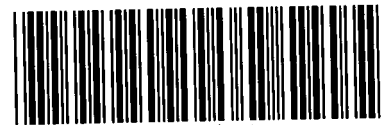


ROGER SKINNER LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

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COMPANIES HOUSE

ROGER SKINNER LIMITED

COMPANY INFORMATION

Directors

R A S Skinner (Chairman)
T L Hansell (CEO)
G J Panter
W L Skinner
M R Peters
J F Lockett
B R A Skinner (appointed 17 August 2022)

Company secretary

W L Skinner

Registered number

01272854

Registered office

The Mill
Stradbroke
Eye
Suffolk
IP21 5HL

Independent auditors

Larking Gowen LLP
Chartered Accountants & Statutory Auditor
King Street House
15 Upper King Street
Norwich
NR3 1RB

ROGER SKINNER LIMITED

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ROGER SKINNER LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2022

Introduction

The Directors present their Strategic Report and financial statements for the year ended 31 March 2022.

Business review

The Company's principal activity relates to the manufacture and supply of dog food.

During the year, the Company's turnover increased by 19% to £24.4m, with the Skinner's brand showing strong growth from its core dry dog food business and from its new wet dog food and treats ranges too.

During the year the business experienced significant inflationary cost pressures, particularly in relation to key raw material ingredients, packaging, energy and transport costs, which reduced underlying profit margins in the year.

The Company continues to make good progress in mitigating input cost inflation through a range of measures, including cost efficiencies.

The Company has continued to apply the Government's COVID 19 Health & Safety guidelines rigorously throughout the pandemic, with staff adapting to new ways of working to help keep each other safe.

Our people have continued to adapt and respond brilliantly to the challenging economic environment which the world faces and we thank our people for their continuing hard work and dedication.

The Company continues to be a member of the Living Wage Foundation and continues to support their important work and ethics.

Future developments

The Company continues to invest in its people, processes, operational infrastructure and product range to support future growth.

The Company continues to proactively manage ongoing input cost inflation, which continues to impact the UK food manufacturing sector generally.

Principal risks and uncertainties

As noted above, the Company's principal activity is the manufacture of dog food. In common with many businesses carrying out similar activity, the principal risks and uncertainties it faces are customer spending downturns and changes in general economic conditions. While recognising the existence of such risks, the Directors believe the Company is well placed to successfully deal with any such challenges should they arise.

Financial key performance indicators

The Directors use a variety of performance measures in order to monitor and manage the business effectively. The Directors monitor the performance of the Company based upon its turnover, EBITDA (before exceptional costs and intercompany rent charges), and profit before tax.

ROGER SKINNER LIMITED

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

	2022 £000	2021 £000
Turnover	24,415	20,540
EBITDA	2,357	3,467
Profit before tax	1,497	2,570

Financial risk management objectives and policies

In common with every other business, the Company aims to minimise financial risk. The measures used by the Directors to manage this risk include preparation of profit forecasts and regular monitoring of actual performance against these forecasts. Debtors are closely monitored to keep the risk of bad debts to a minimum.

The Company uses various financial instruments including cash and items such as trade debtors and trade creditors that arise directly from its operations. The main purpose of these financial instruments is to ensure sufficient finance for the Company's operations.

The existence of these financial instruments exposes the Company to a number of financial risks, which are described in more detail below. The main risks arising from the Company's financial instruments are credit risk, interest rate risk and liquidity risk. The Directors review and agree policies for managing each of these risks and they are summarised below. These policies have remained unchanged from previous periods.

Credit risk

The Company's principal credit risk is the recovery of amounts owed by trade debtors. In order to manage credit risk the directors set limits for customers based on a combination of payment history and third party credit reference information. Credit limits are reviewed on a regular basis in conjunction with debt ageing and collection history. Debts are actively chased by the credit control department.

Price risk

The Company seeks to limit its exposure to price risk by agreeing forward contracts on some grain and other cereal purchases.

Interest rate risk

The Company has external finance in existence at 31 March 2022 as detailed in notes 17, 18, and 19. The Company manages its interest rate risk by agreeing rates with lenders where appropriate.

Liquidity risk

As a result of positive cash flows from operating activities and the current asset position, the directors do not consider liquidity or cashflow risk to be an issue although these areas are closely monitored to ensure the Company's procedures continue to operate effectively to minimise risks.

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



R A S Skinner (Chairman)
Director

Date: 24/11/22

ROGER SKINNER LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2022

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

Principal activity

The principal activity remains unchanged being that of dog food manufacturers and suppliers.

Results and dividends

The profit for the year, after taxation, amounted to £1,276,000 (2021 - £2,207,000).

During the year, dividends of £473,000 (2021 - £443,000) were declared and paid.

Directors

The Directors who served during the year were:

R A S Skinner (Chairman)
T L Hansell (CEO)
G J Panter
W L Skinner
C W Delamore (resigned 1 June 2022)
H A Hutchinson (resigned 1 November 2022)
M R Peters
J F Lockett

Political and charitable contributions

During the year the Company made charitable contributions of £16,000 (2021 - £9,000).

Matters covered in the Strategic Report

The Strategic Report includes the following disclosures that could have been included within the Directors' Report:

- Business review
- Future developments
- Principal risks and uncertainties
- Financial key performance indicators
- Financial risk management policies and objectives

ROGER SKINNER LIMITED

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

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 judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the 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.

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.

Post balance sheet events

There have been no significant events that have impacted the Company since the year end.

ROGER SKINNER LIMITED

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

Auditors

The auditors, Larking Gowen 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.

A handwritten signature in black ink, appearing to read 'R A S Skinner', is written over a horizontal line.

R A S Skinner (Chairman)
Director

Date: 24/11/22

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ROGER SKINNER LIMITED

Opinion

We have audited the financial statements of Roger Skinner Limited (the 'Company') for the year ended 31 March 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 March 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ROGER SKINNER LIMITED (CONTINUED)

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.

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 4, 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 ROGER SKINNER 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. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- Enquiries with management and those charged with governance around actual and potential litigation and claims;
- Reviewing legal and professional invoices to identify any other potential litigations or claims;
- Reviewing minutes of management meetings;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness and evaluating the business rationale of significant transactions outside the normal course of business.

Because of the field in which the client operates, we identified the following areas as those most likely to have a material impact on the financial statements: meeting quality and food safety standards for products; Health and Safety; employment law (including the Working Time Directive); anti-bribery and corruption; General Data Protection Regulations and compliance with the UK Companies Act.

Because of the inherent limitations of an audit, there is an unavoidable risk that some material misstatements in the financial statements may not be detected, even though the audit is properly planned and performed in accordance with the ISAs (UK). For instance, the further removed non-compliance is from the events and transactions reflected in the financial statements, the less likely the auditor is to become aware of it or to recognise the non-compliance.

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.

ROGER SKINNER LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ROGER SKINNER LIMITED (CONTINUED)

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



Charles Savory FCA (Senior Statutory Auditor)

for and on behalf of
Larking Gowen LLP

Chartered Accountants
Statutory Auditor

Norwich

Date: 9/12/2022

ROGER SKINNER LIMITED

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

	Note	2022 £000	2021 £000
Turnover	4	24,415	20,540
Cost of sales		(11,562)	(8,396)
Gross profit		12,853	12,144
Distribution costs		(4,348)	(3,313)
Administrative expenses		(6,731)	(5,943)
Exceptional administrative expenses	5	(261)	(258)
Operating profit	5	1,513	2,630
Interest payable and similar expenses	9	(16)	(60)
Profit before tax		1,497	2,570
Tax on profit	10	(221)	(363)
Profit for the financial year		1,276	2,207

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

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

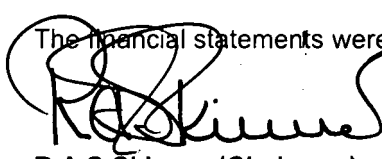
The notes on pages 13 to 30 form part of these financial statements.

ROGER SKINNER LIMITED
REGISTERED NUMBER: 01272854

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2022

	Note	2022 £000	2021 £000
Fixed assets			
Intangible assets	12	103	108
Tangible assets	13	2,174	1,676
		<u>2,277</u>	<u>1,784</u>
Current assets			
Stocks	14	2,907	1,697
Debtors: amounts falling due within one year	15	9,287	9,627
Cash at bank and in hand	16	1	1
		<u>12,195</u>	<u>11,325</u>
Creditors: amounts falling due within one year	17	(3,733)	(3,307)
Net current assets		<u>8,462</u>	<u>8,018</u>
Total assets less current liabilities		<u>10,739</u>	<u>9,802</u>
Creditors: amounts falling due after more than one year	18	(80)	-
Provisions for liabilities			
Deferred tax	20	(65)	(11)
		<u>(65)</u>	<u>(11)</u>
Net assets		<u><u>10,594</u></u>	<u><u>9,791</u></u>
Capital and reserves			
Called up share capital	21	2	2
Share premium account	22	3	3
Profit and loss account	22	10,589	9,786
		<u>10,594</u>	<u>9,791</u>

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


R A S Skinner (Chairman)
 Director

Date: 24/11/22.

The notes on pages 13 to 30 form part of these financial statements.

ROGER SKINNER LIMITED

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

	Called up share capital £000	Share premium account £000	Profit and loss account £000	Total equity £000
At 1 April 2020	2	3	8,022	8,027
Profit for the year	-	-	2,207	2,207
Dividends: Equity capital	-	-	(443)	(443)
At 1 April 2021	2	3	9,786	9,791
Profit for the year	-	-	1,276	1,276
Dividends: Equity capital	-	-	(473)	(473)
At 31 March 2022	2	3	10,589	10,594

The notes on pages 13 to 30 form part of these financial statements.

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

1. General information

Roger Skinner Limited is a private company limited by shares and is incorporated in England and Wales. Its registered address is The Mill, Stradbroke, Eye, Suffolk, IP21 5HL. The principal activity remains unchanged being that of dog food manufacturers and suppliers.

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 judgment 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 11 Financial Instruments paragraphs 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Roger Skinner Holdings Limited as at 31 March 2022 and these financial statements may be obtained from Companies House.

2.3 Going concern

The Directors have considered the Company's financial position at the time of signing the financial statements, in the context of the current challenging economic climate. At the time of signing the financial statements, the Company continues to operate successfully and profitably.

The Director's have considered the Company's current financial position and future prospects in the context of the ongoing challenging economic climate. On the basis of the information currently available, the Directors have concluded that the Company should have adequate financial resources to continue to operate for the foreseeable future, being at least 12 months from the date of signing these financial statements. Accordingly, the Directors continue to adopt the going concern basis of accounting in preparing these financial statements.

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

2. Accounting policies (continued)

2.4 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP, the financial statements are rounded to the nearest £000.

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'.

2.5 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.

2.6 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.

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

2. Accounting policies (continued)

2.7 Research and development

Research and development expenditure is written off in the year which it is incurred.

2.8 Interest income

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

2.9 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.

2.10 Borrowing costs

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

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 MARCH 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 Exceptional items

Exceptional items are transactions that fall within the ordinary activities of the Company but are presented separately due to their size or incidence.

2.14 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:

Website	-	straight line over a period of 3 years
Trademarks	-	straight line over a period of 10 years

2.15 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 MARCH 2022

2. Accounting policies (continued)

2.15 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 straight-line method.

Depreciation is provided on the following basis:

Long-term leasehold property	- over a period of between 5 - 10 years
Plant and machinery	- over a period of between 4 - 10 years
Motor vehicles	- over a period of between 2 - 4 years
Fixtures and fittings	- over a period of between 2 - 4 years
Assets under construction	- not depreciated

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.

2.16 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 weighted average basis. Work in progress and 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 profit or loss.

2.17 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.

2.18 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.

2.19 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.

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

2. Accounting policies (continued)

2.20 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.

2.21 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

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

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

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

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

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

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

2. Accounting policies (continued)

2.22 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.

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

In the application of the Company's accounting policies the Directors are required to make judgements, estimates and assumptions. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

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

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of the assets and liabilities are outlined below:

Tangible fixed assets

Tangible fixed assets are depreciated over their useful 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 assets' lives, factors such as technological innovation, product life cycles and maintenance programs are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

ROGER SKINNER LIMITED

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

4. Turnover

The whole of the turnover is attributable to pet food manufacture and supply.

Analysis of turnover by country of destination:

	2022 £000	2021 £000
United Kingdom	24,132	20,124
Rest of the world	283	416
	<u>24,415</u>	<u>20,540</u>

5. Operating profit

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

	2022 £000	2021 £000
Research & development charged as an expense	6	33
Exchange losses/(gains)	4	-
Other operating lease rentals	192	191
Amortisation of intangible fixed assets	30	9
Depreciation of tangible fixed assets - owned by the Company	359	287
Depreciation of tangible fixed assets - held under finance leases	1	80
Profit on disposal of tangible fixed assets	-	20
Exceptional administrative expenses	<u>261</u>	<u>258</u>

Exceptional administrative expenses include rebranding costs and reorganisation costs.

6. Auditors' remuneration

	2022 £000	2021 £000
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	<u>14</u>	<u>13</u>

The Company has taken advantage of the exemption not to disclose amounts paid for non audit services as these are disclosed in the group accounts of the parent Company.

ROGER SKINNER LIMITED

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

7. Employees

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

	2022 £000	2021 £000
Wages and salaries	3,054	2,582
Social security costs	344	275
Cost of defined contribution scheme	102	87
	<u>3,500</u>	<u>2,944</u>

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

	2022 No.	2021 No.
Production	36	29
Sales and Marketing	15	14
Administration	27	25
	<u>78</u>	<u>68</u>

8. Directors' remuneration

	2022 £000	2021 £000
Directors' emoluments	862	781
Company contributions to defined contribution pension schemes	25	24
	<u>887</u>	<u>805</u>

During the year retirement benefits were accruing to 6 Directors (2021 - 5) in respect of defined contribution pension schemes.

The highest paid Director received remuneration of £222,000 (2021 - £216,000).

The value of the Company's contributions paid to a defined contribution pension scheme in respect of the highest paid Director amounted to £10,000 (2021 - £10,000).

ROGER SKINNER LIMITED

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

9. Interest payable

	2022 £000	2021 £000
Bank interest payable	15	48
Finance leases and hire purchase contracts	1	12
	<u>16</u>	<u>60</u>

10. Taxation

	2022 £000	2021 £000
Corporation tax		
Current tax on profits for the year	216	506
Adjustments in respect of previous periods	(49)	(66)
Total current tax	<u>167</u>	<u>440</u>
Deferred tax		
Origination and reversal of timing differences	51	(8)
Changes to tax rates	-	2
Adjustments in respect of previous periods	3	(71)
Total deferred tax	<u>54</u>	<u>(77)</u>
Taxation on profit on ordinary activities	<u>221</u>	<u>363</u>

ROGER SKINNER LIMITED

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

10. Taxation (continued)

Factors affecting tax charge for the year

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

	2022	2021
	£000	£000
Profit on ordinary activities before tax	1,497	2,570
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021 - 19%)	285	494
Effects of:		
Expenses not deductible for tax purposes	4	4
Fixed asset differences	(10)	-
Additional tax relief for R&D expenditure	(47)	-
Adjustments to tax charge in respect of prior periods	(49)	(137)
Adjustment for taxation at differing rates	16	2
Movement in deferred tax not recognised	22	-
Total tax charge for the year	221	363

Factors that may affect future tax charges

Legislation to increase the main rate of corporation tax to 25% from 1 April 2023 was included in the Finance Act 2021 and has since the year end has become substantively enacted.

11. Dividends

	2022	2021
	£000	£000
Dividends paid on ordinary shares	473	443
	473	443

ROGER SKINNER LIMITED

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

12. Intangible assets

	Website £000	Trademarks £000	Total £000
Cost			
At 1 April 2021	66	53	119
Additions	10	15	25
At 31 March 2022	<u>76</u>	<u>68</u>	<u>144</u>
Amortisation			
At 1 April 2021	9	2	11
Charge for the year on owned assets	24	6	30
At 31 March 2022	<u>33</u>	<u>8</u>	<u>41</u>
Net book value			
At 31 March 2022	<u>43</u>	<u>60</u>	<u>103</u>
At 31 March 2021	<u>57</u>	<u>51</u>	<u>108</u>

ROGER SKINNER LIMITED

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

13. Tangible fixed assets

	Leasehold property improvements £000	Plant and machinery £000	Motor vehicles £000	Fixtures and fittings £000	Assets under construction £000	Total £000
Cost						
At 1 April 2021	242	3,735	364	215	604	5,160
Additions	-	75	38	23	722	858
Transfers between classes	991	36	-	167	(1,194)	-
At 31 March 2022	1,233	3,846	402	405	132	6,018
Depreciation						
At 1 April 2021	57	2,952	283	177	15	3,484
Charge for the year	48	218	63	31	-	360
Transfers between classes	-	15	-	-	(15)	-
At 31 March 2022	105	3,185	346	208	-	3,844
Net book value						
At 31 March 2022	1,128	661	56	197	132	2,174
At 31 March 2021	185	783	81	38	589	1,676

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

	2022 £000	2021 £000
Plant and machinery	-	214
Motor vehicles	36	3
Furniture, fittings and equipment	98	-
	134	217

ROGER SKINNER LIMITED

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

14. Stocks

	2022 £000	2021 £000
Raw materials and consumables	1,504	921
Finished goods and goods for resale	1,403	776
	<u>2,907</u>	<u>1,697</u>

15. Debtors

	2022 £000	2021 £000
Trade debtors	2,436	2,274
Amounts owed by group undertakings	485	875
Other debtors	4,763	4,829
Prepayments and accrued income	251	300
Tax recoverable	1,352	1,349
	<u>9,287</u>	<u>9,627</u>

Included within other debtors due within one year is a loan to a Director, amounting to £4,588,000 (2021: £4,584,000). During the year a further advance of £Nil (2021: £Nil) was made and £4,000 (2021: £6,000) was debited to the loan account. The loan is repayable on demand and interest is not charged.

16. Cash and cash equivalents

	2022 £000	2021 £000
Cash at bank and in hand	1	1
Less: bank overdrafts	(549)	(18)
	<u>(548)</u>	<u>(17)</u>

ROGER SKINNER LIMITED

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

17. Creditors: Amounts falling due within one year

	2022 £000	2021 £000
Bank overdrafts	549	18
Trade creditors	2,352	1,508
Amounts owed to group undertakings	-	951
Corporation tax	15	197
Other taxation and social security	99	77
Obligations under finance lease and hire purchase contracts	41	5
Accruals and deferred income	677	551
	<u>3,733</u>	<u>3,307</u>

The bank overdrafts are secured by fixed charge over The Mill, Stradbroke, Horham Airfield Industrial Estate and Carlton Park Industrial Estate (properties held by the Ultimate Parent Company) as well as by debenture.

Amounts due under hire purchase are secured on the related fixed assets.

18. Creditors: Amounts falling due after more than one year

	2022 £000	2021 £000
Net obligations under finance leases and hire purchase contracts	80	-
	<u>80</u>	<u>-</u>

Amounts due under hire purchase are secured on the related fixed assets.

19. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	2022 £000	2021 £000
Within one year	41	5
Between 1-5 years	80	-
	<u>121</u>	<u>5</u>

ROGER SKINNER LIMITED

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

20. Deferred taxation

	2022 £000	2021 £000
At beginning of year	(11)	(88)
(Charged)/credited to profit or loss	(54)	77
At end of year	(65)	(11)

The provision for deferred taxation is made up as follows:

	2022 £000	2021 £000
Accelerated capital allowances	(65)	(11)
	(65)	(11)

21. Share capital

	2022 £000	2021 £000
Allotted, called up and fully paid		
2 (2021 - 2) Ordinary B shares of £1 each	-	-
2 (2021 - 2) Ordinary D shares of £1 each	-	-
1,000 (2021 - 1,000) Non-voting Ordinary shares of £1 each	1	1
1,220 (2021 - 1,220) Ordinary shares of £1 each	1	1
	2	2

The Ordinary B shares are ranked pari-passu with the Ordinary shares.

The Ordinary D shares provide certain rights to capital in the event of a share sale, asset sale or listing of the Company.

Non-voting Ordinary shares shall have all rights attaching to Ordinary shares except they shall not have voting rights conferred by the Act and Articles.

ROGER SKINNER LIMITED

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

22. Reserves

Share premium account

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

Profit and loss account

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

23. Contingent liabilities

The Company has entered into a cross guarantee with other group companies in respect of bank borrowings totalling £5,871,000 (2021: £5,190,000).

24. Capital commitments

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

	2022 £000	2021 £000
Contracted for but not provided in these financial statements	103	239
	<u>103</u>	<u>239</u>

25. 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 £102,000 (2021 - £87,000). No contributions were outstanding at 31 March 2022 (2021 - £Nil).

26. Commitments under operating leases

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

	2022 £000	2021 £000
Not later than 1 year	191	191
Later than 1 year and not later than 5 years	384	574
	<u>575</u>	<u>765</u>

ROGER SKINNER LIMITED

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

27. Related party transactions

During the year the Company sold goods to a partnership, Salters Pet Nutrition, to the value of £124,000 (2021 - £153,000). A director is a partner in Salters Pet Nutrition. As at 31 March 2022, the Company was owed £39,000 (2021 - £117,000) by Salters Pet Nutrition.

During the year the Company purchased goods from Naturediet Pet Foods Limited, a fellow subsidiary of Skinner's Pet Food Holdings Limited to the value of £613,000 (2021: £102,000) and made sales to Naturediet Pet Foods Limited to the value of £30,000 (2021: £Nil). As at 31 March 2022, the Company was owed £156,000 by Naturediet Pet Foods Limited (2021: Company owed £12,000).

During the year dividends of £33,000 (2021 - £33,000) were paid to Directors of the Company.

Included within other debtors due within one year is a loan to a Director, amounting to £4,588,000 (2021 - £4,584,000). During the year a further advance of £Nil (2021 - £Nil) was made and £4,000 (2021 - £6,000) was debited to the loan account. The loan is repayable on demand and interest is not charged.

Included within amounts owed by group companies is £329,000 (2021 - £875,000) due from Roger Skinner Holdings Limited. During the year, the Company also paid rent of £188,000 (2021 - £188,000) to Roger Skinner Holdings Limited.

Included within amounts owed to group companies is £nil (2021: £950,000) due to Skinner's Pet Food Holdings Limited in relation to an intercompany loan provided to the Company.

28. Forward purchases

The Company buys large quantities of grain and other commodities whose prices can fluctuate. As a result, the Company is subject to price risk. The Company seeks to reduce this risk by entering into forward contracts with suppliers to purchase goods for use in the business. At 31 March 2022 the Company had forward contracts with a value of £8,926,000 (2021 - £3,782,000) which are expected to be drawn down in the year ending 31 March 2023.

29. Controlling party

The Immediate Parent Undertaking is Skinner's Pet Food Holdings Limited, a Company registered in England and Wales. Consolidated accounts are available from Companies House, Cardiff, CF14 3UZ.

The Ultimate Parent Undertaking is Roger Skinner Holdings Limited, a Company registered in England and Wales. Consolidated accounts are available from Companies House, Cardiff, CF14 3UZ.

The Ultimate Controlling Party is Mr R A S Skinner by virtue of his beneficial shareholding in the Ultimate Parent Company.