

# Kettle Foods Limited

Directors' report and financial statements

Year ended 31 March 2022

**Registered number: 02238320**



# Kettle Foods Limited

## Directors' report and financial statements

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# Kettle Foods Limited

## Directors and other information

### Directors

A J Hicks  
I C Ainsworth  
A D Driscoll

### Secretary

K S Atkinson

### Registered office

38 Barnard Road  
Bowthorpe Employment Area  
Norwich  
Norfolk  
NR5 9JP  
England

### Auditor

KPMG  
Chartered Accountants  
1 Stokes Place  
St. Stephen's Green  
Dublin 2  
Ireland

### Bankers

NatWest  
21 Gentleman's Walk  
Norwich  
Norfolk  
NR2 1NA

### Registered number

02238320

# Kettle Foods Limited

## Strategic report

The directors present their strategic report of the Company for the year ended 31 March 2022.

### Review of business

The Company's best-known product is the KETTLE® brand hand cooked potato chip which has been manufactured in the UK for over 30 years. The brand enjoys an iconic status with its consumers and is a market leader in the UK premium/hand cooked snacks category. Distribution is through the grocery and impulse channels, and international distributors.

The directors monitor progress on the overall Company strategy by reference to a number of KPIs. Performance during the year is set out in the table below.

Financial performance:	2022 £'000	2021 £'000	Method of calculation
Turnover	100,979	76,842	Taken from profit and loss account
Operating profit	3,073	1,251	Taken from profit and loss account
Market volume share	3.3%	3.3%	Provided by external consultant

Sales for the year totalled £100,979k (2021: £76,842k). The results of the Company show a profit on ordinary activities before taxation of £2,867k, this is a significant improvement on the prior period profit of £1,251k, reflecting improvements in both cost of manufacturing and overhead spend. The Company had net current assets of £6,136k (2021: £7,970k) and net assets of £43,100k (2021: £39,675k) at 31 March 2022.

The 2022 results reflect the following key aspects:

- In December 2021, a trade and asset transfer took place between It's All Good Limited and Kettle Foods Limited. Its principal activity is the manufacture and supply of savoury and sweet packaged goods, including the Manomasa brand. The brand is distributed through grocery and impulse channels and international distributors. The consideration of £7,833k was equal to the fair value of net assets at the transfer date.
- Competition within the snacks and crisp market has continued to be tough throughout the year to 31 March 2022, this has led to high levels of discounting and promotional spend to maintain KETTLE® brand volume and market share.
- Commodity prices within the food sector have seen significant inflation, particularly in the second half of the year. Nevertheless, the Company has been able to continue to trade and manufacture products without any large-scale redundancies or restructuring.
- Grocers supporting own label hand cooked alternatives have also increased choice for consumers. Kettle Foods Limited has won and maintained a number of own label contracts and this has helped to mitigate the increased competition.
- The directors have managed the Company's cost base accordingly and have taken actions to reduce costs in certain areas of the business.

# Kettle Foods Limited

## Strategic report *(continued)*

### Streamlined energy and carbon reporting

#### *(a) UK energy use*

The UK energy usage for the year ended 31 March 2022 was:

	FY22	FY21
KwH – Gas & Electric	72,857,700	52,246,661
Litres - Fuel	112,005	121,678

#### *(b) Associated greenhouse gas emissions*

The associated emissions from combustion of gas (scope 1) was:

	FY22	FY21
Tonnes CO2e	11,745.49	8,263.03

The associated emissions from combustion of fuel for transport purposes (scope 1) was:

	FY22	FY21
Tonnes CO2e	134.83	171.11

The associated emissions from purchase of electricity (scope 2) was:

	FY22	FY21
Tonnes CO2e	1,853.80	1,703.59

The associated emissions from business travel in rental cars or employee-owned vehicles where company is responsible for purchasing the fuel (Scope 3) was:

	FY22	FY21
Tonnes CO2e	55.74	25.77

The total gross tonnes of CO2e emitted in the period, based on the above factors was:

	FY22	FY21
Tonnes CO2e	13,789.87	10,163.50

#### *(c) Intensity ratio*

The total emissions per tonne of product sold was:

	FY22	FY21	% Change
Total Tonnes sold (t)	25,954.02	19,582.00	
Total Emissions (tCO2e)	13,789.87	10,163.50	
Emissions per tonnes sold (CO2e/t)	0.5313	0.5190	2%

# Kettle Foods Limited

## Strategic report *(continued)*

### Streamlined energy and carbon reporting *(continued)*

#### **(d) Energy efficiency actions**

There were a number of initiatives enacted at Kettle Foods Limited in the period aimed at energy efficiency, and many small iterative changes were made to improve efficiency and reduce waste. Many of these small improvements have been successful, however the introduction of It's All Good statistics in the current year contributed to a 2% increase in tCO<sub>2</sub>e emissions per tonne of product sold compared to the 31 March 2021 period-end.

FY22 saw the installation of the new continuous frying line in which included a PEF unit which helps reduce energy consumption through increase in Potato yield. The success of this technology was then rolled out to our other batch process, reducing the hours required per fryer impacting both gas and electricity usage. VFD drives were installed on all the batch fryer fans reducing electricity usage and further investment were made in increasing the coverage of our internal energy monitoring systems. A new transformer was installed in the Gateshead site to the latest energy standards and surveys were completed to look at further energy saving projects in FY23.

Kettle Foods Limited continues to source the majority of its potatoes from within 30 miles of the Norwich factory, reducing the food miles travelled and carbon impact.

Additionally, Kettle Foods Limited uses recyclable and recycled materials wherever possible. Our outer cases are 100% recyclable, and the board used contains at least 68% recycled paper with the remaining virgin content coming from sustainable, managed forests that are certified by the FSC® (Forest Stewardship Council) or PEFC™ (Programme for the Endorsement of Forest Certification). Furthermore, over time we have significantly reduced the amount of packaging used for KETTLE® Chips bags without changing the contents.

#### **(e) Methodology**

In calculating the disclosures scope 1, scope 2, and scope 3 emissions have been considered.

Scope 1 (direct) GHG emissions are emissions from activities owned or controlled by Kettle Foods Limited that release emissions into the atmosphere. Scope 2 (energy indirect) emissions include emissions released into the atmosphere associated with the consumption of purchased electricity, heat, steam, and cooling; these are indirect emissions that are a consequence of activities, but that occur at sources not owned or controlled by Kettle Foods Limited. Scope 3 (other indirect) emissions are other indirect emissions that are a consequence of activities and occur at sources not owned or controlled by Kettle Foods Limited but are not otherwise classed as Scope 2 emissions.

Meter data has been obtained to quantify the energy consumed from the purchase of electricity and gas for the Norwich factory, and all additional sites controlled by Kettle Foods Limited.

In addition, energy consumption from transport where the Company is responsible for purchasing fuel has been included. This includes Company cars on business use, fuel in fleet vehicles on business use, fuel in personal/hire cars on business use (including fuel for which the organisation reimburses its employees following claims for business mileage) and onsite transport fuel usage.

The energy consumption from transport has been estimated based on the verifiable expenditure data available as actual usage data is not available. This has been calculated with reference to the cost of fuel reimbursed to employees, as well as purchased by the business, and is deemed to be substantively accurate. Furthermore, the energy usage from the direct purchase of electricity and gas makes up more than 97% of the total energy usage for the period, providing additional comfort as to the sufficient accuracy of figures presented.

# Kettle Foods Limited

## Strategic report *(continued)*

### Streamlined energy and carbon reporting *(continued)*

#### **(e) Methodology** *(continued)*

The government conversion factors for Company reporting have been used to state the greenhouse gas emissions resulting from the total UK energy use from electricity, gas and transport. These figures have been presented in 'tonnes of carbon dioxide equivalent' (tCO<sub>2</sub>e) which is the universal unit of measurement to indicate the global warming potential (GWP) of GHGs, expressed in terms of the GWP of one unit of carbon dioxide. We have used the version of the factors that correlates with the data on which we are reporting. As the reporting period spans the calendar year, the factors from the calendar year in which the greatest portion of the data falls has been applied.

All known sources of environmental impact have been included within the reporting boundary and there are no specific exclusions to disclose.

The intensity ratio presented expresses tonnes of CO<sub>2</sub>e emissions per tonnes of product sold in the period. This has been chosen as an appropriate and meaningful intensity ratio as it allows for year-on-year comparison regardless of inevitable fluctuations in specific product lines sold or manufactured.

Comparative information has been presented for the period ended 31 March 2021.

Note that the current year data includes that of It's All Good Limited. There are no other changes to data, methodology, or any other relevant factors to disclose.

#### **Principal risks and uncertainties**

The management of the business and execution of its strategy are subject to a number of risks. Risks are formally reviewed by the board and appropriate processes put in place to monitor and mitigate them.

#### **Key business risks**

Given the Company's insistence on the use of all-natural ingredients, effective supplier selection and procurement practices are essential. Local suppliers are used, where appropriate, especially for potatoes, but widespread crop failure would have an effect on both prices and the availability of basic ingredients of the Company's products. As such, the Company works closely with all of its major suppliers to ensure continuity of supplies of sufficient quality.

The Company operates in an aggressive market sector. It aims to remain competitive by recruiting and retaining skilled and experienced management and staff and through product innovation.

#### **Financial risks**

##### **Price risk**

The Company monitors changes in market conditions on an ongoing basis and tailors its pricing accordingly. The Company is also exposed to commodity price risk as a result of its operations and this is mitigated through the contracting of key commodities when market conditions are considered favourable.

##### **Credit risk**

The Company has implemented policies that require appropriate credit checks on potential customers before sales are made. Reports are reviewed on an on-going basis detailing customers who have invoices which are overdue.

# Kettle Foods Limited

## Strategic report *(continued)*

### Financial risks *(continued)*

#### ***Liquidity risk***

The Company regularly monitors the level of working capital to ensure the Company has sufficient available funds for operations.

#### ***Interest rate cash flow risk***

The Company receives interest on its cash deposits at a variable rate. The level of cash deposits is not considered significant enough to warrant entering into fixed interest or other hedging agreements. The Company pays interest on leases at fixed rates.

#### **Coronavirus (COVID-19)**

Coronavirus (COVID-19) has been and continues to be a very significant social economic event around the world and its effect are subject to unprecedented levels of uncertainty, with a full range of possible effects unknown.

Like all businesses, the Company will be affected by the global pandemic. However, it is the opinion of the directors that the Company is well placed to withstand the dramatic changes to the economic environment, and to the food production sector.

#### **Section 172 statement**

Kettle Foods Limited complies with section 172(1) of the Companies Act 2006 through engagement with its various stakeholders. The Company's strategy, and the implementation of this strategy, has been informed by interaction with stakeholders. It is the Company's intention to act responsibly towards its stakeholders.

The Company's principal stakeholders and how it engages with each of them are as follows:

#### ***Shareholder***

Kettle Foods Limited regularly gives updates to its shareholder via business updates at various committees throughout the year.

#### ***Customers***

Kettle Foods Limited strives to make a positive contribution to the economy by supporting its customers and seeks to behave responsibly, treating them fairly and equally. The board consistently reviews its customer strategy, receives updates on implementation and reviews progress.

#### ***Communities***

The Company seeks to enable communities to thrive, through a tangible and visible commitment that brings its purpose to life. There are 2 charity committees with an independent annual budget that reviews and pledges monetary donations in support of their employees fundraising and that of the local community. This can range from sponsoring employees own endeavors, to raising money to purchasing equipment for local charities. We also pledge to donate excess product to Fareshare for UK distribution across 11,000 charities local foodbanks and schools where appropriate.



# Kettle Foods Limited

## Strategic report *(continued)*

### Section 172 statement *(continued)*

#### **People**

The Company's people are fundamental to the delivery of its strategy. The Company aims to be a responsible employer and is committed to enabling its people to thrive, ensuring that they are engaged and have the skills and capabilities to serve customers.

Kettle has regular employee committee meetings throughout the year, where key business updates are provided to employees, and the committee is used as a platform for employees to put forward comments for change.

#### **Suppliers**

Kettle Foods Limited assesses its suppliers across a number of key risk areas, at the on-boarding stage for all suppliers and annually thereafter for suppliers providing product and services of high criticality and dependency to the Company.

#### **Employee matters**

The Company puts significant emphasis on investment in employees. Training is a key element and the Company ensures that all of its employees are fully trained to perform their duties and promote career development.

The Company systematically provides employees with information on matters of concern to them, consulting them or their representatives regularly, so that their views can be taken into account when making decisions that are likely to affect their interests. Employee involvement in the Company is encouraged, as achieving a common awareness on the part of all employees of the financial and economic factors affecting the Company plays a major role in maintaining its performance. This is achieved through regular briefings by senior management and an employee forum.

The Company is committed to employment policies which follow best practice, based on equal opportunities for all employees, irrespective of sex, race, colour, disability or marital status. The Company gives full and fair consideration to applications for employment from disabled persons, having regard to their particular aptitudes and abilities. Appropriate arrangements are made for the continued employment and training, career development and promotion of disabled persons employed by the Company. If members of staff become disabled the Company continues employment, either in the same or an alternative position, with appropriate retraining being given if necessary.

The Company has a health and safety policy which is issued to every employee. The Company also has a health and safety committee which meets on a regular basis. A health and safety report is presented and considered at each UK Executive team meeting.

The Company operates employee incentive schemes based upon job roles and business targets set. These incentives are designed to involve employees at all levels of the business to contribute in a positive and effective manner to the overall success of the Company.

# Kettle Foods Limited

## Strategic report *(continued)*

### Environmental matters

The streamlined energy and carbon report included on pages 2 to 8 details the environmental endeavours and improvements of the Company in the year. The Company will continue to focus on these and other areas in order to improve the sustainability of the business.

On behalf of the board

A handwritten signature in black ink, appearing to be 'A J Hicks', written over a horizontal line.

A J Hicks  
*Director*

7 November 2022

# Kettle Foods Limited

## Directors' report

The directors present their report with the audited financial statements of the Company for the year ended 31 March 2022.

### Principal activities

The principal activities of the Company in the year under review were those of manufacturing and distributing snack foods in the UK and Europe.

### Dividends

During the year, a dividend of £11.7m was paid by the Company (2021: £5m).

### Post balance sheet events

There are no significant post balance sheet events that would require disclosure in the financial statements.

### Directors

The directors of the Company shown below held office during the whole of the year from 1 April 2021 to the date of the report, unless otherwise stated.

A J Hicks  
I C Ainsworth  
A D Driscoll

### Going concern

The directors have prepared cash flow and profit and loss forecasts for a period in excess of 12 months from the date of approval of these financial statements to assess the Company's working capital requirements.

The directors have also considered the principal risks and uncertainties stated above.

On the basis of these forecasts, the directors believe they have reasonable grounds to assume that the Company will be able to meet its obligations as they fall due, for a period of not less than 12 months from the date of approval of these financial statements. Accordingly, they continue to adopt the going concern basis in preparing the financial statements.

### Future developments

The Company aims to accelerate the growth in its distribution of Kettle® and Metcalfe's® brands, increasing volume whilst maintaining its premium position in the market.

As in previous years commodity prices continue to pose a risk to the Company's performance, particularly with reference to oil, potatoes and utilities. The business continues to work closely with suppliers in order to manage cost increases and availability of supply.

# Kettle Foods Limited

## Directors' report *(continued)*

### Future developments *(continued)*

The directors consider that the snacks and crisps market will continue to be highly competitive over the coming 12 months. The business aims to remain competitive through investing in the brands and increasing distribution through new product development.

### Disclosure in the strategic report

Financial performance, financial risks, employee matters and key performance indicators are covered in relevant sections of the strategic report.

### Statement as to disclosure of information to auditor

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the Company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

### Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditors will be deemed to be reappointed and KPMG, Chartered Accountants, will therefore continue in office.

On behalf of the board



A J Hicks  
Director

7 November 2022

38 Barnard Road  
Bowthorpe Employment Area  
Norwich  
Norfolk  
NR5 9JP  
England

# Kettle Foods Limited

## Statement of directors' responsibilities in respect of the strategic report, the directors' report and the financial statements

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 they have elected to prepare the financial statements in accordance with 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 year. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- 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.

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 controls 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.

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

On behalf of the board



A J Hicks  
Director

7 November 2022



**KPMG**  
**Audit**  
1 Stokes Place  
St. Stephen's Green  
Dublin 2  
D02 DE03  
Ireland

## Independent auditor's report to the members of Kettle Foods Limited

### Report on the audit of the financial statements

#### **Opinion**

We have audited the financial statements of Kettle Foods Limited ("the Company") for the year ended 31 March 2022 set out on pages 16 to 33, which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity and related notes, including the summary of significant accounting policies set out in note 5. The financial reporting framework that has been applied in their preparation is UK Law and FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

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;
- the financial statements have been properly prepared in accordance with FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- the financial statements 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 ethical requirements that are relevant to our audit of financial statements in the UK, including the Financial Reporting Council (FRC)'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**

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Company or to cease its operations, and as they have concluded that the Company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the directors' conclusions, we considered the inherent risks to the Company's business model and analysed how those risks might affect the Company's financial resources or ability to continue operations over the going concern period.

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 the date when the financial statements are authorised for issue.



## Independent auditor's report to the members of Kettle Foods Limited *(continued)*

### Report on the audit of the financial statements *(continued)*

#### ***Conclusions relating to going concern (continued)***

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the Company will continue in operation.

#### ***Detecting irregularities including fraud***

We identified the areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements and risks of material misstatement due to fraud, using our understanding of the entity's industry, regulatory environment and other external factors and inquiry with the directors. In addition, our risk assessment procedures included: inquiring with the directors as to the Company's policies and procedures regarding compliance with laws and regulations and prevention and detection of fraud; inquiring whether the directors have knowledge of any actual or suspected non-compliance with laws or regulations or alleged fraud; inspecting the Company's regulatory and legal correspondence; and reading Board minutes.

We discussed identified laws and regulations, fraud risk factors and the need to remain alert among the audit team.

The Company is subject to laws and regulations that directly affect the financial statements including companies and financial reporting legislation. We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items, including assessing the financial statement disclosures and agreeing them to supporting documentation when necessary.

The 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.

Auditing standards limit the required audit procedures to identify non-compliance with these non-direct laws and regulations to inquiry of the directors and inspection of regulatory and legal correspondence, if any. These limited procedures did not identify actual or suspected non-compliance.

We assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. As required by auditing standards, we performed procedures to address the risk of management override of controls. On this audit we do not believe there is a fraud risk related to revenue recognition. We did not identify any additional fraud risks.

In response to risk of fraud, we also performed procedures including: identifying journal entries to test based on risk criteria and comparing the identified entries to supporting documentation; evaluating the business purpose of significant unusual transactions; assessing significant accounting estimates for bias; and assessing the disclosures in the financial statements.

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 (irregularities) 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.



## Independent auditor's report to the members of Kettle Foods Limited *(continued)*

### Report on the audit of the financial statements *(continued)*

#### ***Detecting irregularities including fraud (continued)***

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

#### ***Other information***

The directors are responsible for the other information presented in the Annual Report together with the financial statements. The other information comprises the information included in the strategic report and the directors' report. The financial statements and our auditor's report thereon do not comprise part of the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information 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 other information.

#### ***Opinions on other matters prescribed by the Companies Act 2006***

Based solely on our work on the other information undertaken during the course of the audit:

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

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

Under the Companies Act 2006 we are required 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.

We have nothing to report in these respects.





## Independent auditor's report to the members of Kettle Foods Limited (*continued*)

### **Respective responsibilities and restrictions on use**

#### ***Responsibilities of directors for the financial statements***

As explained more fully in the directors' responsibilities statement set out on page 11, the directors are responsible for: the preparation of the financial statements including 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 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, other irregularities or error, and to issue an opinion in an auditor's report. 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, other irregularities 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.

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***

Our 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.

Niall Savage (**Senior Statutory Auditor**)  
for and on behalf of KPMG, Statutory Auditor  
Chartered Accountants  
1 Stokes Place  
St. Stephen's Green  
Dublin 2

8 November 2022

# Kettle Foods Limited

## Statement of comprehensive income

for the year ended 31 March 2022

	Note	2022 £'000	2021 £'000
<b>Turnover</b>	6	<b>100,979</b>	<b>76,842</b>
Cost of sales		(63,161)	(45,766)
		<b>37,818</b>	<b>31,076</b>
Operating expenses	8/9	(34,829)	(30,081)
Other operating income	10	84	256
		<b>3,073</b>	<b>1,251</b>
<b>Operating profit</b>	8	<b>3,073</b>	<b>1,251</b>
Interest payable and similar expenses	11	(206)	1
		<b>2,867</b>	<b>1,252</b>
<b>Profit before taxation</b>		<b>2,867</b>	<b>1,252</b>
Tax on profit	12	(859)	(285)
		<b>2,008</b>	<b>967</b>
<b>Profit for the financial year</b>		<b>2,008</b>	<b>967</b>
Other comprehensive income		-	-
		<b>2,008</b>	<b>967</b>
<b>Total comprehensive income for the year</b>		<b>2,008</b>	<b>967</b>

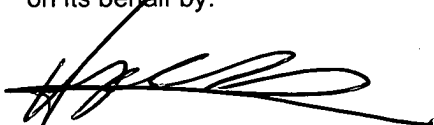
The notes on pages 19 to 33 form part of these financial statements.

# Kettle Foods Limited

## Balance sheet as at 31 March 2022

	Note	2022 £'000	2021 £'000
<b>Fixed assets</b>			
Intangible assets	13	6,105	7,566
Tangible assets	14	34,416	24,139
Financial assets	15	-	-
		<hr/>	<hr/>
		40,521	31,705
		<hr/>	<hr/>
<b>Current assets</b>			
Stocks	16	11,755	5,857
Debtors	17	22,242	19,535
Cash at bank and in hand		4,693	2,516
		<hr/>	<hr/>
		38,690	27,908
		<hr/>	<hr/>
Creditors: amounts falling due within one year	18	(32,554)	(19,938)
		<hr/>	<hr/>
<b>Net current assets</b>		6,136	7,970
		<hr/>	<hr/>
Creditors: amounts falling due after one year	18	(3,557)	-
		<hr/>	<hr/>
<b>Total assets less current liabilities</b>		43,100	39,675
		<hr/>	<hr/>
Called up share capital	20	20,885	9,052
Share premium account		21,973	20,673
Retained earnings		242	9,950
		<hr/>	<hr/>
<b>Total shareholders' funds</b>		43,100	39,675
		<hr/>	<hr/>

The financial statements were approved by the board of directors on 7 November 2022 and were signed on its behalf by:



A J Hicks  
Director

Company registration number: 02238320

The notes on pages 19 to 33 form part of these financial statements.

# Kettle Foods Limited

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

	Called up share capital £'000	Retained earnings £'000	Share premium account £'000	Total equity £'000
<b>At 1 April 2020</b>	9,052	13,983	20,673	43,708
<b>Total comprehensive income for the year</b>				
Profit for the year	-	967	-	967
<b>Total comprehensive income for the year</b>	-	967	-	967
<b>Transactions with shareholders, recorded directly in equity</b>				
Dividends paid	-	(5,000)	-	(5,000)
<b>Balance at 31 March 2021</b>	<b>9,052</b>	<b>9,950</b>	<b>20,673</b>	<b>39,675</b>
<b>Balance at 1 April 2021</b>	9,052	9,950	20,673	39,675
<b>Total comprehensive income for the year</b>				
Profit for the year	-	2,008	-	2,008
<b>Total comprehensive income for the year</b>	-	2,008	-	2,008
<b>Transactions with shareholders, recorded directly in equity</b>				
Issue of share capital	11,833	-	1,300	13,133
Dividends	-	(11,716)	-	(11,716)
<b>Balance at 31 March 2022</b>	<b>20,885</b>	<b>242</b>	<b>21,973</b>	<b>43,100</b>

The notes on pages 19 to 33 form part of these financial statements.

# Kettle Foods Limited

## Notes

*forming part of the financial statements*

### 1 General information

Kettle Foods Limited ("the Company") produces and sells a range of crisps and snacks across the UK and internationally.

The Company is a private company limited by shares and is incorporated and domiciled in the United Kingdom and registered in England. The address of its registered office is 38 Barnard Road, Bowthorpe Employment Area, Norwich, Norfolk, NR5 9JP and the registered number is 02238320.

### 2 Measurement convention

The financial statements are prepared on the historical cost basis except that the following assets and liabilities, which are stated at their fair value: financial instruments classified at fair value through the profit or loss and tangible fixed assets measured in accordance with the revaluation model.

### 3 Going concern

The business activities, together with the factors likely to affect future development, performance and position are set out in the business review in the strategic report. In addition, the strategic report includes the Company's objectives, policies, and processes for managing its financial risk management objectives; details of its financial instruments and hedging activities; and its exposure to credit risks and liquidity risk.

The Company has (via a Group Company) committed bank facilities, together with long-term contracts with a number of customers and suppliers. The companies forecasts and projections, taking account of reasonably possible changes in trading performance and working capital management, show that the Company should be able to operate within the parameters of thus current facility. As a consequence, the directors believe that the Company is well placed to manage its business risks successfully despite the continued economic climate, and continue as a going concern.

### 4 Statement of compliance

The financial statements of Kettle Foods Limited have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, *The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland* ("FRS 102") and the Companies Act 2006. There have been no material departures from the standard. The functional currency of the company and the presentation currency of these financial statements is Pounds Sterling.

### 5 Accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated

#### **Basis of preparing the financial statements**

The financial statements have been prepared in accordance with Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The accounting policies have been applied consistently, other than where new policies have been adopted.

# Kettle Foods Limited

## Notes (continued)

### 5 Accounting policies (continued)

#### Financial Reporting Standard 102 – reduced disclosure exemptions

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

- the requirements of Section 7 *Statement of Cash Flows*.
- the requirement to disclose Key Management Personnel Compensation.

#### Basis of consolidation

The financial statements contain information about Kettle Foods Limited as an individual company and do not contain consolidated financial information as the parent of a group. The Company is exempt under Section 401 of the Companies Act 2006 from the requirements to prepare consolidated financial statements as it and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of its parent, Valeo Foods Unlimited Company, a company registered in Ireland.

The consolidated financial statements of Valeo Foods Unlimited Company are prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU and are available to the public and may be obtained from the Companies Registration Office, Bloom House, Gloucester Place Lower, Dublin 1. As the consolidated financial statements of Valeo Foods Unlimited Company include the disclosures equivalent to those required by FRS 102, the Company has also taken the exemptions available in respect of the following disclosures:

- Certain disclosures required by FRS 102.26 Share-based Payments; and
- Certain disclosures required by FRS 102.11 Basic Financial Instruments, FRS 102.12 Other Financial Instrument Issues in respect of financial instruments not falling within the fair value accounting rules of Paragraph 36(4) of Schedule 1.

#### Turnover

Turnover is measured at fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. Turnover is recognised on the delivery of goods to the customer.

#### Intangible assets

Intangible assets represent goodwill, trademarks and customer lists and are stated at cost less accumulated amortisation and accumulated impairment losses. Goodwill, trademarks and customer lists are amortised over their useful economic life of 10 years on a straight-line basis. The assets are reviewed for impairment where factors indicate that the carrying amount may be impaired.

#### Tangible assets

Tangible assets are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes the original purchase price and any costs directly attributable to bringing the asset to a working condition for its intended use.

#### Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of the new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

# Kettle Foods Limited

## Notes (continued)

### 5 Accounting policies (continued)

#### Tangible assets (continued)

Depreciation is charged to the profit and loss account on a straight-line basis over the estimated useful lives of each item of tangible fixed assets, with the exception of land which is not depreciated. The estimated useful lives are as follows:

• Freehold buildings	30 years	- Straight line
• Plant and machinery	5 to 10 years	- Straight line
• Office equipment	3 to 5 years	- Straight line

Assets under construction are not depreciated until they are commissioned and transferred to another category of tangible assets.

#### Government grants

Grants related to the purchase of assets are treated as deferred income and allocated to the profit and loss account over the useful lives of the related assets.

Grants related to government assistance are credited to the profit and loss account in the period in which the costs are incurred. Amounts recognised in the profit and loss are presented under the heading "Other Income".

#### Stocks

Stocks and work in progress are valued at the lower of cost or net realisable value, after making due allowance for obsolete and slow-moving items.

Cost includes all direct expenditure and an appropriate proportion of fixed and variable overheads.

#### Financial instruments

##### (a) Financial assets

Basic financial assets, including trade debtors and cash and bank balances are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the assets original effective interest rate. The impairment loss is recognised in profit or loss.

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes on fair value are recognised in profit or loss, except that investments in equity instruments are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

# Kettle Foods Limited

## Notes *(continued)*

### 5 Accounting policies *(continued)*

#### *(a) Financial assets (continued)*

Financial assets are derecognised when either the contractual rights to the cash flows from the asset expire or are settled, or substantially all the risks and rewards of the ownership of the asset are transferred to another party or control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions

#### *(b) Financial liabilities*

Basic financial liabilities, including trade creditors, bank loans and loans from fellow group companies that are classified as debt, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

#### **Deferred and current taxation**

The tax expense for the year comprises current and deferred tax. Tax is recognised in the statement of comprehensive income, 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 substantively enacted by the reporting date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

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

#### **Research and development**

Research and development expenditure is written off as incurred.



# Kettle Foods Limited

## Notes (continued)

### 5 Accounting policies (continued)

#### Foreign exchange

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. 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 the profit and loss account.

#### Leased assets

Assets obtained under finance leases are capitalised in the balance sheet and depreciated over their estimated useful lives the lease term, whichever is the shorter.

The interest element of these obligations is charged to profit or loss over the relevant period. The capital element of the future payments is treated as a liability. Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

#### Pension costs and other post-retirement benefits

The Company operates a defined contribution pension scheme. Contributions payable to the Company pension scheme are charged to profit or loss in the period to which they relate.

#### Finance costs

Finance costs directly attributable to the acquisition or construction of qualifying assets are capitalised up until the date at which the asset is brought into use. Qualifying assets are those that necessarily take a substantial period of time to prepare for their intended use. All other finance costs are recognised in the profit and loss account in the period to which they relate.

#### Provisions

In accordance with *Section 21 – Provisions and Contingencies*, a provision is recognised when the Company has a present obligation towards a third party resulting from a past event which more likely than not will require an outflow of resources embodying economic benefits will be required to settle this obligation to this third party, and the third party is not expected to pay at least equivalent compensation. Provisions are determined based on the best estimate of the expenditure required to settle the obligation.

#### Critical accounting judgements and estimation uncertainty

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.

#### Critical accounting estimates and assumptions

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. 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.

# Kettle Foods Limited

## Notes (continued)

### 5 Accounting policies (continued)

#### *Critical accounting estimates and assumptions (continued)*

##### *i) Useful economic lives of tangible and intangible assets*

The annual depreciation/amortisation charge for tangible/intangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See notes 13 and 14 for the carrying value of the intangible and tangible assets and note 5 for the useful economic lives for each class of assets.

##### *ii) Inventory provisioning*

As the Company is subject to changing consumer demands, it is necessary to consider the estimated recoverability of the cost of inventory and the associated provisioning required. When calculating the inventory provision, management considers the nature and condition of the inventory, as well as applying assumptions around anticipated saleability of finished goods and future usage of raw materials. See note 16 for the net carrying amount of the inventory and associated provision.

##### *iii) Impairment of debtors*

The Company makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience. See note 17 for the net carrying amount of the debtors and associated impairment provision.

### 6 Turnover

Turnover derives solely from the Company's principal activity, undertaken in the United Kingdom, in the current year and prior year. Turnover by geographical segment by destination has not been disclosed as the directors consider that such disclosure would be seriously prejudicial to the interests of the Company.

### 7 Staff costs

	2022 £'000	2021 £'000
Wages and salaries	15,879	14,398
Social security costs	1,280	1,277
Other pension costs	715	636
	<hr/>	<hr/>
	17,874	16,311
	<hr/>	<hr/>

Staff costs of £7,976,000 (2021: £7,251,000) and £9,890,000 (2021: £9,060,000) are included within cost of sales and with administration expenses respectively.

# Kettle Foods Limited

## Notes (continued)

### 7 Staff costs (continued)

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

	2022	2021
Production	328	326
Administration	79	86
	<u>407</u>	<u>412</u>

	2022 £	2021 £
Directors' remuneration	567,970	487,598
Directors' pension contributions to money purchase schemes	38,217	79,568
Amounts receivable under long term incentives schemes	69,397	69,107

The number of directors to whom retirement benefits were accruing was as follows:

	2022	2021
Money purchase schemes	<u>2</u>	<u>2</u>

Information regarding the highest paid director is as follows:

	2022 £	2021 £
Emoluments	340,095	338,114
Long term incentive scheme	60,161	53,428
Pension contributions to money purchase schemes	24,784	24,568

### 8 Operating profit

	2022 £'000	2021 £'000
The operating profit is stated after charging/(crediting):		
Operating lease charges - plant and machinery	873	284
Operating lease charges - other	76	888
Depreciation - owned assets	3,005	2,693
Loss/(profit) on disposal of fixed assets	(717)	(13)
Goodwill amortisation	990	735
Trademarks amortisation	477	467
Customer lists amortisation	234	230
Foreign exchange differences	144	(63)
Impairment/(Release of impairment) of trade debtors	(67)	102
Impairment of inventory	692	616

# Kettle Foods Limited

## Notes (continued)

<b>9 Auditor remuneration</b>	<b>2022 £'000</b>	<b>2021 £'000</b>
Fees payable to the Company's auditors and their associates for the audit of the financial statements	<b>66</b>	<b>52</b>

There were no non-audit fees in the current financial year (2021: £Nil).

<b>10 Other operating income</b>	<b>2022 £'000</b>	<b>2021 £'000</b>
Government grant income	<b>7</b>	<b>256</b>
Research and development tax credit	<b>77</b>	<b>-</b>
	<b>84</b>	<b>256</b>

During the prior year, the Company received government assistance by way of the Coronavirus Job Retention Scheme to the value of £256,000.

<b>11 Interest payable and similar expenses</b>	<b>2022 £'000</b>	<b>2021 £'000</b>
Interest payable	<b>62</b>	<b>64</b>
Foreign exchange	<b>144</b>	<b>(63)</b>
	<b>206</b>	<b>1</b>

## **12 Taxation**

### **Analysis of the tax charge**

The tax charge on the profit for the year was as follows:

	<b>2022 £'000</b>	<b>2021 £'000</b>
<i>Current tax</i>		
UK corporation tax	<b>-</b>	<b>27</b>
<i>Deferred tax</i>		
Origination and reversal of timing differences	<b>859</b>	<b>482</b>
Adjustments in respect of previous years	<b>-</b>	<b>(224)</b>
Total deferred tax	<b>859</b>	<b>258</b>
<b>Tax charge</b>	<b>859</b>	<b>285</b>

# Kettle Foods Limited

## Notes (continued)

### 12 Taxation (continued)

#### Reconciliation of total tax charge included in profit and loss

The tax assessed for the year is different from the standard rate of corporation tax in the UK. The difference is explained below:

	2022 £'000	2021 £'000
Profit before tax	2,867	1,252
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2021: 19%)	545	238
<i>Effects of</i>		
Expenses not deductible/ for tax purposes	125	-
Allowances on transferred in assets	113	-
Movements in capital allowances	220	240
Other timing differences	-	(11)
R&D expenditure credits	7	27
Adjustments in respect of previous years	-	-
Adjustments to tax charge in respect of previous periods - deferred tax	(44)	(100)
Remeasurement of deferred tax for changes in tax rates	(126)	(109)
Group relief surrendered	19	-
	859	285

#### Future tax rate changes

Changes to the UK corporation tax rates were substantively enacted as part of Finance Bill 2021 (on 10 June 2021), these include an increase in the main CT rate from 19 to 25 percent with effect from 1 April 2023.

# Kettle Foods Limited

## Notes (continued)

### 13 Intangible assets

	Goodwill £'000	Trademarks £'000	Customer lists £'000	Total £'000
<b>Cost</b>				
At 1 April 2021	7,354	4,673	2,300	14,327
Additions	240	-	-	240
	<hr/>	<hr/>	<hr/>	<hr/>
<b>At 31 March 2021</b>	<b>7,594</b>	<b>4,673</b>	<b>2,300</b>	<b>14,567</b>
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Accumulated depreciation</b>				
At 1 April 2021	3,200	2,505	1,056	6,761
Amortisation for the year	990	477	234	1,701
	<hr/>	<hr/>	<hr/>	<hr/>
<b>At 31 March 2022</b>	<b>4,190</b>	<b>2,982</b>	<b>1,290</b>	<b>8,462</b>
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Net book value</b>				
At 31 March 2022	3,404	1,691	1,010	6,105
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 March 2021	4,154	2,168	1,244	7,566
	<hr/>	<hr/>	<hr/>	<hr/>

# Kettle Foods Limited

## Notes (continued)

<b>14 Tangible assets</b>	<b>Freehold land and buildings £'000</b>	<b>Assets under construction £'000</b>	<b>Plant and machinery £'000</b>	<b>Office equipment £'000</b>	<b>Total £'000</b>
<b>Cost</b>					
At 1 April 2021	15,832	6,155	41,110	4,494	67,591
Additions	-	7,998	9,148	2,475	19,621
Disposals	(6,036)	(54)	(875)	(830)	(7,795)
Transfers	675	(7,992)	7,031	286	-
<b>At 31 March 2022</b>	<b>10,471</b>	<b>6,107</b>	<b>56,414</b>	<b>6,425</b>	<b>79,417</b>
<b>Accumulated depreciation</b>					
At 1 April 2021	6,365	-	33,298	3,789	43,452
Charge for the year	194	-	2,308	503	3,005
Disposals	(590)	-	(401)	(465)	(1,456)
<b>At 31 March 2022</b>	<b>5,969</b>	<b>-</b>	<b>35,205</b>	<b>3,827</b>	<b>45,001</b>
<b>Net book value</b>					
<b>At 31 March 2022</b>	<b>4,502</b>	<b>6,107</b>	<b>21,209</b>	<b>2,598</b>	<b>34,416</b>
At 31 March 2021	9,467	6,155	7,812	705	24,139

Included in cost of land and buildings is freehold land of £4,770,000 (2021: £4,770,000) which is not depreciated.

# Kettle Foods Limited

## Notes (continued)

### 15 Financial assets – investment in subsidiary undertakings

The subsidiary undertakings are as follows:

#### Subsidiaries

##### *Kettle Grower Services Limited*

Registered office: 38 Barnard Road, Bowthorpe Employment Area, Norwich, Norfolk, NR5 9JP, England

Nature of business: Agricultural and farming

Class of shares:	% Holding
Ordinary	100.00
No. of shares	100
Nominal value	£1

16 Stocks	2022 £'000	2021 £'000
Raw materials	6,409	3,727
Work in progress	63	(4)
Finished goods	5,283	2,134
	<hr/>	<hr/>
	11,755	5,857
	<hr/>	<hr/>

The replacement cost of stocks does not differ materially from the values disclosed above.

Stocks are stated after provisions for impairment of £692,000 (2021: £616,000).

17 Debtors	2022 £'000	2021 £'000
Trade debtors	16,559	15,546
Amounts owed by group undertakings	1,765	1,706
Other debtors	32	-
Deferred tax asset	-	767
Prepayments	3,886	1,516
	<hr/>	<hr/>
	22,242	19,535
	<hr/>	<hr/>

Trade debtors are stated after provisions for impairment of £241,000 (2021: £326,000).

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



# Kettle Foods Limited

## Notes (continued)

<b>18 Creditors: amounts falling due within one year</b>	<b>2022</b>	<b>2021</b>
	<b>£'000</b>	<b>£'000</b>
Trade creditors	18,330	9,999
Amounts owed to group undertakings	1,492	1,828
Accruals	8,888	6,712
Finance lease obligation	1,672	-
Deferred income	844	928
Other creditors	1	-
Deferred tax liability	250	-
Other taxation and social insurance are made up as follows:		
VAT	540	126
PAYE	537	345
	<b>32,554</b>	<b>19,938</b>
<b>Creditors: amounts falling due after one year</b>	<b>2022</b>	<b>2021</b>
	<b>£'000</b>	<b>£'000</b>
Finance lease obligation	3,557	-
	<b>3,557</b>	<b>-</b>

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

<b>19 Deferred tax</b>		<b>£'000</b>
<b>Company</b>		
Balance at 1 April 2021		767
Movement to statement of comprehensive income during year		(1,017)
<b>Balance at 31 March 2022</b>		<b>(250)</b>
<b>Deferred tax asset(liability)</b>	<b>2022</b>	<b>2021</b>
	<b>£'000</b>	<b>£'000</b>
Accelerated capital allowances	-	303
Other timing differences	(250)	464
	<b>(250)</b>	<b>767</b>

# Kettle Foods Limited

## Notes (continued)

### 20 Called up share capital

	2022 £'000	2021 £'000
<b>Allotted, issued and fully paid</b>		
20,885,268 (2021: 9,052,267) ordinary shares of £1 each	20,885	9,052

There is a single class of ordinary shares. There are no restrictions on the distribution of dividends and the repayment of capital.

During the year dividends of £11,716,213 being £0.561 per share, were declared and paid (2021: £5,000,000, being £0.552 per share).

### 21 Pension commitments

The Company operates defined contribution retirement benefit schemes for all qualifying employees. The total expense charged to the profit and loss account in the year ended 31 March 2022 was £715,000 (2021: £636,000). The amount outstanding as at 31 March 2022 was £131,000 (2021: £89,000).

### 22 Lease commitments

	<b>Non-cancellable operating leases</b>	
	2022 £'000	2021 £'000
Minimum lease payments fall due as follows:		
Within one year	839	1,141
Between one and five years	1,899	1,216
In more than five years	-	101
	<b>2,738</b>	<b>2,458</b>

	<b>Non-cancellable finance leases</b>	
	2022 £'000	2021 £'000
Minimum lease payments fall due as follows:		
Within one year	1,672	-
Between one and five years	3,557	-
In more than five years	-	-
	<b>5,229</b>	<b>-</b>

# Kettle Foods Limited

## Notes (continued)

<b>23 Capital commitments</b>	<b>2022 £'000</b>	<b>2021 £'000</b>
Contracted but not provided for in the financial statements	<b>552</b>	<b>378</b>

## 24 Related party disclosures

The Company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*, not to disclose related party transactions with wholly owned subsidiaries of the Valeo Foods group.

## 25 Ultimate parent company

The Company's ultimate controlling party and parent undertaking of the largest group of undertakings of which the Company is a member and for which group financial statements are prepared is Bain Capital Europe Fund V SCSp, a company incorporated in Luxembourg. Prior to October 2021, the ultimate controlling party and parent undertaking of the largest group of undertakings of which the Company was a member was CapVest Partners LLP.

Valeo Foods Unlimited Company, is the smallest group in which the results of the Company are consolidated. The consolidated financial statements are prepared in accordance with International Financial Reporting Standards and are available to the public and may be obtained from the Companies Registration Office, Bloom House, Gloucester Place Lower, Dublin 1.

## 26 Contingent liabilities

The Company had no contingent liabilities at 31 March 2022 (2021: *£nil*).

## 27 Post balance sheet events

There are no significant post balance sheet events that would require disclosure in the financial statements.