

Registered number
02986582

True World Foods (UK) Ltd
Report and Financial Statements
31 March 2023

True World Foods (UK) Ltd
Report and accounts
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True World Foods (UK) Ltd
Company Information

Directors

Mr. B Jung

Mr. A J Choi

Auditors

Kaiser Nouman Nathan LLP

Unit 4

17 Plumbers Row

London

England

E1 1EQ

Bankers

BARCLAYS

1 Churchill Place

London

E14 5HP

HSBC Plc

50-52 Kilburn High Road

Kilburn

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NW6 4HJ

Registered office

C/O Corporation Service Company (UK) Limited

5 Churchill Place, 10th Floor

London E14 5HU

United Kingdom

Registered number

02986582

True World Foods (UK) Ltd

Registered number: 02986582

Directors' Report

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

Principal activities

The company's principal activity during the year continued to be fresh and frozen fish wholesalers and importers.

Dividends

No dividends will be distributed for the year ended 31 March 2023.

Directors

The following persons served as directors during the year:

Mr. B Jung

Mr. A J Choi

Directors' responsibilities

The directors are responsible for preparing the report and 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 United Kingdom Generally Accepted Accounting Practice (Financial Reporting Standard 102 and applicable law). 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 estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and 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 person who was a director at the time this report was approved confirms that:

- so far as he is aware, there is no relevant audit information of which the company's auditor is unaware; and
- he 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 auditor is aware of that information.

This report was approved by the board on 12 July 2023 and signed on its behalf.

Mr. B Jung

Director

Strategic Report

R e v i e w o f B u s i n e s s

The year was quite strong, we recorded nearly 22% increment over the previous year. Our financial performance for the current year was the strongest on record. Profitability was high as we continue to benefit from our strategic decision to open our online business earlier on during t h e p a n d e m i c .

Our margins (Gross and Net Profits) were reasonably high in absolute figures, however, in percentages, Net Profit was slightly lower than the previous year due to the high costs of sales, overall high costs of living and post-Brexit trade regulations. We, however, still posted very encouraging ratios. Gross Profit (GP) was 23% and we managed to record Profit Before Tax (PBT) of over 8%, all the issues mentioned above notwithstanding.

We have also expanded into the South East and to places like Birmingham and Manchester as part of our drive to grow into the other locations.

We are faced with varying forms of risks (as all businesses do), notable amongst them are political, economic, socio technical and legal risks. Many rules and regulations have been introduced post Brexit. Most have rendered our ability to export to the EU ineffectual. In fact, we have stopped exporting.

Consumer taste and expectations can also change dramatically in favour or against a product or an issue. Social norms are therefore very difficult to predict.

The risks of legal action is also an area we keep close eye on and work hard to always make the right decisions.

We have managed to minimise the impact of all risks by putting in place appropriate measures to help mitigate against any potential risky situation.

To mitigate against societal and technological risks, we partly subscribe and are members of most of the organisations working to achieve sustainable and responsible farming such as SALSA, MSC and ASC certifications.

Our systems are also all updated periodically and educational supplements are provided to all concerned highlighting the need to be aware of online fraudulent and scamming activities.

KPI and the future

We try to measure growth, performance and how efficient we have been as a business by using some Key Performance Indicators (KPI) which are relevant to our business. Some of these are GP, NP, AR days, AP days, Inventory days, Economic Value Added (EVA) and a few more.

The margins help us to compare with previous years and also other businesses in the sector. We use the AR days to determine the length of time it takes our customers to settle their debts. This also helps us to strengthen on the debtor collection processes. Our bad debt to sales ratio has always been very low partly as a result of the use of the AR ratio analysis. Similarly, the AP shows how soon or otherwise we are paying our suppliers.

Inventory days is measured to help determine how frequent we will have to replenish our stock, and also how soon we turn our materials into saleable conditions. The EVA has also helped in shaping how much value we place on investing in assets and processes.

We have maintained a very strong cashflow position even when the economic conditions are not favourable.

With the achievement of the SALSA, MSC and ASC certifications, the business is getting the benefits of having the ability and opportunity to bid for seafood supply contracts with retailers and potential major customers.

We have also upgraded our operating systems, for instance we have moved from the use of Sage 50 to 200 to help enhance and improve our efficiency levels.

Impact of current issues

We acknowledge the many challenges currently impacting on our performance as well as ahead, alongside the catastrophic suffering in Ukraine, there is likely to be long-lasting and significant economic fallout.

There are increased energy costs, inflationary pressures, higher food prices and so on affecting everyone in the country and worldwide. On top of all these, we are still working through the impact of the pandemic as well as Brexit.

Individuals and businesses are obviously reconsidering their priorities with social purpose, climate change and new ways of working and doing business becoming more and more important than ever before.

Events since the balance sheet date

We have implemented our growth policy of expansion by taking a lease of an additional space near our current premises. This is serving a dual purpose, as a retail facility and also for our online business hub. We recognise that the online business is here to stay so we need to take advantage of that and grow the business through this means.

The German Project

In summary, the lease for the Warehouse commenced on 1st April 2023. We are currently trying to set up a network of supplier and others which is on-going. We are also discussing with the architect for the permission to start the refurbishment work for the office space and freezer area. There will be a final meeting next week with all concerned. We are leasing four (4) vehicles, the first of which has arrived and the rest, hopefully by the end of the month. We have recruited a Warehouse Manager and a delivery driver more will follow soon. We are waiting for the tax and vat registration certificates. All other legal stuff have been completed, the business is registered, bank account is opened and funds provided.

Sales have been a little slow during this first quarter, however, we believe this current trend will not continue for long.

We have added on to our staff numbers. We can also boast of being highly-rated in terms of support to our staff.

We have secured several new customers and have also expanded into new markets stretching to places as far as Birmingham and Manchester.

We strive to find more tangible and yet affordable ways to cut down on our carbon emission.

We have instituted electric charging points for our staff and are using more energy-saving devices.

This report was approved by the board on 12 July 2023 and signed on its behalf.

Mr. B Jung

Director

True World Foods (UK) Ltd

Independent auditor's report

to the members of True World Foods (UK) Ltd

Opinion

We have audited the financial statements of True World Foods (UK) Ltd (the 'company') for the year ended 31 March 2023 which comprise the Income Statement, the Statement of Financial Position, the Statement of Changes in Equity, the Statement of Cash Flows and notes to the financial statements, including 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 the 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 2023 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

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

We have nothing to report in this regard.

Opinions 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, 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.

Auditor's responsibilities for the audit of the financial statements

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

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

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the company through discussions with the director and other management, and from our commercial knowledge and experience of the company's sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, taxation legislation and data protection, employment, health and safety legislation.
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence where necessary.

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

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

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

- performed analytical procedures to identify any unusual or unexpected transactions;
- tested the appropriateness of journal entries;
- assessed whether judgements and assumptions made in determining the accounting estimates were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

To address the risk that revenue could be misstated due to fraud, we:

s t a n d a r d ;

- obtained an understanding of the company's revenue recognition policies and compared these to the accounting
- performed a walkthrough to confirm our understanding of the processes and controls through which the business initiates, records, processes and reports revenue transactions;
- tested a sample of revenue transactions to supporting evidence; and
- tested, on a sample basis, revenue related balances in the balance sheet.

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

- agreeing financial statement disclosures to underlying supporting documentation;

- enquiring of management as to actual and potential litigation and claims; and

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the director and other management and the inspection of regulatory and legal correspondence, if any. Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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 Report of the Auditors.

Use of our report

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

Dinesh Bathmanathan Nathan

(Senior Statutory Auditor)

for and on behalf of

Kaiser Nouman Nathan LLP

Statutory Auditor

14 July 2023

Unit 4

17 Plumbers Row

London

England

E1 1EQ

True World Foods (UK) Ltd
Income Statement
for the year ended 31 March 2023

	Notes	2023 £	2022 £
Turnover	2	36,432,534	29,912,445
Cost of sales		(28,046,245)	(23,143,604)
Gross profit		<u>8,386,289</u>	<u>6,768,841</u>
Administrative expenses		(5,206,046)	(4,189,495)
Other operating income		-	38,671
Operating profit	3	<u>3,180,243</u>	<u>2,618,017</u>
Loss on sale of fixed assets		(7,486)	(8,834)
Interest receivable		384	10
Interest payable	5	(30,224)	(16,186)
Profit on ordinary activities before taxation		<u>3,142,917</u>	<u>2,593,007</u>
Tax on profit on ordinary activities	6	(531,084)	(379,891)
Profit for the financial year		<u>2,611,833</u>	<u>2,213,116</u>

True World Foods (UK) Ltd
Statement of Financial Position
as at 31 March 2023

	Notes	2023 £	2022 £
Fixed assets			
Tangible assets	7	4,263,805	3,535,915
Current assets			
Stocks	8	5,709,424	3,860,624
Debtors	9	4,981,738	4,759,419
Cash at bank and in hand		3,530,946	4,376,122
		<u>14,222,108</u>	<u>12,996,165</u>
Creditors: amounts falling due within one year	10	(2,719,124)	(3,057,279)
Net current assets		<u>11,502,984</u>	<u>9,938,886</u>
Total assets less current liabilities		<u>15,766,789</u>	<u>13,474,801</u>
Creditors: amounts falling due after more than one year	11	-	(682,456)
Provisions for liabilities			
Deferred taxation	14	<u>(490,015)</u>	<u>(338,101)</u>
Net assets		<u>15,276,774</u>	<u>12,454,244</u>
Capital and reserves			
Called up share capital	15	3	3
Share premium	16	164,157	164,157
Other reserves	17	904,156	693,459
Profit and loss account	18	14,208,458	11,596,625
Total equity		<u>15,276,774</u>	<u>12,454,244</u>

Mr. B Jung

Director

Approved by the board on 12 July 2023

True World Foods (UK) Ltd
Statement of Changes in Equity
for the year ended 31 March 2023

	Share capital	Share premium	Other reserves	Profit and loss account	Total
	£	£	£	£	£
At 1 April 2021	3	164,157	856,122	9,383,509	10,403,791
Profit for the financial year				2,213,116	2,213,116
Deferred taxation arising on the revaluation of land and buildings			(162,663)		(162,663)
Other comprehensive income for the financial year	-	-	(162,663)	-	(162,663)
Total comprehensive income for the financial year	-	-	(162,663)	2,213,116	2,050,453
At 31 March 2022	<u>3</u>	<u>164,157</u>	<u>693,459</u>	<u>11,596,625</u>	<u>12,454,244</u>
At 1 April 2022	3	164,157	693,459	11,596,625	12,454,244
Profit for the financial year				2,611,833	2,611,833
Gain on revaluation of land and buildings			290,317		290,317
Deferred taxation arising on the revaluation of land and buildings			(79,620)		(79,620)
Other comprehensive income for the financial year	-	-	210,697	-	210,697
Total comprehensive income for the financial year	-	-	210,697	2,611,833	2,822,530
At 31 March 2023	<u>3</u>	<u>164,157</u>	<u>904,156</u>	<u>14,208,458</u>	<u>15,276,774</u>

True World Foods (UK) Ltd
Statement of Cash Flows
for the year ended 31 March 2023

	Notes	2023 £	2022 £
Operating activities			
Profit for the financial year		2,611,833	2,213,116
Adjustments for:			
Loss on sale of fixed assets		7,486	8,834
Interest receivable		(384)	(10)
Interest payable		30,224	16,186
Tax on profit on ordinary activities		531,084	379,891
Depreciation		433,010	280,398
Increase in stocks		(1,848,800)	(1,180,178)
Increase in debtors		(222,319)	(2,407,145)
(Decrease)/increase in creditors		(290,820)	1,605,067
		<u>1,251,314</u>	<u>916,159</u>
Interest received		384	10
Interest paid		(30,224)	(16,186)
Corporation tax paid		(458,790)	(580,466)
Cash generated by operating activities		<u>762,684</u>	<u>319,517</u>
Investing activities			
Payments to acquire tangible fixed assets		(884,073)	(920,735)
Proceeds from sale of tangible fixed assets		6,004	5,776
Cash used in investing activities		<u>(878,069)</u>	<u>(914,959)</u>
Financing activities			
Repayment of loans		(729,017)	(46,561)
Capital element of finance lease payments		(774)	-
Cash used in financing activities		<u>(729,791)</u>	<u>(46,561)</u>
Net cash used			
Cash generated by operating activities		762,684	319,517
Cash used in investing activities		(878,069)	(914,959)
Cash used in financing activities		(729,791)	(46,561)
Net cash used		<u>(845,176)</u>	<u>(642,003)</u>
Cash and cash equivalents at 1 April		<u>4,376,122</u>	<u>5,018,125</u>
Cash and cash equivalents at 31 March		<u>3,530,946</u>	<u>4,376,122</u>

Cash and cash equivalents comprise:

Cash at bank	<u>3,530,946</u>	<u>4,376,122</u>
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True World Foods (UK) Ltd
Notes to the Accounts
for the year ended 31 March 2023

1 Summary of significant accounting policies

Basis of preparation

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

Critical accounting judgement and key sources of 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.

The items in the financial statements where these judgements and estimates have been made include:

1. assessing the useful economic lives attributed to tangible fixed assets used to determine the annual depreciation charge;
2. the provision required for any bad or doubtful debts and Deferred Tax
3. any provision for low moving or obsolete stock.
4. Valuation of property

Turnover

Turnover is measured at the fair value of the consideration received or receivable, net of discounts and value added taxes. Turnover includes revenue earned from the sale of goods and from the rendering of services. Turnover from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have transferred to the buyer. Turnover from the rendering of services is recognised by reference to the stage of completion of the contract. The stage of completion of a contract is measured by comparing the costs incurred for work performed to date to the total estimated contract costs.

Going concern

The directors have strategically assessed the ability of the company to continue as a going concern, and it's reviewed on a regular basis. Forecasts and cashflow projections for the period and beyond have been stressed-tested for severe constraints.

The financial projections included the assessment on the impact on the liquidity (the ability of the business to meet all its financial obligations).

Reasonable adjustments to how the business is ran have been implemented and all types of scenario considered, we believe that the company is sustainable. It will be able to meet its obligations as they fall due and continue in operating for the foreseeable future.

We at True World Foods (UK) Ltd pride ourselves in embracing all challenges and have therefore secured a great position of strength with our forward-looking and proactive approach. Our finances, strong customer service record and our tried and tested staff are in great shape which we believe will stand us in good stead.

Tangible fixed assets

Tangible fixed assets are measured at cost less accumulative depreciation and any accumulative impairment losses. Depreciation is provided on all tangible fixed assets, other

than freehold land, at rates calculated to write off the cost, less estimated residual value, of each asset evenly over its expected useful life, as follows:

Freehold buildings	2% on costs
Plant and machinery	20% reducing balance
Motor Vehicles	20% reducing balance

Revaluation of tangible fixed assets

Individual freehold properties are carried at current year value at fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are undertaken with sufficient regularity to ensure the carrying amount does not differ materially from that which would be determined using fair value at the B a l a n c e S h e e t d a t e .

Fair values are determined from market based evidence normally undertaken by professionally q u a l i f i e d v a l u e r s .

Revaluation gains and losses are recognised in other comprehensive income unless losses exceed the previously recognised gains or reflect a clear consumption of economic benefits, in which case the excess losses are recognised in profit or loss.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first in first out method. The carrying amount of stock sold is recognised as an expense in the period in which the related revenue is recognised.

Debtors

Short term debtors are measured at transaction price (which is usually the invoice price), less any impairment losses for bad and doubtful debts. Loans and other financial assets are initially recognised at transaction price including any transaction costs and subsequently measured at amortised cost determined using the effective interest method, less any impairment losses for bad and doubtful debts.

Creditors

Short term creditors are measured at transaction price (which is usually the invoice price). Loans and other financial liabilities are initially recognised at transaction price net of any transaction costs and subsequently measured at amortised cost determined using the effective interest method.

Taxation

A current tax liability is recognised for the tax payable on the taxable profit of the current and past periods. A current tax asset is recognised in respect of a tax loss that can be carried back to recover tax paid in a previous period. Deferred tax is recognised in respect of all timing differences between the recognition of income and expenses in the financial statements and their inclusion in tax assessments. 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. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference, except for revalued land and investment property where the tax rate that applies to the sale of the asset is used. Current and deferred tax assets and liabilities are not discounted.

Provisions and 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 balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

Foreign currency translation

Transactions in foreign currencies are initially recognised at the rate of exchange ruling at the date of the transaction.

At the end of each reporting period foreign currency monetary items are translated at the closing rate of exchange. Non-monetary items that are measured at historical cost are translated at the rate ruling at the date of the transaction. All differences are charged to profit or loss.

Leased assets

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership. All other leases are classified as operating leases. The rights of use and obligations under finance leases are initially recognised as assets and liabilities at amounts equal to the fair value of the leased assets or, if lower, the present value of the minimum lease payments. Minimum lease payments are apportioned between the finance charge and the reduction in the outstanding liability using the effective interest rate method. The finance charge is allocated to each period during the lease so as to produce a constant periodic rate of interest on the remaining balance of the liability. Leased assets are depreciated in accordance with the company's policy for tangible fixed assets. If there is no reasonable certainty that ownership will be obtained at the end of the lease term, the asset is depreciated over the lower of the lease term and its useful life. Operating lease payments are recognised as an expense on a straight line basis over the lease term.

Pension costs and other post-retirement benefits

Contributions to defined contribution plans are expensed in the period to which they relate.

2	Analysis of turnover	2023	2022
		£	£
	Sale of goods	<u>36,432,534</u>	<u>29,912,445</u>
	By geographical market:		
	UK	36,341,197	29,631,075
	Europe	30,629	42,826
	Rest of world	<u>60,708</u>	<u>238,544</u>
		<u>36,432,534</u>	<u>29,912,445</u>
3	Operating profit	2023	2022
		£	£
	This is stated after charging:		
	Depreciation of owned fixed assets	433,010	280,398
	Auditors' remuneration for audit services	9,000	12,120
	Carrying amount of stock sold	<u>26,634,421</u>	<u>22,065,916</u>

4 Staff costs	2023	2022
	£	£
Wages and salaries	2,577,426	2,220,084
Social security costs	275,715	218,545
Other pension costs	92,181	78,730
	<u>2,945,322</u>	<u>2,517,359</u>

Average number of employees during the year	Number	Number
Administration (including selling & distribution)	75	64
	<u>75</u>	<u>64</u>

5 Interest payable	2023	2022
	£	£
Bank loans and overdrafts	<u>30,224</u>	<u>16,186</u>

6 Taxation	2023	2022
	£	£
Analysis of charge in period		
Current tax:		
UK corporation tax on profits of the period	<u>458,790</u>	<u>319,411</u>
Deferred tax:		
Origination and reversal of timing differences	<u>72,294</u>	<u>60,480</u>
	<u>531,084</u>	<u>379,891</u>
Tax on profit on ordinary activities		

Factors affecting tax charge for period

The differences between the tax assessed for the period and the standard rate of corporation tax are explained as follows:

	2023	2022
	£	£
Profit on ordinary activities before tax	<u>3,142,917</u>	<u>2,593,007</u>
Standard rate of corporation tax in the UK	19%	19%
	£	£
Profit on ordinary activities multiplied by the standard rate of corporation tax	597,154	492,671

Effects of:

Expenses not deductible for tax purposes	(1,314,488)	(1,098,515)
Capital allowances for period in excess of depreciation	1,176,124	925,255
Current tax charge for period	<u>458,790</u>	<u>319,411</u>

Factors that may affect future tax charges

7 Tangible fixed assets

	Land and buildings	Plant and machinery	Motor Vehicles	Total
	<i>At valuation</i>	<i>At cost</i>	<i>At cost</i>	
	£	£	£	£
Cost or valuation				
At 1 April 2022	2,400,000	2,612,165	572,256	5,584,421
Additions	-	740,499	143,574	884,073
Revaluation	100,000	-	-	100,000
Disposals	-	(605)	(72,600)	(73,205)
At 31 March 2023	<u>2,500,000</u>	<u>3,352,059</u>	<u>643,230</u>	<u>6,495,289</u>
Depreciation				
At 1 April 2022	190,317	1,594,413	263,776	2,048,506
Charge for the year	-	362,241	70,769	433,010
Revaluation	(190,317)	-	-	(190,317)
On disposals	-	(3,326)	(56,389)	(59,715)
At 31 March 2023	<u>-</u>	<u>1,953,328</u>	<u>278,156</u>	<u>2,231,484</u>
Carrying amount				
At 31 March 2023	<u>2,500,000</u>	<u>1,398,731</u>	<u>365,074</u>	<u>4,263,805</u>
At 31 March 2022	<u>2,209,683</u>	<u>1,017,752</u>	<u>308,480</u>	<u>3,535,915</u>

8 Stocks

	2023	2022
	£	£
Finished goods and goods for resale	<u>5,709,424</u>	<u>3,860,624</u>

9 Debtors

	2023	2022
	£	£
Trade debtors	3,297,540	3,571,798
Amounts owed by group undertakings and undertakings in which the company has a participating interest	1,292,943	668,004

Other debtors	324,304	502,626
Prepayments and accrued income	66,951	16,991
	<u>4,981,738</u>	<u>4,759,419</u>

10 Creditors: amounts falling due within one year	2023	2022
	£	£
Bank loans	-	46,561
Obligations under finance lease and hire purchase contracts	-	774
Trade creditors	2,611,260	2,690,419
Amounts owed to group undertakings and undertakings in which the company has a participating interest	7,835	147,283
Other taxes and social security costs	76,363	85,125
Other creditors	23,666	87,117
	<u>2,719,124</u>	<u>3,057,279</u>

11 Creditors: amounts falling due after one year	2023	2022
	£	£
Bank loans	-	682,456

12 Loans	2023	2022
	£	£
Loans not wholly repayable within five years:		
Bank loans	-	682,456

13 Obligations under finance leases and hire purchase contracts	2023	2022
	£	£
Amounts payable:		
Within one year	-	774

14 Deferred taxation	2023	2022
	£	£
Accelerated capital allowances	<u>490,015</u>	<u>338,101</u>

	2023	2022
	£	£
At 1 April	338,101	262,073
Charged to the profit and loss account	72,294	76,028

Charged to other comprehensive income	79,620	-
At 31 March	<u>490,015</u>	<u>338,101</u>

15 Share capital	Nominal value	2023 Number	2023 £	2022 £
Allotted, called up and fully paid:				
Ordinary shares	£1 each	3	<u>3</u>	<u>3</u>

16 Share premium	2023 £	2022 £
At 1 April	164,157	164,157
At 31 March	<u>164,157</u>	<u>164,157</u>

17 Other reserves	2023 £	2022 £
Revaluation reserve		
At 1 April	693,459	856,122
Gain on revaluation of land and buildings	290,317	-
Deferred taxation arising on the revaluation of land and buildings	(79,620)	(162,663)
At 31 March	<u>904,156</u>	<u>693,459</u>

18 Profit and loss account	2023 £	2022 £
At 1 April	11,596,625	9,383,509
Profit for the financial year	2,611,833	2,213,116
At 31 March	<u>14,208,458</u>	<u>11,596,625</u>

19 Defined benefit pension plans

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 charge amounted to £78,730 (2021: £67,809) during the year. Contributions amounting to £13,161 (2021: £9,887) were payable to the fund at the balance sheet date and are included in creditors.

20 Related party transactions

2023

2022

True World Foods Limited

Parent company

Amount due (to)/from the related party	(7,835)	(7,835)
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True World Japan Inc

Fellow subsidiary

Purchase of fresh food and wholesale fish	1,734,914	982,006
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Amount due (to)/from the related party	-	(139,448)
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True World Foods Spain S.L.

Fellow subsidiary

Sale of wholesale fish	30,629	42,826
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Amount due (to)/from the related party	556,441	510,833
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INTERNATIONAL LOBSTER & MAGURO

Fellow subsidiary

Sale of wholesale fish	-	238,544
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Amount due (to)/from the related party	-	157,171
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IKKO International Trading LLC

Fellow subsidiary

Purchase of fresh food and whole fish	23,377	16,912
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Amount due (to)/from the related party	-	-
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True World Korea Co., Ltd

Fellow subsidiary

Purchase of frozen fish	275,654	-
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Amount due (to)/from the related party	-	-
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True World Germany

Fellow subsidiary

Purchase of frozen fish	-	-
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Amount due (to)/from the related party	736,501	-
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21 Controlling party

The company is wholly owned subsidiary of True World Foods Limited a company registered in the Republic of Ireland, company number 393077. The ultimate parent company is True World

Holdings LLC incorporated in the United States which is controlled by Family Federation for World Peace & Unification, a not for profit organisation based in the USA.

22 Presentation currency

The financial statements are presented in Sterling.

23 Legal form of entity and country of incorporation

True World Foods (UK) Ltd is a private company limited by shares and incorporated in England.

24 Principal place of business

The address of the company's principal place of business and registered office is:

C/O Corporation Service Company (UK) Limited
5 Churchill Place, 10th Floor
London E14 5HU
United Kingdom

25 Reconciliations on adoption of FRS 102

Profit and loss for the year ended 31 March 2022	£
Profit under former UK GAAP	2,213,116
Profit under FRS 102	<u>2,213,116</u>
Balance sheet at 31 March 2022	£
Equity under former UK GAAP	12,454,244
Equity under FRS 102	<u>12,454,244</u>
Balance sheet at 1 April 2021	£
Equity under former UK GAAP	-
Equity under FRS 102	<u>-</u>

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.