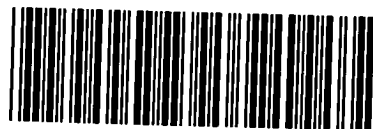


**ROSEWOOD PET PRODUCTS LIMITED**

**ANNUAL REPORT**

**FOR THE YEAR ENDED 31 DECEMBER 2023**

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**ROSEWOOD PET PRODUCTS LIMITED**

**COMPANY INFORMATION**

**Directors**

N J Panter  
B J Panter  
N Cruickshank  
M D Bollands  
W Meijerink  
W Poppelaars

**Registered number**

00662785

**Registered office**

Unit 9  
Hortonwood West  
Queensway  
Telford  
Shropshire  
TF1 6AH

**Independent auditor**

Cooper Parry Group Limited  
Statutory Auditor  
Cubo Birmingham  
Office 401, 3rd Floor  
Two Chamberlain Square  
Birmingham  
B3 3AX

**ROSEWOOD PET PRODUCTS LIMITED**

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**ROSEWOOD PET PRODUCTS LIMITED**  
**STRATEGIC REPORT**  
**FOR THE YEAR ENDED 31 DECEMBER 2023**

**Introduction**

The directors present their strategic report together with the audited financial statements for the year ended 31 December 2023.

**Principal activities, review of business and future developments**

The principal activity of the company continues to be the distribution of pet accessories. The pet industry grew significantly throughout the covid pandemic and has since consolidated its position in light of high inflation and a cost of living crisis in the UK throughout 2023. The pet market continues to minimise the financial impact of such global and political events but is not immune from our customers looking to spend their income more carefully.

This has been highlighted with the loss, due to the administration of a major high street name in Wilkos, who were also a major customer for the company. The company has managed to exit this event with minimal losses in debt and stock commitments but it has impacted turnover which has decreased on the previous year.

The directors consider that the results for the year and the company's financial position at the end of the year were consistent with the aforementioned customer and economic challenged times we find ourselves in. With decisions taken and a diverse customer base the company remains in a strong financial position.

Sales for the year were £37.8m (2022: £41.1m) and the gross margin achieved has increased against that of the previous year from 20.7% to 21.1%.

**Financial key performance indicators**

We consider that our key financial performance indicators are the EBITDA performance and return on capital employed. Adjusted EBITDA for the year, calculated as operating loss plus depreciation and exceptional investment impairment, was £786,943 (2022: £2,752,863). The return on capital employed for the year was (4.9)% compared to prior period of 23.4%. It is calculated as operating (loss)/profit divided by total assets less current liabilities. The company also monitors its cash position and invests the cash generated in product development and stock to sustain further growth.

**Principal risks and uncertainties**

The company's revenues are principally derived from retail markets. These markets, and therefore company revenues can be subject to variations in patterns of demand and are largely influenced by economic growth and consumer confidence. In response to this risk the directors keep up to date with local and wider economic conditions and are able to adapt the pricing strategy and cost base of the company accordingly.

**Financial instruments**

The company holds financial instruments to finance its operations and these are monitored as part of the day to day control procedures of the company.

In addition, various financial instruments such as trade debtors and creditors arise directly from trading. Cash flow requirements are considered on a regular basis to ensure that appropriate facilities are available to be drawn upon as necessary.

**Financial risk management**

The company's operations expose it to a variety of financial risks that include the effects of price risk, credit risk, liquidity risk, interest rate risk and foreign exchange risk. The company has in place a risk management programme that looks to limit the adverse effects on the financial performance of the company by monitoring levels of debt finance and the related finance costs.

## **ROSEWOOD PET PRODUCTS LIMITED**

### **STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023**

#### **Price risk**

The company is exposed to changes in the market prices of its products. In order to protect against adverse price movements, the company uses agreements where possible to lock in the price of products and periodically reviews its agreements with suppliers to ensure these are on commercially favourable terms.

#### **Credit risk**

Credit risk is managed by running credit checks on new customers and by monitoring payments against contractual agreements. A credit insurance policy has been implemented to add further mitigation against bad debts.

#### **Liquidity risk**

The company is financed with appropriate long term and short term finance to match the need of the business.

#### **Interest rate risk**

The company's bank loan bears interest, exposing the company to cash flow risk on adverse movements in the underlying base rate.

#### **Foreign exchange risk**

The company is exposed to foreign currency risk on its operations, by virtue of entering into transactions in currencies other than the company's functional currency of Sterling. In order to manage this risk, the company enters into forward currency arrangements to fix the exchange rate for known transactions. This mitigates the risk that the exchange rate may move unfavourably, resulting in adverse cash outflows.

#### **Brexit**

Turnover continues to be impacted by the increased rules and regulations that Brexit has delivered in terms of logistics for importing and exporting goods in the EU. The business has adapted to these challenges and sales within the EU remain strong.

The company has adopted all policies that it considers necessary at this stage to reduce the impact of Brexit and is working with our customers and suppliers to ensure that there is a smooth and continuous supply of products. This will further benefit by now being part of a larger group with physical locations in the EU.

#### **Coronavirus**

The UK returned to a "fully" open status within 2023 with the risk to business and our people reducing. We still feel the impacts of Coronavirus throughout our supply chain as other nations handle the virus in different ways but the business has put measures in place with suppliers and logistic partners to ensure there is smooth continuous supply of products.

## **ROSEWOOD PET PRODUCTS LIMITED**

### **STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023**

#### **Directors' section 172 (1) statement of compliance**

The directors have acted in the way they consider, in good faith, promotes the success of the company for the benefit of its members as a whole, and in doing so have given regard to (amongst other matters):

#### **Business relationships**

Having traded for over 60 years, the need to build strong long-standing relationships with both our customers and suppliers is paramount to the success of the company and its longevity. We continually develop strategies to maintain and grow our client base and further improve relationships with our suppliers.

With respect to suppliers the company's policy for the payment of suppliers is to agree to terms of payment in advance in line with normal trade practices and, provided a supplier performs in accordance with the agreement, to abide by such terms.

#### **Our people**

The company is committed to being a responsible business. Our behaviour is aligned with the expectations of our people, customers, shareholders, communities, and society as a whole. People are at the heart of delivering quality specialist services both internally and externally. For our business to continue to succeed we continually manage our peoples' performance and develop and bring through talent while ensuring we operate as efficiently as possible.

#### **Disabled employees**

The company gives full consideration to applications for employment from disabled persons where the requirements of the job can be adequately fulfilled by a disabled person. Where existing employees became disabled, it is the company's policy wherever practicable to provide continuing employment under normal terms and conditions and to provide training, career development and promotion to disabled employees wherever appropriate.

#### **Employee involvement**

During the period, the policy of providing employees with information about the company has been continued through internal media methods in which employees have also been encouraged to present their suggestions and views on the company's performance. Regular meetings are held between local management and employees to allow a free flow of information and ideas.

#### **Community, charity and environment**

We support our staff in their charitable endeavours, encouraging them to get involved with organisations or events, alongside promoting their causes to our workforce to encourage sponsorship and awareness. As a business we also like to be proactive with fundraising and we support a variety of initiatives throughout the year.

In the past 12 months our staff have raised approximately £2.0k for our charities. However, as a company, we have extended our support to national and international causes. The directors and the staff have raised approximately £22.0k for different causes in the last two decades.

Furthermore, we have also supported requests from employees, customers and other local businesses. We have donated money, time and product.

#### **Culture and values**

The company recognises the importance of having the right corporate culture. Our long-term success depends on achieving our strategic goals the right and fair way, so we look after the best interests of our shareholders, customers, people, suppliers, and other stakeholders. During 2020, using customer and employee engagement we created a long-term vision and identified 7 core values that govern how we act as a business.

## **ROSEWOOD PET PRODUCTS LIMITED**

### **STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023**

#### **Shareholders**

Management is committed and openly engaged with our shareholders through regular Board Meetings and effective dialogue. The shareholders are actively engaged in understanding and implementing our strategy, culture, people, and the performance of our shared objectives for the short, mid and longer terms.

#### **Political donations**

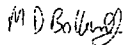
The company does not make any donations to any political party or organisation.

#### **Engagement with suppliers, customers and others**

The company has several key relationships with key customers and suppliers which if terminated or damaged could impact on the company's performance. The company has good relationships with key suppliers and seeks to promote and maintain these at all levels.

The company also seeks to maintain a diverse customer and supplier base where appropriate.

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

DocuSigned by:  
  
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**M D Bolland**  
Director

Date: 08 April 2024

## **ROSEWOOD PET PRODUCTS LIMITED**

### **DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2023**

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

#### **Directors' responsibilities statement**

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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements and other information included in directors' reports may differ from legislation in other jurisdictions.

#### **Results and dividends**

The profit for the year, after taxation, amounted to £65,127 (2022: profit £2,085,503).

During the year the company paid dividends of £Nil (2022: £166,692). The directors do not recommend the payment of a final dividend.

#### **Directors**

The directors who served during the year were:

N J Panter  
B J Panter  
N Cruickshank  
M D Bollands  
W Meijerink  
W Poppelaars

#### **Charitable contributions**

The company made charitable donations during the period totaling £1,904 (2022: £3,454).



## ROSEWOOD PET PRODUCTS LIMITED

### DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

#### Future developments

The directors do not foresee any changes in the principal activities of the company.

#### Matters included within the Strategic Report

The company has chosen in accordance with section 414C(11) of the Companies Act 2006 (strategic report and directors' report) Regulations 2013 to set out in the company's strategic report information required by the large and medium-sized companies and groups (accounts and reports) Regulations Schedule 7 to be contained in the directors' report.

#### Streamlined Energy and Carbon Reporting (SECR)

UK Greenhouse gas emissions and energy use data for the period 1 January to 31 December:

	2023	2022
Energy consumption used to calculate emissions (kWh)	185,043.80	172,121.90
Scope 1 - Emissions in metric tonnes CO <sub>2</sub> e		
Gas consumption	2.75	3.46
Business travel in Company electric vehicles	5.55	
Scope 2 - Emissions in metric tonnes CO <sub>2</sub> e		
Purchased electricity	36.87	28.04
Scope 3 - Emissions in metric tonnes CO <sub>2</sub> e		
Business travel in employee owned vehicles	15.77	5.66
Total gross emissions in metric tonnes CO <sub>2</sub> e	60.94	67.06
Intensity ratio tonnes per CO <sub>2</sub> e	0.85	0.85

As a business we recognise that climate change is one of the most serious environmental challenges currently threatening the global community and we understand we have a role to play in reducing greenhouse gas emissions. Since January 2021 we have introduced a project team, "The Green Team" to actively work on ways to reduce Rosewood Pet Products carbon footprint. Initiatives include increased recycling at our head office, investigation into solar panels to reduce third party energy and most importantly the reduction on non-recyclable materials in all products and product packaging sold by the company.

#### Quantification and reporting methodology

We have followed the 2019 HM Government Environmental Reporting Guidelines. We have also used the GHG Reporting Protocol - Corporate Standard and have used the 2020 UK Government's Conversion Factors for Company Reporting.

#### Intensity measurement

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO<sub>2</sub>e per employee, the recommended ratio for the sector.

**ROSEWOOD PET PRODUCTS LIMITED**

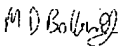
**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2023**

**Disclosure of information to auditor**

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 auditor is 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 auditor is aware of that information.

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

DocuSigned by:  
  
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**M D Bolland**  
Director

Date: 08 April 2024

## **ROSEWOOD PET PRODUCTS LIMITED**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ROSEWOOD PET PRODUCTS LIMITED**

#### **Opinion**

We have audited the financial statements of Rosewood Pet Products Limited ('the company') for the year ended 31 December 2023, which comprise the profit and loss account, the balance sheet, the statement of changes in equity, the statement of cash flows, the analysis of net debt 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 December 2023 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the 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.

## **ROSEWOOD PET PRODUCTS LIMITED**

### **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ROSEWOOD PET PRODUCTS LIMITED (CONTINUED)**

#### **Other information**

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### **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 5, 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.

## ROSEWOOD PET PRODUCTS LIMITED

### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ROSEWOOD PET PRODUCTS LIMITED (CONTINUED)

#### Auditor's responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Our assessment focussed on key laws and regulations the company has to comply with and areas of the financial statements we assessed as being more susceptible to misstatement. These key laws and regulations included but were not limited to compliance with the Companies Act 2006, United Kingdom Generally Accepted Accounting Practice and relevant tax legislation.

We are not responsible for preventing irregularities. Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with directors and other management, and from our commercial knowledge and experience;
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence where applicable; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- tested a sample of journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in note 2 were indicative of potential bias, in particular the company's assessment over the stock valuation and trade debtor recoverability;
- investigated the rationale behind significant or unusual transactions; and
- reviewed nominals of certain nominal codes for indication of any management override.

## ROSEWOOD PET PRODUCTS LIMITED

### INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ROSEWOOD PET PRODUCTS LIMITED (CONTINUED)

#### Auditor's responsibilities for the audit of the financial statements (continued)

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC and associated parties.

Whilst considering how our audit work addressed the detection of irregularities, we also consider the likelihood of detection based on our approach. Irregularities from fraud are inherently more difficult to detect than those arising from error.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a 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. We are not responsible for preventing non-compliance and cannot be expected to detect non-compliance with all laws and regulations.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's 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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Paul Rowley (Senior Statutory Auditor)

for and on behalf of

#### Cooper Parry Group Limited

Statutory Auditors

Cubo Birmingham  
Office 401  
4th Floor  
Two Chamberlain Square  
Birmingham  
B3 3AX

Date: 8 April 2024

## ROSEWOOD PET PRODUCTS LIMITED

**PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31 DECEMBER 2023**

	Note	2023 £	2022 £
<b>Turnover</b>	1.4,3	37,821,126	41,126,659
Cost of sales		(29,843,441)	(32,602,104)
<b>Gross profit</b>		<u>7,977,685</u>	<u>8,524,555</u>
Administrative expenses		(8,436,354)	(5,790,845)
Fair value movements		(77,078)	(169,343)
<b>Operating (loss)/profit</b>	4	<u>(535,747)</u>	<u>2,564,367</u>
Income from fixed asset investments		851,467	-
Interest receivable and similar income	8	-	29,303
Interest payable and similar expenses	9	(319,286)	(239,488)
<b>(Loss)/profit before tax</b>		<u>(3,566)</u>	<u>2,354,182</u>
Tax on (loss)/profit on ordinary activities	10	68,693	(268,679)
<b>Profit for the financial year</b>		<u><u>65,127</u></u>	<u><u>2,085,503</u></u>

There were no recognised gains and losses for 2023 or 2022 other than those included in the profit and loss account.

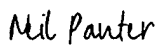
The notes on pages 17 to 35 form part of these financial statements.

**ROSEWOOD PET PRODUCTS LIMITED**  
**REGISTERED NUMBER: 00662785**

**BALANCE SHEET**  
**AS AT 31 DECEMBER 2023**

	Note	2023 £	2022 £
<b>Fixed assets</b>			
Tangible assets	13	211,165	250,560
Investments	14	359,648	1,541,109
		<u>570,813</u>	<u>1,791,669</u>
<b>Current assets</b>			
Stocks	15	7,878,776	11,398,896
Debtors	16	7,808,103	10,469,085
Cash at bank and in hand		260,653	2,734,278
		<u>15,947,532</u>	<u>24,602,259</u>
<b>Creditors: amounts falling due within one year</b>	17	(5,458,192)	(15,440,846)
<b>Total assets less current liabilities</b>		<u>11,060,153</u>	<u>10,953,082</u>
<b>Net assets</b>		<u><u>11,060,153</u></u>	<u><u>10,953,082</u></u>
<b>Capital and reserves</b>			
Called up share capital	19	556	556
Share premium account	20	151,444	109,500
Capital redemption reserve	20	14,400	14,400
Profit and loss account	20	10,893,753	10,828,626
<b>Shareholders' funds</b>		<u><u>11,060,153</u></u>	<u><u>10,953,082</u></u>

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

DocuSigned by:  
  
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**N J Panter**  
Director

Date: 08 April 2024

The notes on pages 17 to 35 form part of these financial statements.



## ROSEWOOD PET PRODUCTS LIMITED

STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2023

	Share capital £	Share premium £	Capital redemption reserve £	Profit and loss account £	Shareholders' funds £
<b>At 1 January 2022</b>	556	109,500	14,400	10,828,626	10,953,082
Profit for the year	-	-	-	65,127	65,127
Shares issued during the year (note 20)	-	41,944	-	-	41,944
<b>At 31 December 2023</b>	<u>556</u>	<u>151,444</u>	<u>14,400</u>	<u>10,893,753</u>	<u>11,060,153</u>

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

	Share capital £	Share premium £	Capital redemption reserve £	Profit and loss account £	Shareholders' funds £
<b>At 1 January 2021</b>	500	109,500	14,400	8,909,815	9,034,215
Profit for the year	-	-	-	2,085,503	2,085,503
Dividends: Equity capital	-	-	-	(166,692)	(166,692)
Shares issued during the year	56	-	-	-	56
<b>At 31 December 2022</b>	<u>556</u>	<u>109,500</u>	<u>14,400</u>	<u>10,828,626</u>	<u>10,953,082</u>

The notes on pages 17 to 35 form part of these financial statements.

## ROSEWOOD PET PRODUCTS LIMITED

STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2023

	2023 £	2022 £
<b>Cash flows from operating activities</b>		
Profit for the financial year	65,127	2,085,503
<b>Adjustments for:</b>		
Depreciation of tangible assets	141,229	188,496
Interest received	-	(29,303)
Decrease/(increase) in stocks	3,520,120	(1,744,694)
Decrease in debtors	2,907,794	4,822,412
Decrease in creditors	(4,034,944)	(2,002,755)
Dividends received	(851,467)	-
Interest paid	319,286	239,488
Taxation (credit)/charge	(68,693)	268,679
Corporation tax paid	(286,414)	(537,171)
<b>Net cash generated from operating activities</b>	<b>1,712,038</b>	<b>3,290,655</b>
<b>Cash flows from investing activities</b>		
Purchase of tangible fixed assets	(101,834)	(119,550)
Sale of tangible fixed assets	-	4,373
Interest received	-	29,303
Dividends received	851,467	-
Investment impairment	1,181,461	-
<b>Net cash generated from/(used in) investing activities</b>	<b>1,931,094</b>	<b>(85,874)</b>
<b>Cash flows from financing activities</b>		
Shares issued during the year	41,944	-
Repayment of loans	-	(2,104,167)
Dividends paid	-	(166,692)
Interest paid	(319,286)	(239,488)
Movements on invoice discounting	(4,848,507)	259,367
Issue of ordinary shares	-	56
<b>Net cash used in financing activities</b>	<b>(5,125,849)</b>	<b>(2,250,924)</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(1,482,717)</b>	<b>953,857</b>
Cash and cash equivalents at the beginning of the year	1,743,370	789,513
<b>Cash and cash equivalents at the end of the year</b>	<b>260,653</b>	<b>1,743,370</b>
<b>Cash and cash equivalents at the end of the year comprise:</b>		
Cash at bank and in hand	260,653	2,734,278
Bank overdrafts	-	(990,908)
	<b>260,653</b>	<b>1,743,370</b>

The notes on pages 17 to 35 form part of these financial statements.

## ROSEWOOD PET PRODUCTS LIMITED

ANALYSIS OF NET DEBT  
FOR THE YEAR ENDED 31 DECEMBER 2023

	At 1 January 2023 £	Cash flows £	At 31 December 2023 £
Cash at bank and in hand	2,734,278	(2,473,625)	260,653
Bank overdrafts	(990,908)	990,908	-
Invoice discounting	(5,350,746)	4,848,507	(502,239)
	<u>2,734,278</u>	<u>(2,473,625)</u>	<u>260,653</u>

The notes on pages 17 to 35 form part of these financial statements.

## **ROSEWOOD PET PRODUCTS LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023**

#### **1. Accounting policies**

##### **1.1 Basis of preparation of financial statements**

Rosewood Pet Products Limited is a limited liability company incorporated and domiciled in the United Kingdom. The address of its registered office is disclosed on the company information page.

The financial statements are prepared in Sterling (£) and are for a period of 52 weeks ended 31 December 2023 (2022: 52 weeks ended 31 December 2022).

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard FRS 102 (FRS 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 the company's management to exercise judgement in applying the company's accounting policies. The areas involving a higher degree of judgement or complexity or areas where assumptions and estimates are significant to the financial statements are disclosed in note 2.

In the prior year, International Sales Development Limited and Ningbo Rosewood Huge Dragon Company Limited were subsidiary undertakings of Rosewood Pet Products Limited, and consolidated financial statements were prepared to present the results of the group. During the year, the directors of Rosewood Pet Products Limited concluded that International Sales Development Limited would be wound up after the year end. In the current and prior year, the results of both subsidiaries were immaterial to the group, therefore the company has not prepared consolidated accounts for the year ended 31 December 2023, including the comparatives for the year ended 31 December 2022.

The following principal accounting policies have been applied:

##### **1.2 Disclosure exemptions**

As permitted by FRS 102 section 1.12, the company has taken advantage of the disclosure exemption available in relation to related party transactions with wholly owned group companies.

##### **1.3 Going concern**

At the balance sheet date the company had a strong net asset position. The company meets its day-to-day working capital requirements through its bank facilities. The company's forecasts and projections, taking account of possible changes in trading performance, show that the company can operate within the level of its current facilities.

At the date of signing these accounts, after making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for a period of at least 12 months from the date of signing these accounts. The company therefore continues to adopt the going concern basis in preparing its financial statements.

## ROSEWOOD PET PRODUCTS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

#### 1. Accounting policies (continued)

##### 1.4 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the company and the turnover can be reliably measured. Turnover 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 turnover is recognised:

##### Sale of goods

Turnover 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 turnover 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.

##### 1.5 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 company 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 company. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to the profit and loss account 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.

Depreciation is provided on the following basis:

Plant and machinery	-	25% straight line
Motor vehicles	-	25% straight line
Fixtures and fittings	-	25% straight line

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 the profit and loss account.

At each balance sheet date, the directors review the carrying amounts of the company's tangible fixed assets to determine whether there is any indication that any items have suffered an impairment loss. If any such indication exists, the recoverable amount of an asset is estimated in order to determine the extent of the impairment loss, if any. Where it is not possible to estimate the recoverable amount of the asset, the director estimates the recoverable amount of the cash-generating unit to which the asset belongs. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. Impairment losses are recognised as an expense immediately.

**ROSEWOOD PET PRODUCTS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023**

**1. Accounting policies (continued)**

**1.6 Valuation of investments**

Investments in subsidiaries are initially valued at cost and reviewed annually for signs of impairment. If an impairment loss is identified this is recognised immediately in the consolidated profit and loss account and the value of the investment is reduced accordingly.

Other investments are initially valued at cost and reviewed annually for signs of impairment. If an impairment loss is identified this is recognised immediately in the consolidated profit and loss account and the value of the investment is reduced accordingly.

**1.7 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. Finished goods include labour and attributable overheads.

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 consolidated profit and loss account.

**1.8 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 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 company's cash management.

## ROSEWOOD PET PRODUCTS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

#### 1. Accounting policies (continued)

##### 1.9 Financial instruments

###### Basic financial instruments

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities such as trade and other accounts receivable and payable, loans from banks and other third parties and loans to related parties.

All financial assets and liabilities are initially measured at transaction price and subsequently measured at amortised cost.

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, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the balance sheet date.

###### Complex financial instruments

The company uses forward foreign currency contracts to reduce exposure to foreign exchange rates. These financial instruments are initially recorded at fair value on the date on which the contract is entered into and are subsequently measured at fair value through the consolidated profit and loss account.

The fair value of forward currency contracts is calculated by reference to current forward exchange contracts with similar maturity profiles.

Forward foreign currency contract assets and liabilities are derecognised when the liability is extinguished, that is when the contract obligation is discharged, cancelled or expired.

##### 1.10 Foreign currency translation

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 the fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the consolidated profit and loss account.

##### 1.11 Finance costs

Finance costs are charged to the profit and loss account 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.

##### 1.12 Dividends

Equity dividends are recognised when they become legally payable.

## **ROSEWOOD PET PRODUCTS LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023**

#### **1. Accounting policies (continued)**

##### **1.13 Leasing and hire purchase**

Assets that are held by the company under leases which transfer substantially all the risk and rewards of ownership are classified as being held under hire purchase or finance lease. Leases which do not transfer substantially all the risk and rewards of ownership are classified as operating leases.

Operating lease payments are recognised as an expense on a straight-line basis over the lease term.

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible fixed assets and depreciated over the shorter of the lease term and their useful lives. Obligations under such arrangements are included in creditors net of the finance charge allocated to future periods.

The finance element of the rental payment is charged to the consolidated profit and loss account so as to produce a constant periodic rate of charge on the net obligation outstanding in each period.

##### **1.14 Pensions**

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 the profit and loss account when they fall due. Amounts not paid are shown in accruals as a liability in the balance sheet. The assets of the plan are held separately from the company in an independently administered fund.

##### **1.15 Holiday pay accrual**

A liability is recognised to the extent of any unused holiday pay entitlement which is accrued at the balance sheet date and carried forward to future periods. This is measured at the undiscounted salary cost of the future holiday entitlement so accrued at the balance sheet date.

##### **1.16 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 the profit and loss account in the year that the company becomes aware of the obligation, and are measured at the best estimate at the balance sheet 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 balance sheet.



## **ROSEWOOD PET PRODUCTS LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023**

#### **1. Accounting policies (continued)**

##### **1.17 Taxation**

The tax charge for the year comprises of current and deferred tax.

Current tax is recognised for the amount of corporation tax payable in respect of the taxable profit for the current or past reporting periods using the tax rates and laws that have been enacted or substantively enacted by the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date, except as otherwise indicated.

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

Deferred tax is calculated using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

##### **1.18 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 do not exceed five 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.

## **ROSEWOOD PET PRODUCTS LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023**

#### **2. Judgements in applying accounting policies and key sources of estimation uncertainty**

The directors make estimates and assumptions concerning the future. The directors are also required to exercise judgement in the process of applying the company's accounting policies. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

##### **Impairment of fixed assets**

The directors assess the impairment of tangible fixed assets and intangible assets subject to depreciation or amortisation whenever events or changes in circumstances indicate that the carrying value may not be recoverable. Factors considered important that could trigger an impairment review include the following:

- Significant under performance relative to historical or projected future operating results;
- Significant changes in the manner of the use of the acquired assets or the strategy for the overall business; and
- Significant negative industry or economic trends.

##### **Depreciation and residual values**

The directors have reviewed the asset lives and associated residual values of all fixed asset classes and have concluded that asset lives and residual values are 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.

##### **Recoverability of trade debtors**

Trade and other debtors are recognised to the extent that they are judged recoverable. The directors' reviews are performed to estimate the level of reserves required for irrecoverable debt. Provisions are made specifically against invoices where recoverability is uncertain.

The directors make allowances for doubtful debts based on an assessment of the recoverability of debtors. Allowances are applied to debtors where events or changes in circumstances indicate that the carrying amounts may not be recoverable. The directors specifically analyse historical bad debts, customer creditworthiness, current economic trends and changes in customer payment terms when making a judgement to evaluate the adequacy of the provision for doubtful debts. Where the expectation is different from the original estimate, such a difference will impact the carrying value of debtors and the charge in the profit and loss account.

##### **Valuation of derivatives**

The company recognises foreign exchange contracts on the balance sheet at their fair value. The fair value measurement utilises market observable inputs and data as far as possible. When not directly observable in active markets information the fair value must be computed internally based on internal assumptions. Changes in internal assumptions could materially impact the internally computed fair value. Changes in fair value are reflected in the profit and loss account.

## ROSEWOOD PET PRODUCTS LIMITED

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

#### 2. Judgements in applying accounting policies (continued)

##### Carrying value of stocks

The directors review the market value of and demand for the company's stock on a periodic basis to ensure stock is recorded in the financial statements at the lower of cost and net realisable value. Any provision for impairment is recorded against the carrying value of stock. The directors use their knowledge of market conditions, historical experiences and estimates of future events to assess future demand for the company's products and achievable selling prices.

##### Provisions

A provision is recognised when the company has a present legal or constructive obligation as a result of a past event for which it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Whether a present obligation is probable or not requires judgement. The nature and type of risks for these provisions differ and management's judgement is applied regarding the nature and extent of obligations in deciding if an outflow of resources is probable or not.

##### Taxation

There are many transactions and calculations for which the ultimate tax determination is uncertain. The company takes professional advice on its tax affairs and recognises liabilities for anticipated tax based on estimates of what taxation is likely to be due. Management estimation is required to determine the amount of any deferred tax assets that can be recognised, based upon likely timing and level of future taxable profits.

#### 3. Turnover

The whole of the turnover is attributable to the distribution of pet accessories.

Analysis of turnover by country of destination:

	2023 £	2022 £
United Kingdom	33,851,352	34,212,875
Rest of Europe	2,960,172	4,665,606
Rest of the world	1,009,602	2,248,178
	<u>37,821,126</u>	<u>41,126,659</u>

## ROSEWOOD PET PRODUCTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023

## 4. Operating (loss)/profit

The operating (loss)/profit is stated after charging/(crediting):

	2023 £	2022 £
Depreciation of tangible fixed assets	141,229	188,496
Foreign exchange differences	(213,983)	(1,318,791)
Fair value movement on foreign exchange contracts	77,078	169,343
Operating lease rentals	505,920	515,779
Defined contribution pension cost	137,803	100,605
Investment impairment	1,181,461	-
	<u>1,181,461</u>	<u>-</u>

## 5. Auditor's remuneration

During the year, the company obtained the following services from the company's auditor and its associates:

	2023 £	2022 £
<b>Fees payable to the company's auditor in respect of:</b>		
The audit of the company's annual financial statements	31,500	25,000
	<u>31,500</u>	<u>25,000</u>
	2023 £	2022 £
<b>Fees payable to the company's auditor in respect of:</b>		
Taxation compliance services	5,750	5,250
Tax advisory services	-	22,750
	<u>5,750</u>	<u>28,000</u>

## ROSEWOOD PET PRODUCTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023**6. Employees**

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

	<b>2023</b> £	<b>2022</b> £
Wages and salaries	2,765,709	2,680,928
Social security costs	274,252	249,097
Pension costs	137,803	100,605
	<u>3,177,764</u>	<u>3,030,630</u>

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

	<b>2023</b> No.	<b>2022</b> No.
Office and management	25	26
Sales and distribution	46	53
	<u>71</u>	<u>79</u>

**7. Directors' remuneration**

	<b>2023</b> £	<b>2022</b> £
Directors' emoluments	658,672	413,633
Directors' pension costs	40,273	14,214
	<u>698,945</u>	<u>427,847</u>

During the year retirement benefits were accruing to 4 directors (2022: 4) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £162,740 (2022: £104,911).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £9,935 (2022: £4,264).

**8. Interest receivable**

	<b>2023</b> £	<b>2022</b> £
Other interest receivable	<u>-</u>	<u>29,303</u>

## ROSEWOOD PET PRODUCTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023

## 9. Interest payable and similar expenses

	2023 £	2022 £
Bank interest payable	93,840	42,403
Invoice discounting interest payable	225,446	197,085
	<u>319,286</u>	<u>239,488</u>

## 10. Taxation

	2023 £	2022 £
<b>Corporation tax</b>		
Current tax for the year	104,401	274,295
Adjustments in respect of previous periods	(120,962)	(979)
<b>Total current tax</b>	<u>(16,561)</u>	<u>273,316</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	(50,414)	(3,524)
Adjustments in respect of prior periods	(1,718)	(1,113)
<b>Total deferred tax</b>	<u>(52,132)</u>	<u>(4,637)</u>
<b>Taxation on (loss)/profit on ordinary activities</b>	<u>(68,693)</u>	<u>268,679</u>

## ROSEWOOD PET PRODUCTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023

## 10. Taxation (continued)

## Factors affecting tax charge for the year

The tax assessed for the year is higher than (2022: lower than) the standard rate of corporation tax in the UK of 23.5% (2022: 19%). The differences are explained below:

	2023 £	2022 £
(Loss)/profit on ordinary activities before tax	(3,566)	2,354,182
(Loss)/profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 23.5% (2022: 19%)	(839)	447,295
<b>Effects of:</b>		
Expenses not deductible for tax purposes	298,251	33,966
Difference between capital allowances and depreciation	(324)	(4,676)
Adjustments to tax charge in respect of prior periods	(120,962)	(979)
Adjustments to deferred tax charge in respect of prior periods	(1,718)	(1,113)
Timing differences not recognised in the computation	(18,129)	-
Other deductions	(224,972)	(205,814)
<b>Total tax (credit)/charge for the year</b>	<b>(68,693)</b>	<b>268,679</b>

## Factors that may affect future tax charges

There are no factors that may affect future tax charges.

## 11. Dividends

	2023 £	2022 £
'A' ordinary shares	-	166,692

## ROSEWOOD PET PRODUCTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023

## 12. Intangible assets

	Research and development £
<b>Cost</b>	
At 1 January and 31 December 2023	72,180
<b>Amortisation</b>	
At 1 January and 31 December 2023	72,180
<b>Net book value</b>	
At 1 January and 31 December 2023	-

## 13. Tangible fixed assets

	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Total £
<b>Cost</b>				
At 1 January 2023	1,943,977	151,690	1,311,157	3,406,824
Additions	75,523	7,391	18,920	101,834
Disposals	-	(30,081)	-	(30,081)
At 31 December 2023	2,019,500	129,000	1,330,077	3,478,577
<b>Depreciation</b>				
At 1 January 2023	1,823,152	89,072	1,244,040	3,156,264
Charge for the year	61,902	22,407	56,920	141,229
Disposals	-	(30,081)	-	(30,081)
At 31 December 2023	1,885,054	81,398	1,300,960	3,267,412
<b>Net book value</b>				
At 31 December 2023	134,446	47,602	29,117	211,165
At 31 December 2022	120,825	62,618	67,117	250,560



## ROSEWOOD PET PRODUCTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023

## 14. Fixed asset investments

	Investments in subsidiary companies £	Other investments £	Total £
<b>Cost</b>			
At 1 January 2023	1,436,761	104,348	1,541,109
Amounts written off	(1,181,461)	-	(1,181,461)
At 31 December 2023	255,300	104,348	359,648
<b>Net book value</b>			
At 31 December 2023	255,300	104,348	359,648
At 31 December 2022	1,436,761	104,348	1,541,109

During the year, the directors of the company concluded that International Sales Development Limited, a subsidiary of Rosewood Pet Products Limited, would be wound up after the year end. As a result, the investment held within the financial statements of Rosewood Pet Products Limited has been impaired. Amounts written off to the profit and loss account during the year, and recognised within administrative expenses, are £1,181,461.

**Subsidiary undertakings**

The following were subsidiary undertakings of the company:

Name	Class of shares	Holding
International Sales Development Limited	England	100%
Ningbo Rosewood Huge Dragon Company Limited	China	100%

International Sales Development Limited is incorporated in the United Kingdom and its registered office is the same as Rosewood Pet Products Limited.

Ningbo Rosewood Huge Dragon Company Limited is incorporated in China and its registered office is Room 6D07, Hall 10, International Exhibition Center, Yinzhou, Ningbo, China, 315042.

**Other investments**

Rosewood Pet Products Limited hold a 6% share holding in Scoobybox Limited.

Scoobybox Limited is incorporated in the Republic of Ireland and its registered office is Unit 30, Orion Business Campus, Ballycoolin, Dublin 15, D15 YW3W.

## ROSEWOOD PET PRODUCTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023

## 15. Stocks

	2023 £	2022 £
Finished goods and goods for resale	7,878,776	11,398,896

## 16. Debtors

	2023 £	2022 £
Trade debtors	6,630,818	9,639,009
Amounts owed by group undertakings	-	105,218
Other debtors	493,807	387,718
Prepayments and accrued income	548,818	254,612
Deferred taxation	134,660	82,528
	7,808,103	10,469,085

Amounts included within trade debtors at the year end that are subject to invoice discounting arrangements total £6,740,531 (2022: £8,115,779).

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

## ROSEWOOD PET PRODUCTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023

## 17. Creditors: Amounts falling due within one year

	2023 £	2022 £
Bank overdrafts	-	990,908
Invoice discounting	502,239	5,350,746
Trade creditors	1,466,730	2,982,092
Amounts owed to group undertakings	40,583	3,199,967
Corporation tax	-	108,295
Other taxation and social security	329,704	314,429
Other creditors	588,587	593,099
Accruals and deferred income	2,530,349	1,901,310
	<u>5,458,192</u>	<u>15,440,846</u>

Included within other creditors are foreign currency forward contracts amounting to £586,177 (2022: £509,099).

Included within amounts owed to group undertakings is an amount of £28,936 (2022: £2,308,188) owed to Rosewood Pet Products Limited's parent company, Dayes Group B.V.. The amount is unsecured, interest free, and repayable on demand.

The amounts under invoice discounting arrangements are secured by a first legal charge over debtors less than 120 days old.

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

## ROSEWOOD PET PRODUCTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
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## 18. Deferred taxation

	2023 £	2022 £
At the beginning of the year	82,528	77,891
Credited to the profit and loss account	52,132	4,637
<b>At the end of the year</b>	<b>134,660</b>	<b>82,528</b>

The deferred tax asset is made up as follows:

	2023 £	2022 £
Accelerated capital allowances	27,869	25,082
Other timing differences	106,791	57,446
	<b>134,660</b>	<b>82,528</b>

## 19. Share capital

	2023 £	2022 £
<b>Allotted, called up and fully paid</b>		
48,766 Ordinary 'A' shares of £0.01 each	488	488
6,086 Ordinary 'B' shares of £0.01 each	61	61
748 Ordinary 'C' shares of £0.01 each	7	7
	<b>556</b>	<b>556</b>

All shares carry voting rights and the right to participate in profits and a return in capital.

## ROSEWOOD PET PRODUCTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023**20. Reserves****Share capital**

Share capital represents the nominal value of shares that have been issued.

**Share premium account**

The share premium account includes the premium on issue of equity shares.

In the prior year, shares held by certain directors in an Enterprise Management Incentive (EMI) Scheme were exercised. New shares were issued to certain directors with a nominal value of £56. £42,000 was paid by the directors, therefore an increase in share premium of £41,944 has been recognised. This transaction should have been disclosed in the 31 December 2022 year end financial statements, however as this is immaterial and has no impact on profit in the current or prior year, the directors do not wish to adjust the prior year financial statements for this share transaction.

**Capital redemption reserve**

The capital redemption reserve contains the nominal value of own shares that have been acquired by the company and cancelled.

**Profit and loss account**

The profit and loss reserve represents all current and prior period retained profits and losses less dividends paid.

**21. Pension commitments**

The company operates a defined contribution 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 £137,803 (2022: £100,605). Contributions totaling £14,348 (2022: £13,261) were payable at the balance sheet date and are within other creditors.

**22. Commitments under operating leases**

At 31 December 2023 the company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2023 £	2022 £
Not later than 1 year	478,751	529,371
Later than 1 year and not later than 5 years	1,451,520	1,679,772
Later than 5 years	1,248,788	1,748,210
	<u>3,179,059</u>	<u>3,957,353</u>

**23. Guarantees**

Import guarantees of £10,000 (2022: £400,000) were due to HM Customs and Excise at 31 December 2023.

**ROSEWOOD PET PRODUCTS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
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**24. Related party transactions**

Advantage has been taken of the exemption provided by FRS 102 Section 33.1A not to disclose transactions with wholly owned companies within the group.

The directors consider there to be no key management personnel, other than the directors of the company who have authority and responsibility for planning, directing and controlling the activities of the company.

**25. Ultimate parent company and controlling party**

The company's ultimate parent company is Dayes Group B.V., a company incorporated in Amsterdam, which owns 87.7% of Rosewood Pet Products Limited. The consolidated accounts of this company may be obtained from Oosteinde 19 1017 WT, Amsterdam, Noord-Holland, Netherlands.

The ultimate controlling party is Dayes Group B.V..