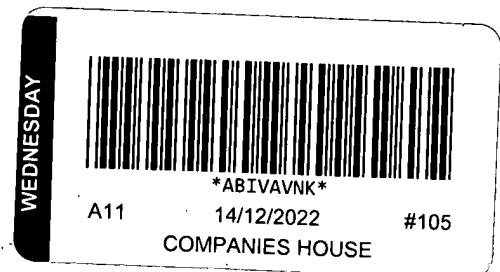


Registered No: 01334487

## **MH Foods Limited**

### **Annual report and Financial Statements**

For the year ended 31 March 2022



MH Foods Limited

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Registered No: 01334487

**Directors**

T A Atherton  
A Braithwaite  
A T Hinds  
M Therrien

**Company Secretary**

I J Hinton

**Auditor**

KPMG LLP  
1 Forest Gate  
Brighton Road  
Crawley  
RH11 9PT  
United Kingdom

**Registered office**

5 The Heights  
Brooklands  
Weybridge  
Surrey  
KT13 0NY  
United Kingdom

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## Directors' report

The Directors present their annual report and audited financial statements for the year ended 31 March 2022. In accordance with S414B of the Companies Act 2006, the directors have taken advantage of the small companies exemption from preparing a Strategic

### Directors

The Directors of the Company were as follows:

T A Atherton  
A Braithwaite  
A T Hinds  
M Therrien

### Future developments

The Company is not expected to have any significant transactions and will continue as a dormant company.

### Directors' and officers' indemnities and insurance

The Company maintains liability insurance for its Directors and Officers. The Directors, Company Secretary and other Officers of the Company are indemnified by the Company to the extent permitted by company law. That indemnity provision has been in place during the year and remains in force.

### Dividends

No dividends were declared and paid during the year (2021: £78.9 million).

### Going concern

On 20 February 2021 the Company's trade and assets were sold to its immediate parent company Dairy Crest Limited, with final transactions taking place on 31 March 2022. Following this transaction the Company ceased trading and the financial statements are therefore not prepared on a going concern basis.

### Disclosure of information to auditor

The Directors who held office at the date of approval of this Directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware. Each Director has taken all the steps that they ought to have taken as Directors to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Agreed by the Board and signed on its behalf by



T A Atherton  
Director

22 September 2022

## Directors' responsibilities statement

The directors are responsible for preparing the Annual 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 they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 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 and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so (as explained in note 1), the directors do not believe that it is appropriate to prepare these financial statements on a going concern basis.

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 enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

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## **Independent auditor's report**

### **to the members of MH Foods Limited**

#### **Opinion**

We have audited the financial statements of MH Foods Limited "the Company" for the year ended 31 March 2022 which comprise the Statement of comprehensive income, Statement of financial position, Statement of changes in equity and related notes, including the accounting policies in note 1. These financial statements have not been prepared on the going concern basis for the reason set out in note 1.

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 result for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland; 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 are described below. We have fulfilled our ethical responsibilities under, and are independent of the Company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

#### **Fraud and breaches of laws and regulations – ability to detect**

##### *Identifying and responding to risks of material misstatement due to fraud*

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included enquiring of directors and inspection of policy documentation as to the group policies and procedures to prevent and detect fraud that apply to this group company as well as enquiring whether the directors have knowledge of any actual, suspected or alleged fraud.

As required by auditing standards, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition because there are no revenue transactions. We did not identify any additional fraud risks.

We performed procedures including agreeing all accounting entries in the period to supporting documentation.

##### *Identifying and responding to risks of material misstatement related to compliance with laws and regulations*

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the directors (as required by auditing standards), and discussed with the directors the policies and procedures regarding compliance with laws and regulations.

The company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

This company is not subject to other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements.

##### *Context of the ability of the audit to detect fraud or breaches of law or regulation*

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

#### **Directors' report**

The directors are responsible for the directors' report. Our opinion on the financial statements does not cover that report and we do not express an audit opinion thereon.

Our responsibility is to read the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the directors' report;
- in our opinion the information given in that report for the financial year is consistent with the financial statements; and
- in our opinion that report has been prepared in accordance with the Companies Act 2006.

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## Independent auditor's report (continued)

to the members of MH Foods Limited

### Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters 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; or
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.

We have nothing to report in these respects.

### Directors' responsibilities

As explained more fully in their 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; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; 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 they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.


### Auditor's responsibilities

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).

### The purpose of our audit work and to whom we owe our responsibilities

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.



Julie Wheeldon (Senior Statutory Auditor)  
for and on behalf of KPMG LLP, Statutory Auditor  
Chartered Accountants  
1 Forest Gate  
Brighton Road  
RH11 9PT

22 September 2022

# Statement of comprehensive income

for the year ended 31 March 2022

	Notes	2022 £000	2021 £000
			Discontinued Operations
<b>Turnover</b>		-	18,672
Cost of sales		-	(8,138)
<b>Gross Profit</b>		-	10,534
Distribution costs		-	(350)
Administrative expenses		-	(1,679)
Profit on sale of trade and assets		-	60,916
<b>Operating Profit</b>	2	-	69,421
Other interest receivable and similar income	4	44	71
<b>Profit before taxation</b>		44	69,492
Tax (charge)/credit on profit	5	(44)	45
<b>Profit for the year and total comprehensive income</b>		-	69,537



# Statement of financial position

as at 31 March 2022

	Notes	2022 £000	2021 £000
<b>Fixed assets</b>			
Tangible assets		-	-
Intangible assets		-	-
Investments		-	-
		<hr/>	<hr/>
<b>Current assets</b>			
Stocks		-	-
Debtors		-	-
Cash at bank and in hand		-	-
		<hr/>	<hr/>
<b>Creditors</b>			
Amounts falling due within one year		-	-
		<hr/>	<hr/>
<b>Net current assets</b>		-	-
		<hr/>	<hr/>
<b>Total assets less current liabilities</b>		-	-
<b>Provisions for liabilities and charges</b>			
Deferred taxation	6	-	-
		<hr/>	<hr/>
<b>Net assets</b>		-	-
		<hr/>	<hr/>
<b>Capital and reserves</b>			
Called up share capital	8	-	-
Profit and loss account		-	-
		<hr/>	<hr/>
<b>Total shareholders' equity</b>		-	-
		<hr/>	<hr/>

The notes on pages 10 to 13 form a part of the financial statements

The financial statements were approved by the Board of Directors and signed on their behalf by:



T A Atherton  
Director

22 September 2022

**Statement of changes in equity**  
for the year ended 31 March 2022

	<i>Notes</i>	<i>Ordinary Shares £000</i>	<i>Profit and loss account £000</i>	<i>Total Equity £000</i>
<b>2022</b>				
At 1 April 2021		-	-	-
Total comprehensive income		-	-	-
<b>At 31 March 2022</b>		-	-	-
<b>2021</b>				
At 1 April 2020		-	9,309	9,309
Total comprehensive income		-	69,537	69,537
Equity dividends	6	-	(78,846)	(78,846)
<b>At 31 March 2021</b>		-	-	-

## Notes to the financial statements for the year ended 31 March 2022

### 1. Accounting policies

#### **General information and basis of accounting**

MH Foods Limited (the Company) is a private company limited by shares incorporated in the United Kingdom under the Companies Act 2006 and is registered in England and Wales. The address of the Company's registered office is 5 The Heights, Brooklands, Weybridge, Surrey, KT13 0NY, United Kingdom.

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council. The Group has applied the amendments to FRS 102 issued by the FRC in December 2017 prior to their mandatory effective date of accounting periods beginning on or after 1 January 2019.

MH Foods Limited meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its separate financial statements. Exemptions have been taken in relation to share-based payments, financial instruments and presentation of a cash flow statement.

#### **Basis of preparation**

The financial statements have been prepared in accordance with applicable accounting standards. The financial statements are prepared in sterling, which is the functional currency of the company and rounded to the nearest £1,000.

#### **Going concern**

On 20 February 2021 the Company's trade and assets were sold to its immediate parent company Dairy Crest Limited. Following this transaction the Company ceased trading and the financial statements are therefore not prepared on a going concern basis.

#### **Critical areas of accounting judgment**

There are no items that are considered by Management to be critical areas of accounting judgment.

#### **Turnover**

Turnover on the sale of cooking oil spray is recognised on delivery. Turnover comprises the invoiced value of the sale of goods net of value added tax, rebates and discounts.

#### **Interest**

Interest is recognised on an accruals basis.

#### **Dividends**

In accordance with FRS 102.23.29.C dividends are recognised when the Shareholders' right to receive payment is established.

#### **Foreign currencies**

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction.

#### **Research and development**

Expenditure on research and development is written off as incurred.

#### **Taxation**

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

A provision is recognised for those matters for which the tax determination is uncertain but it is considered probable that there will be a future outflow of funds to a tax authority. The provisions are measured at the best estimate of the amount expected to become payable. The assessment is based on the judgement of tax professionals within the Company supported by previous experience in respect of such activities and in certain cases based on specialist independent tax advice.

Where items recognised in other comprehensive income or equity are chargeable to or deductible for tax purposes, the resulting current or deferred tax expense or income is presented in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense or income.

## Notes to the financial statements (continued)

for the year ended 31 March 2022

### 2. Operating profit

Operating profit is stated after charging/(crediting):

	2022 £000	2021 £000
Profit on sale of trade and assets	-	(60,916)
Depreciation of owned fixed assets	-	203
Loss on disposal of fixed assets	-	28
Amortisation of intangibles	-	3

#### Auditor's remuneration

Remuneration of the auditor is further analysed as follows:

	2022 £000	2021 £000
Audit of the financial statements	1	6

Auditor's remuneration is borne by another Group undertaking.

There were no non-audit services in either year.

### 3. Emoluments of directors and employees

#### Employees

The average number of staff employed by the Company during the period was:

	2022 No	2021 No
Office and management	-	11
Production	-	44
	-	55

#### Employees

Remuneration of employees including Directors:

	2022 £000	2021 £000
Wages and salaries	-	2,040
Social security costs	-	189
	-	2,229

#### Directors' remuneration

In the year ending 31 March 2022 no remuneration was paid to any Director by the Company (2021: nil).

### 4. Interest receivable and other income

	2022 £000	2021 £000
Loan to immediate parent undertaking	-	71
Research and development tax credit	44	-
	44	71

## Notes to the financial statements (continued)

for the year ended 31 March 2022

### 5. Tax

	2022 £000	2021 £000
Profit before taxation	44	69,492
Profit multiplied by the standard rate of Corporation		
Tax in UK of 19% (2020: 19%)	8	13,203
Effects of:		
Adjustment of respect of previous years	36	2
Non-taxable profits	-	(11,569)
Profits offset by available group relief claimed for nil consideration	-	(868)
Profits offset by available tax relief	-	(736)
Deferred tax on assets transferred to Dairy Crest Limited	-	(77)
Total tax charge/(credit)	44	(45)

The standard rate of corporation tax applied to reported profit, for the year ended 31 March 2022 is 19% (2021: 19%). The rate of corporation tax will increase to 25% with effect from 1 April 2023, as announced by the UK Government on 3 March 2021, and substantively enacted on 24 May 2021.

### 6. Deferred taxation

The movement in the deferred taxation provision during the period was:

	2022	2021
Provision brought forward	-	74
(Credit) to profit	-	(74)
Provision carried forward	-	-

### 7. Related party transactions

#### Group

As the Company is a wholly-owned subsidiary of Saputo Inc., it is exempt under the terms of FRS 102.33.1A "Related Party Disclosures" from disclosing transactions with other wholly-owned Group undertakings, joint ventures or associated companies. There were no other related party transactions in the period.

### 8. Share capital

	2022		Allotted, called up and fully paid 2021	
	Number	£	Number	£
Ordinary shares of £1 each	102	102	102	102

### 9. Parent undertakings

The Company's immediate parent undertaking is Dairy Crest Limited whose financial statements are available from its registered office at 5 The Heights, Brooklands, Weybridge, Surrey, KT13 0NY.

The Company's ultimate parent undertaking and controlling party is Saputo Inc., a company incorporated in Canada. Saputo Inc's registered office is 6869, Métropolitain Est, Montréal, Québec H1P 1X8, Canada.

The largest and smallest group preparing consolidated accounts which includes MH Foods Limited is Saputo Inc.