

# Pets' Kitchen Limited

Annual Report and Unaudited Filleted Financial Statements  
for the Year Ended 31 July 2021



**Moore Scarrott**

**Pets' Kitchen Limited**

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# Pets' Kitchen Limited

(Registration number: 05653527)

## Balance Sheet as at 31 July 2021

	Note	2021 £	2020 £
<b>Fixed assets</b>			
Intangible assets	<u>4</u>	5,124	5,910
Tangible assets	<u>5</u>	476,838	386,821
		<u>481,962</u>	<u>392,731</u>
<b>Current assets</b>			
Stocks		563,885	394,398
Debtors	<u>6</u>	1,037,810	892,825
Cash at bank and in hand		<u>2,221,143</u>	<u>137,068</u>
		3,822,838	1,424,291
Creditors: Amounts falling due within one year	<u>7</u>	<u>(1,482,984)</u>	<u>(1,053,870)</u>
Net current assets		<u>2,339,854</u>	<u>370,421</u>
Total assets less current liabilities		2,821,816	763,152
Creditors: Amounts falling due after more than one year	<u>7</u>	<u>(1,215,384)</u>	<u>(283,042)</u>
<b>Net assets</b>		<u>1,606,432</u>	<u>480,110</u>
<b>Capital and reserves</b>			
Called up share capital		29,841	22,228
Share premium reserve		3,701,265	2,238,766
Profit and loss account		<u>(2,124,674)</u>	<u>(1,780,884)</u>
Total equity		<u>1,606,432</u>	<u>480,110</u>

## **Pets' Kitchen Limited**

**(Registration number: 05653527)**

### **Balance Sheet as at 31 July 2021**

For the financial year ending 31 July 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and

The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

Approved and authorised by the Board on 28 April 2022 and signed on its behalf by:

Mr R Penston

Director

Ms J Silvester

Director

# **Pets' Kitchen Limited**

## **Notes to the Financial Statements for the Year Ended 31 July 2021**

### **1 General information**

The company is a private company limited by share capital incorporated in England and Wales.

The address of its registered office is:

Unit 3 Callenders  
Paddington Drive  
Swindon  
SN5 7YW

### **2 Accounting policies**

#### **Statement of compliance**

These financial statements were prepared in accordance with Financial Reporting Standard 102 Section 1A 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

#### **Basis of preparation**

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

#### **Revenue recognition**

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises revenue when the amount of revenue can be reliably measured, it is probable the future economic benefits will flow into the entity, and specific criteria have been met for each of the company activities.

#### **Tax**

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

Deferred tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and on unused tax losses or tax credits in the company. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

#### **Tangible assets**

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

## **Pets' Kitchen Limited**

### **Notes to the Financial Statements for the Year Ended 31 July 2021**

#### **Depreciation**

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

<b>Asset class</b>	<b>Depreciation method and rate</b>
Improvements to property	over the remaining term of the lease
Plant and machinery	50% straight line
Fixtures, fittings & equipment	25% straight line

#### **Intangible assets**

Separately acquired trademarks and licences are shown at historical cost.

Trademarks, licences (including software) and customer-related intangible assets acquired in a business combination are recognised at fair value at the acquisition date.

Trademarks, licences and customer-related intangible assets have a finite useful life and are carried at cost less accumulated amortisation and any accumulated impairment losses.

#### **Amortisation**

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

<b>Asset class</b>	<b>Amortisation method and rate</b>
Patents and trademarks	over estimated useful life of 10 years

#### **3 Staff numbers**

The average number of persons employed by the company (including directors) during the year was 49 (2020 - 38).

# Pets' Kitchen Limited

## Notes to the Financial Statements for the Year Ended 31 July 2021

### 4 Intangible assets

	Patents and trademarks £	Total £
<b>Cost or valuation</b>		
At 1 August 2020	10,578	10,578
At 31 July 2021	10,578	10,578
<b>Amortisation</b>		
At 1 August 2020	4,668	4,668
Amortisation charge	786	786
At 31 July 2021	5,454	5,454
<b>Carrying amount</b>		
At 31 July 2021	5,124	5,124
At 31 July 2020	5,910	5,910

### 5 Tangible assets

	Land and buildings £	Fixtures, fittings & equipment £	Plant and machinery £	Total £
<b>Cost or valuation</b>				
At 1 August 2020	420,407	553,649	141,681	1,115,737
Additions	4,482	140,604	49,357	194,443
Disposals	-	(382,662)	(78,243)	(460,905)
At 31 July 2021	424,889	311,591	112,795	849,275
<b>Depreciation</b>				
At 1 August 2020	150,853	436,511	141,552	728,916
Charge for the year	17,349	68,184	11,031	96,564
Eliminated on disposal	-	(374,800)	(78,243)	(453,043)
At 31 July 2021	168,202	129,895	74,340	372,437
<b>Carrying amount</b>				
At 31 July 2021	256,687	181,696	38,455	476,838
At 31 July 2020	269,554	117,138	129	386,821

## Pets' Kitchen Limited

### Notes to the Financial Statements for the Year Ended 31 July 2021

#### 6 Debtors

	2021 £	2020 £
Trade debtors	473,454	432,042
Other debtors	564,356	460,783
	<u>1,037,810</u>	<u>892,825</u>

#### 7 Creditors

	2021 £	2020 £
<b>Due within one year</b>		
Shareholder loans and loan notes	250,000	-
HP and finance lease liabilities	10,700	10,700
Trade creditors	519,209	480,186
Taxation and social security	138,208	210,677
Other creditors	564,867	352,307
	<u>1,482,984</u>	<u>1,053,870</u>
<b>Due after more than one year</b>		
Shareholder loans and loan notes	1,200,000	250,000
HP and finance lease liabilities	15,384	26,124
Other creditors	-	6,918
	<u>1,215,384</u>	<u>283,042</u>

#### Other borrowings

Loan notes under 1 year have a carrying amount at the year end of £250,000 (2020 - £Nil).

Loan notes are secured by way of a floating charge against all assets of the company.

Loan notes over 1 year have a carrying amount at the year end of £1,200,000 (2020 - £250,000).

Hire purchase liabilities have a carrying amount at the year end of £26,084 (2020 - £36,824).

Hire purchase liabilities are secured over the assets to which they relate.



# Pets' Kitchen Limited

## Notes to the Financial Statements for the Year Ended 31 July 2021

### 8 Share-based payments transactions

#### Scheme details and movements

The company operates a share scheme for the purpose of granting EMI options and unapproved options to incentivise and aid retention of key employees.

The fair value of these options at the year end has been calculated using the Black Scholes model. No charge has been recognised in these financial statements, as it is not considered to be material.

The movements in the number of share options during the year were as follows:

	2021 Number	2020 Number
Outstanding, start of period	888,039	1,110,746
Granted during the period	87,500	-
Exercised during the period	(250,838)	(172,707)
Expired during the period	-	(50,000)
Outstanding, end of period	<u>724,701</u>	<u>888,039</u>

The movements in the weighted average exercise price of share options during the year were as follows:

	2021 £	2020 £
Outstanding, start of period	0.12	0.12
Granted during the period	0.12	-
Exercised during the period	0.16	0.11
Expired during the period	-	0.16
Outstanding, end of period	<u>0.12</u>	<u>0.12</u>

### 9 Financial commitments, guarantees and contingencies

The total amount of financial commitments not included in the balance sheet is £59,482 (2020 - £131,836). The amounts owed under the lease agreement are secured over the premises occupied by the company.

### 10 Related party transactions

#### Summary of transactions with other related parties

The company entered into a loan agreement for £270,000 on 5 May 2017, repayable after 3 years with interest payable at 7.5% per annum. In 2020, a deed of variation was agreed for £250,000 of the loan, extending the repayment of the loan by one year. A second variation was agreed in 2021 for £250,000 of the loan, extending the repayment by a further year.

Included in this loan were amounts totalling £150,000 from directors or their close family members. The loan remains outstanding as at the year end.

Warrants attaching to the shareholder loan of £250,000 entitle the lenders to subscribe for shares in the company at a price of £0.375 during the term of the loan.

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