintained. Trade shows and events form an important part of our engagement programme.

Thatchers continues to play its part supporting the community. We support our local clubs and associations through partnerships and sponsorships. In its second year, the Community Orchard Project donated apple trees to 50 organisations throughout the UK. Thatchers supports the local community in Somerset through the Thatchers Foundation, providing grants to many charities and community groups.

Thatchers remains a proactive member of the National Association of Cider Makers and is a member of the Portman Group and Drinkaware.

We continue to invest in innovative and eye-catching marketing, TV and digital campaigns, such as our Family Cider Makers TV campaign, Perfection in every Drop, and Holidaymakers campaigns. Investing in our brands is crucial for the continued success of the company. Thatchers is the number one cider maker for marketing investment.

GREENHOUSE GAS EMISSIONS, ENERGY CONSUMPTION AND ENERGY EFFICIENCY ACTION

The company's greenhouse gas emissions and energy consumption for the year was 29,707,236 kWh (2021: 24,856,495 kWh kWh). It is estimated that company produced 4,016 tonnes (2021: 3,322 tonnes) of carbon dioxide (CO₂) in the year. The intensity ratio fell by 3% in 2022 to 0.0038 tCO₂e/hl (2021: 0.0039 tCO₂e/hl).

These amounts have been calculated using the GHG Reporting Protocol – Corporate Standard and using the guidance set out in Environmental Reporting Guidelines, including streamlined energy and carbon reporting guidance – HM Government (March 2019).

We continue to focus on our energy consumption and our environmental responsibilities. Purchases of green electricity (backed by Renewable Energy Guarantees of Origin) accounted for 100% (2021: 100%) of all electricity purchased during the year.

New solar arrays were installed on our new warehouse building in order to generate electricity and the biomass system was expanded to additional site locations. Focus is continually being placed on reducing waste throughout all parts of the cider making process, with apple pomace being used for anaerobic digestion as well as cattle feed.

We continue to invest in new packaging developments and this year introduced a new system that allows us to remove plastic outer packaging from our palletised ten packs of cider when delivered into retailers

MATTERS COVERED IN THE STRATEGIC REPORT

The company has included mandatory directors' report disclosures within the strategic report as they are considered by the Directors to be of strategic importance, as permitted by the Companies Act 2006 (Strategic Report and Director's Report) Regulations 2013.

THATCHERS CIDER COMPANY LIMITED

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

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'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's auditors are aware of that information.

AUDITORS

The auditors, Bishop Fleming LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

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



Digby Jones
Director

Date: 26/5/23

Myrtle Farm
Station Road
Sandford
Winscombe
Somerset
BS25 5RA



Mark Jelbert
Director

Date: 26/5/23 .

THATCHERS CIDER COMPANY LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 AUGUST 2022

The Directors are responsible for preparing the Strategic report, the Directors' 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 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 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 for the Company's financial statements 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 financial statements;
- 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 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

THATCHERS CIDER COMPANY LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THATCHERS CIDER COMPANY LIMITED

OPINION

We have audited the financial statements of Thatchers Cider Company Limited (the 'Company') for the year ended 31 August 2022, which comprise the Statement of comprehensive income, the Statement of financial position, the 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 Company's affairs as at 31 August 2022 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 Auditors' 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 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 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.

THATCHERS CIDER COMPANY LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THATCHERS CIDER COMPANY 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 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.

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 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 7, 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.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THATCHERS CIDER COMPANY 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 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.

Identifying and assessing potential risks related to irregularities

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

- We have considered the nature of the industry and sector, control environment and business performance.
- We have considered the results of our enquiries of management and the board about their own identification and assessment of the risks of irregularities.
- For any matters identified we have obtained and reviewed the Company's documentation of their policies and procedures relating to:
 - Identifying, evaluating and complying with laws and regulations, including Duty, and whether they were aware of any instances of non-compliance;
 - Detecting and responding to the risks of fraud and whether they have knowledge of any actual, suspected or alleged fraud; and
 - The internal controls established to mitigate risks of fraud or non-compliance with laws and regulations.
- We have considered the matters discussed among the audit engagement team regarding how and where fraud might occur in the financial statements and potential indicators of fraud.

As a result of these procedures, we considered the opportunities and incentives that may exist within the organisation for fraud, and incorrect recognition of revenue was identified as the greatest potential area for fraud.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override.

We also obtained an understanding of the legal and regulatory frameworks that the Company operates in, focusing on provisions of those laws and regulations that had a direct effect on the determination of material amounts and disclosures in the financial statements. The key laws and regulations we considered in this context included the UK Companies Act and tax legislation.

In addition, we considered provisions of other laws and regulations that do not have a direct effect on the financial statements but compliance with which may be fundamental to the Company's ability to operate or to avoid a material penalty. These included compliance with Health and Safety regulations, GDPR, Company law, tax legislation, Duty, and employment legislation.

Audit response to risks identified

Our procedures to respond to the fraud risks identified, including revenue recognition as a key audit matter, included the following:

- Reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements.
- Performing various substantive tests of detail related to the recognition of revenue.
- Enquiring of management and those charged with governance concerning actual and potential litigation and

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THATCHERS CIDER COMPANY LIMITED
(CONTINUED)**

claims.

- Performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud.
- Reading minutes of meetings of those charged with governance.
- In addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; and assessing whether the judgements made in making accounting estimates are indicative of a potential bias.

We also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members, and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from an error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed 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.

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.

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.



Andrew Sandiford BCom FCA (Senior statutory auditor)

for and on behalf of

Bishop Fleming LLP

Chartered Accountants

Statutory Auditors

10 Temple Back

Bristol

BS1 6FL

Date:

31/5/23

THATCHERS CIDER COMPANY LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 AUGUST 2022**

	Note	2022 £	2021 £
Turnover	4	155,525,419	126,151,450
Cost of sales		(89,168,998)	(74,019,701)
GROSS PROFIT		66,356,421	52,131,749
Distribution costs		(13,760,252)	(9,700,664)
Administrative expenses		(35,702,253)	(28,188,077)
OPERATING PROFIT	5	16,893,916	14,243,008
Interest receivable and similar income		21,377	100
Interest payable and similar expenses	9	(74,796)	(32,056)
PROFIT BEFORE TAX		16,840,497	14,211,052
Tax on profit	10	(3,286,102)	(3,064,725)
PROFIT FOR THE FINANCIAL YEAR		13,554,395	11,146,327

There was no other comprehensive income for 2022 (2021: £NIL).

The notes on pages 15 to 30 form part of these financial statements.

THATCHERS CIDER COMPANY LIMITED
REGISTERED NUMBER:00550634

STATEMENT OF FINANCIAL POSITION
AS AT 31 AUGUST 2022

	Note	2022 £	2021 £
FIXED ASSETS			
Intangible assets	12	-	125,799
Tangible assets	13	26,393,961	19,434,971
		<u>26,393,961</u>	<u>19,560,770</u>
CURRENT ASSETS			
Stocks	14	8,537,037	6,339,460
Debtors: amounts falling due within one year	15	51,382,429	37,557,311
Cash at bank and in hand	16	9,167,452	15,202,204
		<u>69,086,918</u>	<u>59,098,975</u>
Creditors: amounts falling due within one year	17	(54,248,591)	(44,284,223)
NET CURRENT ASSETS		<u>14,838,327</u>	<u>14,814,752</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>41,232,288</u>	<u>34,375,522</u>
PROVISIONS FOR LIABILITIES			
Deferred tax	18	(1,102,270)	(799,899)
NET ASSETS		<u><u>40,130,018</u></u>	<u><u>33,575,623</u></u>
CAPITAL AND RESERVES			
Called up share capital	19	1,500,000	1,500,000
Profit and loss account	20	38,630,018	32,075,623
		<u><u>40,130,018</u></u>	<u><u>33,575,623</u></u>

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


Digby Jones
Chairman

Date:

26/5/23


Mark Jelbert
Director

Date:

26/5/23

The notes on pages 15 to 30 form part of these financial statements.

THATCHERS CIDER COMPANY LIMITED

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

	Called up share capital £	Profit and loss account £	Total equity £
At 1 September 2020	1,500,000	26,929,296	28,429,296
COMPREHENSIVE INCOME FOR THE YEAR			
Profit for the year	-	11,146,327	11,146,327
CONTRIBUTIONS BY AND DISTRIBUTIONS TO OWNERS			
Dividends: Equity capital	-	(6,000,000)	(6,000,000)
At 1 September 2021	1,500,000	32,075,623	33,575,623
COMPREHENSIVE INCOME FOR THE YEAR			
Profit for the year	-	13,554,395	13,554,395
CONTRIBUTIONS BY AND DISTRIBUTIONS TO OWNERS			
Dividends: Equity capital	-	(7,000,000)	(7,000,000)
AT 31 AUGUST 2022	1,500,000	38,630,018	40,130,018

The notes on pages 15 to 30 form part of these financial statements.

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

1. GENERAL INFORMATION

Thatchers Cider Company is a Company limited by shares incorporated in England and Wales. The registered office is Myrtle Farm, Station Road, Sandford, Winscombe, BS25 5RA.

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 management to exercise judgement in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 FINANCIAL REPORTING STANDARD 102 - REDUCED DISCLOSURE EXEMPTIONS

The Company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Thatchers (Myrtle Farm) Limited as at 31 August 2022 and these financial statements may be obtained from the Company's registered office.

2.3 FOREIGN CURRENCY TRANSLATION

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

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

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

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.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of comprehensive income within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

2. ACCOUNTING POLICIES (continued)

2.4 REVENUE

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

Sale of goods

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

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

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2.5 OPERATING LEASES: THE COMPANY AS LESSEE

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

2.6 LEASED ASSETS: THE COMPANY AS LESSEE

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

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

2. ACCOUNTING POLICIES (continued)

2.7 RESEARCH AND DEVELOPMENT

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a straight-line basis over their useful economic lives, which range from 3 to 6 years.

If it is not possible to distinguish between the research phase and the development phase of an internal project, the expenditure is treated as if it were all incurred in the research phase only.

2.8 GOVERNMENT GRANTS

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

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

2.9 INTEREST INCOME

Interest income is recognised in profit or loss using the effective interest method.

2.10 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.

2.11 PENSIONS

DEFINED CONTRIBUTION PENSION PLAN

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

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

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

2. ACCOUNTING POLICIES (continued)

2.12 CURRENT AND DEFERRED TAXATION

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

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

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

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

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

2.13 INTANGIBLE ASSETS

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

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

The estimated useful lives range as follows:

Trademarks	-	10	years
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2.14 TANGIBLE FIXED ASSETS

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

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

2. ACCOUNTING POLICIES (continued)

2.14 TANGIBLE FIXED ASSETS (CONTINUED)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the methods described below.

Depreciation is provided on the following basis:

Plant and machinery	- 20% reducing balance
Motor vehicles	- 25% reducing balance
Fixtures and fittings	- 25% straight line
Kegs & casks (included within plant and machinery)	- 3 years straight line, with a full year of depreciation in the year of purchase

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

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

2.15 STOCKS

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

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 the Statement of Comprehensive Income.

2.16 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.

2.17 CASH AND CASH EQUIVALENTS

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.18 CREDITORS

Short-term creditors are measured at the transaction price. 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.

2. ACCOUNTING POLICIES (continued)

2.19 PROVISIONS FOR LIABILITIES

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

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

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

2.20 DIVIDENDS

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

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

3. JUDGEMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION
UNCERTAINTY

The preparation of the financial statements requires management to make judgments, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those 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 if the revision affects on that period, or in the period of revision and future periods if the revision affects both current and future periods.

The critical judgements and key sources of estimation uncertainty that have a significant effect on the amounts recognised in the financial statements are described below.

Critical judgements

Lease commitments

The Company has entered into commercial leases as a lessee for the use of property, plant and equipment. The classification of such leases as operating or finance lease requires the Company to determine, based on an evaluation of the terms and conditions of the arrangements, whether it retains or acquires the significant risks and rewards of ownership of these assets and accordingly whether the lease requires an asset and liability to be recognised in the Statement of Financial Position.

Depreciation rates and residual values

Tangible fixed assets are depreciated over their useful economic lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

Sources of estimation uncertainty

Impairment of fixed assets

The company determines whether there are indicators of impairment of tangible asset. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit.

Stock provision

The company determines whether there are conditions that exist at the balance sheet date that indicates that the net realisable value of individual stock lines are less than the carrying value. Such indicators include post year end sales, and market demand.

Bad debt provision

The company determines whether there are conditions that exist at the balance sheet date that indicates the recoverable value of debtors is less than the carrying value. Such indicators include post year end cash receipts, and customer sales activity.

Retrospective rebate accruals

In line with industry practice, some of the company's customer contracts include provisions for price discounts, based on certain volume targets being achieved. The company estimates the level of volume that is likely to be achieved with those customers based on activity and historical experience, and therefore the level of discount to be accrued.

THATCHERS CIDER COMPANY LIMITED

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

4. TURNOVER

An analysis of turnover by class of business is as follows:

	2022 £	2021 £
Cider sales	153,078,178	124,718,395
Fruit processing	2,447,241	1,433,055
	<u>155,525,419</u>	<u>126,151,450</u>

5. OPERATING PROFIT

The operating profit is stated after charging:

	2022 £	2021 £
Depreciation of tangible fixed assets	5,298,582	5,250,072
Amortisation of intangible assets	125,799	34,114
Exchange rate differences	61,273	(314,313)
Defined contribution pension costs	324,520	270,417
	<u>5,789,174</u>	<u>5,240,290</u>

6. AUDITORS' REMUNERATION

	2022 £	2021 £
Fees payable to the Company's auditor for the audit of the Company's annual financial statements	24,750	22,520
Fees payable to the Company's auditor in respect of tax compliance services	2,450	2,210
	<u>27,200</u>	<u>24,730</u>

THATCHERS CIDER COMPANY LIMITED

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

7. EMPLOYEES

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

	2022	2021
	£	£
Wages and salaries	8,943,447	7,409,146
Social security costs	1,023,579	821,310
Cost of defined contribution scheme	324,520	270,416
	10,291,546	8,500,872

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

	2022	2021
	No.	No.
Production	40	35
Distribution	152	139
Office and administration	29	29
	221	203

8. DIRECTORS' REMUNERATION

	2022	2021
	£	£
Directors' emoluments	912,197	831,271
Company contributions to defined contribution pension schemes	32,095	28,589
	944,292	859,860

During the year retirement benefits were accruing to 4 Directors (2021: 4) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £238,208 (2021: £237,650).

The value of the Company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £8,438 (2021: £8,536).

THATCHERS CIDER COMPANY LIMITED

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

9. INTEREST PAYABLE AND SIMILAR EXPENSES

	2022 £	2021 £
Bank interest payable	2,263	-
Other loan interest payable	69,244	19,776
Finance leases and hire purchase contracts	3,289	12,280
	<u>74,796</u>	<u>32,056</u>

10. TAXATION

	2022 £	2021 £
CORPORATION TAX		
Current tax on profits for the year	3,311,081	2,461,435
Adjustments in respect of previous periods	(327,350)	(263,016)
	<u>2,983,731</u>	<u>2,198,419</u>
TOTAL CURRENT TAX	<u>2,983,731</u>	<u>2,198,419</u>
DEFERRED TAX		
Origination and reversal of timing differences	(61,464)	514,991
Adjustments in respect of prior periods	363,835	282,937
Effect of tax rate change on opening balance	-	68,378
TOTAL DEFERRED TAX	<u>302,371</u>	<u>866,306</u>
TAXATION ON PROFIT ON ORDINARY ACTIVITIES	<u>3,286,102</u>	<u>3,064,725</u>

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

10. 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	16,840,497	14,211,052
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021: 19%)	3,199,694	2,700,100
EFFECTS OF:		
Fixed asset differences	(47,124)	140,564
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	111,817	12,163
Adjustments to tax in respect of previous periods - deferred tax	363,835	282,937
Adjustments to tax in respect of previous periods	(327,350)	(263,015)
Remeasurement of deferred tax for changes in tax rates	(14,751)	191,976
Group relief	(19)	-
TOTAL TAX CHARGE FOR THE YEAR	3,286,102	3,064,725

FACTORS THAT MAY AFFECT FUTURE TAX CHARGES

As enacted by the Government on 24 May 2021, the main rate of corporation tax will increase from 19% to 25% with effect from 1 April 2023.

11. DIVIDENDS

	2022 £	2021 £
Dividends paid on equity capital	7,000,000	6,000,000
	7,000,000	6,000,000

THATCHERS CIDER COMPANY LIMITED

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

12. INTANGIBLE ASSETS

	Trademarks £
COST	
At 1 September 2021	354,646
At 31 August 2022	<u>354,646</u>
AMORTISATION	
At 1 September 2021	228,847
Charge for the year on owned assets	125,799
At 31 August 2022	<u>354,646</u>
NET BOOK VALUE	
At 31 August 2022	<u><u>-</u></u>
At 31 August 2021	<u><u>125,799</u></u>

THATCHERS CIDER COMPANY LIMITED

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

13. TANGIBLE FIXED ASSETS

	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Total £
COST OR VALUATION				
At 1 September 2021	49,744,844	2,417,082	1,042,660	53,204,586
Additions	10,689,921	1,647,002	-	12,336,923
Disposals	(1,609,850)	(248,519)	(64,753)	(1,923,122)
At 31 August 2022	58,824,915	3,815,565	977,907	63,618,387
DEPRECIATION				
At 1 September 2021	31,733,061	1,165,678	870,876	33,769,615
Charge for the year on owned assets	4,786,245	475,468	36,869	5,298,582
Disposals	(1,609,850)	(169,168)	(64,753)	(1,843,771)
At 31 August 2022	34,909,456	1,471,978	842,992	37,224,426
NET BOOK VALUE				
At 31 August 2022	23,915,459	2,343,587	134,915	26,393,961
At 31 August 2021	18,011,783	1,251,404	171,784	19,434,971

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2022 £	2021 £
Plant and machinery	-	2,416,613
	-	2,416,613

14. STOCKS

	2022 £	2021 £
Cider, concentrates, juices and ingredients	7,394,789	5,419,900
Containers and packaging	1,012,947	796,739
Equipment	129,301	122,821
	8,537,037	6,339,460

THATCHERS CIDER COMPANY LIMITED

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

15. DEBTORS

	2022 £	2021 £
Trade debtors	40,041,273	30,418,593
Amounts owed by group undertakings	9,440,672	5,420,537
Other debtors	695,835	623,001
Prepayments and accrued income	1,204,649	1,095,180
	<u>51,382,429</u>	<u>37,557,311</u>

Amounts owed by group undertakings are unsecured and repayable on demand.

16. CASH AND CASH EQUIVALENTS

	2022 £	2021 £
Cash at bank and in hand	9,167,452	15,202,204
Less: bank overdrafts	(860,389)	(1,134,693)
	<u>8,307,063</u>	<u>14,067,511</u>

17. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £	2021 £
Bank overdrafts	860,389	1,134,693
Trade creditors	9,121,599	5,552,136
Amounts owed to group undertakings	19,754,765	16,446,860
Other taxation and social security	6,357,389	5,871,821
Obligations under finance lease and hire purchase contracts	-	730,359
Other creditors	5,852,520	4,131,596
Accruals and deferred income	12,301,929	10,416,758
	<u>54,248,591</u>	<u>44,284,223</u>

Amounts owed to group undertakings are unsecured and repayable on demand.

THATCHERS CIDER COMPANY LIMITED

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

18. DEFERRED TAXATION

	2022 £
At beginning of year	(799,899)
Charged to profit or loss	(302,371)
AT END OF YEAR	<u>(1,102,270)</u>

The provision for deferred taxation is made up as follows:

	2022 £	2021 £
Accelerated capital allowances	(1,480,215)	(1,058,486)
Short term timing differences	377,945	258,587
	<u>(1,102,270)</u>	<u>(799,899)</u>

19. SHARE CAPITAL

	2022 £	2021 £
ALLOTTED, CALLED UP AND FULLY PAID		
1,500,000 (2021: 1,500,000) Ordinary shares of £1.00 each	<u>1,500,000</u>	<u>1,500,000</u>

20. RESERVES

Profit and loss account

Includes all current and prior period retained profits and losses. All are available for distribution.

21. CAPITAL COMMITMENTS

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

	2022 £	2021 £
Contracted for but not provided in these financial statements	(14,285,498)	(21,105,234)
	<u>(14,285,498)</u>	<u>(21,105,234)</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 AUGUST 2022**22. COMMITMENTS UNDER OPERATING LEASES**

At 31 August 2022 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2022 £	2021 £
Not later than 1 year	780	25,000
Later than 1 year and not later than 5 years	3,120	-
Later than 5 years	390	-
	<u>4,290</u>	<u>25,000</u>

23. RELATED PARTY TRANSACTIONS

During the year the Company was charged rent of £57,435 (2021: £55,255) by its Directors. At the year end, these Directors were owed £Nil (2021: £Nil).

During the year, the Company paid consultancy fees of £43,621 (2021: £49,890) to its Directors.

During the year the Company made sales of £788 (2021: £10,984) to its Directors. At the year end these Directors owed the Company £47 (2021: £328).

During the year the Company made sales of £3,755 (2021: £119,736) to, and purchases of £26,500 (2021: £8,549) from, other related parties. At the year end these related parties owed the Company £300 (2021: £41,711).

During the year, interest of £69,244 (2021: £19,776) was charged to the Company from family members of a Director and a Director. No amount was owing at the year end (2021: £Nil).

The Company is a wholly owned subsidiary of Thatchers Holdings Limited, which is a wholly owned subsidiary of Thatchers (Myrtle Farm) Limited. As such the Company has taken advantage of the exemption contained in FRS 102 not to disclose transactions or balances with other group Companies. The group accounts of Thatchers (Myrtle Farm) Limited, within which this Company is included, are filed at the Registrar of Companies, Companies House, Crown Way, Cardiff, CF14 3UZ.

24. CONTROLLING PARTY

The Company is a wholly owned subsidiary of Thatchers Holdings Limited. Thatchers Holdings Limited is a wholly owned subsidiary of Thatchers (Myrtle Farm) Limited, a Company under the control of its Directors who jointly own 100% of the share capital. Both Companies are registered in England and Wales.

The results of the Company are consolidated into the group that is headed by Thatchers (Myrtle Farm) Limited. The consolidated accounts are available to the public and may be obtained from Myrtle Farm, Station Road, Sandford, Winscombe, BS25 5RA.