REGISTERED NUMBER: 07608263 (England and Wales)

Nordmann UK Group Holdings Ltd

Group Strategic Report,

Directors' Report and

Consolidated Financial Statements

for the Year Ended 31 December 2022

Nordmann UK Group Holdings Ltd

Contents of the Consolidated Financial Statements
for the year ended 31 December 2022

Company Information
for the year ended 31 December 2022

Directors:	G H Friedrich Bergmann *R E Straughan* K Fairbrass
Secretary:	K Fairbrass
Registered office:	1 Maidenbower Office Park Balcombe Road Crawley West Sussex RH10 7NN
Registered number:	07608263 (England and Wales)
Auditors:	KPMG LLP Global House High Street Crawley Surrey RH10 1DQ

The directors present their strategic report for the year ended 31 December 2022. Our review is consistent with the size and nature of our business and is written in the context of the market sector that we operate in and the opportunities, risks and uncertainties we face.

Business review and results for the year
The underlying speciality chemicals distribution business has experienced strong growth as the Global economy has recovered post Covid. Our sales into Coatings, Adhesives, Opticals, Industrials and Elastomers industry, continue to penetrate the market and deliver good year-on-year growth.

Nordmann UK Group Holdings Ltd and its fully owned seven subsidiaries and one branch, as per note 14, of which Nordmann UK Ltd and Nordmann Japan Ltd are key, have delivered excellent results for the full year, recording trading gross profit growth in all markets in which it operates: UK, Japan, South Korea, Spain, Singapore, India, USA. Singapore operations support the global optical market and with further investment in the world-class manufacturing plant and capacity expansion, the business has benefitted from the post pandemic upturn. The group saw significant sales growth in its Optical, Industrial and Elastomers business. The group continues to drive its Performance Chemicals portfolio as a leading supplier of its speciality chemical products in the Industrial, Fine Chemicals, and Monomer industries.

During the year, sales recorded at £78.3m (2021: £70.3m) delivered a trading gross profit of £17.6m recording a 20.3% increase from prior year despite the ongoing impacts of the war in Ukraine and ongoing supply chain disruption in China. Margins continue to reflect strong performances in our Industrial, Fine Chemicals and Optical business units, delivering a group margin of 22.5%. This is ahead of prior year (20.9%) due to the strong growth in the Opticals and Industrial businesses, which command higher margins than the group average.

The Nutrition business experienced reduced market demand following overstocking in market, and the impact of the weaker economy on consumer spending. However, the underlying demand for products promoting healthy immune systems remains strong. Adhesives, Coatings, and Elastomers have performed well during the year, capitalising on new market opportunities and through the acquisition of new suppliers. The Industrial business unit has delivered another record-breaking year with sales of £13.8m and strong margins.

The performance of the Group was as follows:

£'000	**2022**	**2021**
Turnover	**78,279**	70,296
Gross Profit	**17,647**	14,668
Pre Tax Profit	**5,036**	4,939

The group has performed well maintaining a strong market position shown by the strength of the balance sheet with an increase in net assets to £11mil (2021: £9.3mil). The group balance sheet remains strong, with a modest increase in working capital to ensure smooth supply to our customers. Management continues to focus on optimising inventory levels and debtors whilst continuing to pay suppliers to terms. We continue to build on our liquidity position, the liquidity ratio has improved to 2.5 from 1.4 in prior year which is mainly due to negotiating longer terms on amounts owed to participating interests. The group continues to maintain strong reserves with good liquidity and net asset position to support the business into 2023.

Our Health & Safety, Environment and Quality programmes are at the heart of everything that the group does and continue to maintain high standards. Quality standards were well maintained with successful ISO audits and certifications. New developments post Brexit regarding UK-REACH continue to be a challenge, but one that the UK entity is well positioned to undertake.

Principal risks and uncertainties
The group operates in wide ranging market sectors where prices are controlled by global markets, which are increasingly competitive, and price sensitive. However, the group operates in diversified business sectors and across territories with niche speciality products such that the risk to exposure to a downturn is minimised. With ever growing presence together with our larger Nordmann Group, the opportunities to establish a stronger business against competition, is also a key factor to enable sustainable growth.

During 2022 the Group continued on its journey of digital transformation and integration into the Nordmann group network.

As the world emerged from the Covid pandemic, the business continues to operate on a flexible basis, with the adoption of remote working where applicable, which allows the group to continue to provide its services to customers and suppliers. Facilitated by digital communications and technologies to stay in contact with our business partners, the group has been able to continue its operations efficiently and effectively.

Going concern
The financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reasons.

The directors have prepared cash flow forecasts and performed a going concern assessment which indicates that, in both the base and reasonably possible downsides, the group will have sufficient funds to meet its liabilities as they fall due during 12 month period ending 30 September 2024, the going concern assessment period.

The going concern assessment uses May 2023 actual performance, considers the order book and applies best estimates of business growth. The base case assumes gross margin levels will be maintained and staff and overhead costs grow at 5%. The plausible downside considers the loss of key customer and higher inflation of 10% for staff and overhead costs.

Consequently, the directors are confident that the group will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

Financial instruments
The group operates its trade in various domestic and foreign currencies. Currency and interest rate exposures are well-managed and to mitigate and manage this risk, the group makes use of forward rate contracts and where possible, foreign currency purchase and sales transactions are matched to provide a natural hedge. The group seeks to drive down debt and ensuring sufficient liquidity headroom to meet business needs. Customer credit checks and limits are rigorously maintained and we continue to have a good track record on receivables and minimising risk.

The board expects the group will continue to expand, trade profitably and retain good liquidity whilst continuing to achieve high standards on health, safety, quality and responsible care with ethical trading. We will continue to seek opportunities for organic growth with existing and new suppliers and build on businesses acquired over the years.

Section 172(1) statement
Section 172 of the Companies Act 2006 requires a director of a group to act in the way he or she considers, in good faith, would most likely promote the success of the group for the benefit of its members as a whole. In doing this, section 172 *requires a director to have regard, amongst other matters, to the: likely consequences of any decisions in the long-term;* interests of the company's employees; need to foster the group's business relationships with suppliers, customers and others; impact of the group's operations on the community and environment; desirability of the group maintaining a reputation for high standards of business conduct, and need to act fairly as between members of the group.

Long term
With a long term view, the directors carry out annual budgeting to monitor performance, ensure foreseeable stability and allow economical decisions to be made. The directors also maintain robust employee retention programmes and perform ongoing reviews of policies and procedures. The company has an HSEQ department to ensure compliance and develop an environmental and community focus. The directors also hold membership of trade bodies to ensure the company is up to date with the latest rules and regulations and to influence the direction of the industry.

Shareholders
In discharging section 172 duties the directors have regard to the factors set out above. They also have regard to other factors that is considered relevant to the decision being made. Those factors, for example, include the interests and views of shareholders, other group companies and other relevant stakeholders. The directors acknowledge that every decision *made will not necessarily result in a positive outcome for all stakeholders. By considering the 's group's purpose, vision* and values together with its strategic priorities and having a process in place for decision-making, the directors do, however, aim to make sure that our decisions are consistent.

As is normal for large, private companies, the directors delegate authority for day-to-day management of the group to executives and then engage management in setting, approving and overseeing execution of the business strategy and related policies. Board meetings are held periodically and activities reviewed through the consideration and discussion of information, which is sent in advance of each board meeting and through presentations to the board, and the consideration of the impact of the relevant decisions on stakeholders. The board are fully aware of their responsibilities to promote the success of the group in accordance with section 172 of the Companies Act 2006.

Employees
The group has around 111 employees and the board is committed to promoting a diverse and inclusive workplace, reflective of the communities in which it does business. The directors approach diversity in the broadest sense, recognising that successful businesses flourish through embracing diversity into their business strategy and developing talent at every level in the organisation.

The board and senior management are responsible for ensuring that the group's purpose, vision and values are effectively communicated to employees and that the group's activities reflect the culture they wish to instil in employees and drive appropriate behaviours. Employees are actively encouraged to provide feedback and report any concerns if required. There is close collaboration between employees and directors on a regular basis and directors are encouraged, and expected, to visit operations and to engage with the employees regularly.

Business relationships, Community and Environment
The group's key stakeholders are its employees, customers, consumers, suppliers, shareholder and the local communities in which it operates. The views of and the impact of the group's activities on those stakeholders are an important consideration for directors when making relevant decisions. Whilst there are cases where the board itself judges that it should engage directly with certain stakeholder groups or on certain issues, the size and spread of our stakeholders means that generally our stakeholder engagement best takes place at an operational level.

The directors bring the stakeholder voice into the boardroom through information provided by senior management and by direct engagement with stakeholders themselves, where appropriate. The relevance of each stakeholder group may increase or decrease depending on the matter or issue in question, so the board seeks to consider the needs and priorities of each stakeholder group during its discussions and as part of its decision-making.

Business conduct
Participation in industry benchmarking studies ensure that the business operates and maintains high standards of conduct. There is a corporate code of conduct which all employees are required to sign up to which covers human rights and working conditions, legal compliance, environmental protection, fair competition, anti-corruption and conflicts of interest, anti-money laundering and terrorist financing, IT security, data privacy and personal data protection, Product safety and responsibility, social responsibility by conviction and our speak up culture. The company utilises sanctions checking and compliance software to ensure that the business complies with all legislation.

Streamlined energy and carbon reporting
In the financial year, the businesses used the following amounts of energy and corresponding CO_2 emissions:

	31 December 2022 kWh	31 December 2021 kWh
Worldwide Energy used		
- Electricity use	**587,939**	504,073
- Fuel consumption	**112,704**	44,238

	***31 December 2022* CO2**	*31 December 2021* CO2
Worldwide Emissions from		
- Electricity	**221,045**	192,543
- Consumption of fuel for transport	**27,986**	10,984

Consumption data was determined by using invoices from supplier and estimating fuel usage based on expenditure. Emissions were determined by applying the UK government conversion factors to the energy consumption values and aggregating the total.

Average number of employees during the year is the most appropriate measure of energy intensity. Financial measure and other operational measures are more likely to fluctuate, with a significant part of the fluctuation outside of our control.

Energy Intensity Kg CO2 per employee	**2022**	2021
Average number of employees	**111**	109
CO2 emissions (Kg):	**1,991**	1,766

Energy use relates to offices and production/warehouse operations. To promote our green credentials, where possible, we aim to select supply partners that drive renewal and green energy source with a key objective to achieve 2050 net-zero target. We have also secured E7 allocation, which helps to spread consumption and energy utilisation. All our key locations are installed with energy saving motion sensor lighting.

We expect these energy saving measures to have some impact in future years to come as we continue to seek efficient use of renewal and green energy sources.

On behalf of the board:

K. Fair

Director

Date: 29/09/2023

The directors present their report with the financial statements of the company and the group for the year ended 31 December 2022.

Principal activity
The principal activity of the group during the year continued to be the distribution and manufacture of speciality chemicals and health products.

Dividends
The total distribution of dividends for the year ended 31 December 2022 will be £1,214,376.

Dividends paid during the year comprise an interim dividend in respect of the year ended 31 December 2022 of £129.01 per share (2021: no dividend paid).

Directors
The directors shown below have held office during the whole of the period from 1 January 2022 to the date of this report.

G H Friedrich Bergmann
R E Straughan
K Fairbrass

Other changes in directors holding office are as follows:

I P Melluish - resigned 1 March 2022
B F Kruse - resigned 2 June 2022

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 UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and 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;
- 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 control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

Statement as to disclosure of information to auditors
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 group's auditors are unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

On behalf of the board:

K Fairbrass - Director

Date: 28/09/2023

Opinion
We have audited the financial statements of Nordmann UK Group Holdings Ltd ("the Company") for the year ended 31 December 2022 which comprise the Consolidated Statement of Comprehensive Income, Consolidated Balance Sheet, Company Balance Sheet, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity, Consolidated Cash Flow Statement and related notes, including the accounting policies in note 2.

In our opinion the financial statements:
- give a true and fair view of the state of the Group's and of the parent Company's affairs as at 31 December 2022 and of the Group's profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion
We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the Group in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Going concern
The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Group or the Company or to cease their operations, and as they have concluded that the Group and 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 their 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 Group's business model and analysed how those risks might affect the Group and Company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:
- we consider that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Group or the Company's ability to continue as a going concern for the going concern period.

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 above conclusions are not a guarantee that the Group or the Company will continue in operation.

Fraud and breaches of laws and regulations – ability to detect
Identifying and responding to risks of material misstatement due to fraud
To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures include

- Enquiring of directors and management as to the Group's high-level policies and procedures to prevent and detect fraud, as well as whether they have knowledge of any actual, suspected or alleged fraud
- Reading Board minutes
- Considering remuneration incentive schemes and performance targets for management
- Using analytical procedures to identify any unusual or unexpected relationships

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit. This included communication from the Group audit team to full scope component audit teams of relevant fraud risks identified at the Group level and request to full scope component audit teams to report to the Group audit team any instances of fraud that could give rise to a material misstatement at the Group level.

As required by auditing standards and taking into account possible pressures to meet profit targets, we perform procedures to address the risk of management override of controls and risk of fraudulent revenue recognition, in particular:

- the risk that Group and component management may be in a position to make inappropriate accounting entries; and
- the risk that revenue is overstated through recording revenues in the wrong period.

Fraud and breaches of laws and regulations – ability to detect

We did not identify any additional fraud risks.

We performed procedures including:

- Identifying journal entries and other adjustments to test based on risk criteria and comparing the identified entries to supporting documentation. These included those posted with unusual accounts pairings for revenue and cash entries, entries with unusual journal descriptions and material post close journals.

- Assessing whether revenue transactions recorded in the period leading up to yearend are accounted for in the correct period by vouching a sample of transactions to supporting documentation to ensure the revenue recognition criteria was met.

- Assessing whether the judgements made in making accounting estimates are indicative of a potential bias..

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

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit. This included communication from the Group audit team to full-scope component audit teams of relevant laws and regulations identified at the Group level, and a request for full scope component auditors to report to the Group audit team any instances of non-compliance with laws and regulations that could give rise to a material misstatement at the Group level.

The potential effect of these laws and regulations on the financial statements varies considerably.

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

Secondly, the Group is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: health and safety, data protection laws, anti-bribery and employment law recognising the nature of the Group's activities. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

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

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

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

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

- we have not identified material misstatements in the strategic report and the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports 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 by the parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent Company 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.

Directors' responsibilities

As explained more fully in their statement set out on page 6, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Group and parent 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 Group or the parent Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

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

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

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

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

Neha Shah (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
Global House
High Street
Crawley
Surrey
RH10 1DQ

29 September 2023

Nordmann UK Group Holdings Ltd

Consolidated Statement of Comprehensive Income for the year ended 31 December 2022

	Notes	2022 £	2021 * As restated (see note 2) £
Turnover	3	78,279,266	70,295,804
Cost of sales		(60,632,199)	(55,627,939)
Gross profit		17,647,067	14,667,865
Administrative expenses *		(12,286,748)	(9,654,718)
		5,360,319	5,013,147
Other operating income		12,526	33,254
Operating profit *		5,372,845	5,046,401
(Loss)/gain on revaluation of investment property		(240,301)	-
Interest receivable and similar income		3,916	8,282
Interest payable and similar expenses	6	(100,142)	(115,599)
Profit before taxation *	7	5,036,318	4,939,084
Tax on profit	9	(1,785,838)	(1,548,643)
Profit for the financial year *		3,250,480	3,390,441
Profit attributable to:			
Owners of the parent		3,250,480	3,390,441

The notes form part of these financial statements

Nordmann UK Group Holdings Ltd (Registered number: 07608263)

Consolidated Balance Sheet
31 December 2022

	Notes	2022 £	2022 £	2021 * As restated (see note 2) £	2021 * As restated (see note 2) £
Fixed assets					
Intangible assets	12		136,107		325,696
Tangible assets *	13		2,659,227		2,849,513
Investments	14		-		-
Investment property *	15		742,424		982,725
			3,537,758		4,157,934
Current assets					
Stocks	16	5,388,514		5,337,374	
Debtors	17	11,248,986		8,069,431	
Cash at bank and in hand		10,266,601		5,832,953	
		26,904,101		19,239,758	
Creditors					
Amounts falling due within one year	18	(11,097,101)		(14,121,967)	
Net current assets			15,807,000		5,117,791
Total assets less current liabilities			19,344,758		9,275,725
Creditors					
Amounts falling due after more than one year	19		(8,321,284)		-
Provisions for liabilities	21		(8,571)		(12,307)
Net assets			11,014,903		9,263,418
Capital and reserves					
Called up share capital	22		9,413		9,413
Fair value reserve	23		(240,301)		-
Retained earnings *	23		11,245,791		9,254,005
Shareholders' funds			11,014,903		9,263,418

The financial statements were approved by the Board of Directors and authorised for issue on ...28/09/2023...... and were signed on its behalf by:

K Fairbrass - Director

R E Straughan - Director

The notes form part of these financial statements

Company Balance Sheet
31 December 2022

	Notes	2022 £	2022 £	2021 £	2021 £
Fixed assets					
Intangible assets	12		-		-
Tangible assets	13		-		-
Investments	14		2,220,256		2,220,256
Investment property	15		-		-
			2,220,256		2,220,256
Current assets					
Stocks	16	200,196		144,499	
Debtors	17	884,268		153,917	
Cash at bank		474,483		165,822	
		1,558,947		464,238	
Creditors					
Amounts falling due within one year	18	(1,176,598)		(213,111)	
Net current assets			382,349		251,127
Total assets less current liabilities			2,602,605		2,471,383
Capital and reserves					
Called up share capital	22		9,413		9,413
Retained earnings	23		2,593,192		2,461,970
Shareholders' funds			2,602,605		2,471,383
Company's profit for the financial year			1,350,901		38,508

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved by the Board of Directors and authorised for issue on ...29/09/2023...... and were signed on its behalf by:

K Fair

....

K Fairbrass - Director

The notes form part of these financial statements

Consolidated Statement of Changes in Equity
for the year ended 31 December 2022

	Called up share capital £	Retained earnings *As Restated (see Note 2) £	Fair value reserve £	Total equity *As Restated (see Note 2) £
Balance at 1 January 2021	9,413	6,080,803	-	6,090,216
Changes in equity				
Total comprehensive income (restated)	-	3,390,441	-	3,390,441
Movement in foreign exchange reserve	-	(217,239)	-	(217,239)
Balance at 31 December 2021 (restated)	9,413	9,254,005	-	9,263,418
Changes in equity				
Dividends	-	(1,214,376)	-	(1,214,376)
Total comprehensive income	-	3,250,480	-	3,250,480
Movement in foreign exchange reserve	-	(44,318)	-	(44,318)
Investment property revaluation	-	-	(240,301)	(240,301)
Balance at 31 December 2022	9,413	11,245,791	(240,301)	11,014,903

The notes form part of these financial statements

Company Statement of Changes in Equity
for the year ended 31 December 2022

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 January 2021	9,413	2,424,602	2,434,015
Changes in equity			
Total comprehensive income	-	37,368	37,368
Balance at 31 December 2021	9,413	2,461,970	2,471,383
Changes in equity			
Dividends	-	(1,214,376)	(1,214,376)
Total comprehensive income	-	1,345,598	1,345,598
Balance at 31 December 2022	9,413	2,593,192	2,602,605

The notes form part of these financial statements

Nordmann UK Group Holdings Ltd

Consolidated Cash Flow Statement
for the year ended 31 December 2022

	Notes	2022	2021
		£	£
Cash flows from operating activities			
Cash generated from operations	28	7,693,133	1,735,343
Interest paid		(100,142)	(115,599)
Tax paid		(1,613,749)	(1,159,502)
Net cash from operating activities		5,979,242	460,242
Cash flows from investing activities			
Purchase of intangible fixed assets		(2,880)	(1,453)
Purchase of tangible fixed assets		(353,252)	(356,077)
Sale of tangible fixed assets		20,998	65,752
Interest received		3,916	8,282
Net cash from investing activities		(331,218)	(283,496)
Cash flows from financing activities			
Loan repayments in year		-	(223,879)
Equity dividends paid		(1,214,376)	-
Net cash from financing activities		(1,214,376)	(223,879)
Increase/(decrease) in cash and cash equivalents		4,433,648	(47,133)
Cash and cash equivalents at beginning of year	29	5,832,953	5,880,086
Cash and cash equivalents at end of year	29	10,266,601	5,832,953

The notes form part of these financial statements

1. **Statutory information**

Nordmann UK Group Holdings Ltd is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the General Information page.

2. **Accounting policies**

Basis of preparing the financial statements
These 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.

Measurement convention
The financial statements are prepared on the historical cost basis except that the following assets are stated at their fair value: Financial Instrument Derivatives and Investment Property.

Going concern
The financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reasons.

The directors have prepared cash flow forecasts and performed a going concern assessment which indicates that, in both the base and reasonably possible downsides, the group will have sufficient funds to meet its liabilities as they fall due during 12 month period ending 30 September 2024, the going concern assessment period.

The going concern assessment uses May 2023 actual performance, considers the order book and applies best estimates of business growth. The base case assumes gross margin levels will be maintained and staff and overhead costs grow at 5%. The plausible downside considers the loss of key customer and higher inflation of 10% for staff and overhead costs.

Consequently, the directors are confident that the group will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

2. **Accounting policies - continued**

Basis of consolidation
The consolidated financial statements include the financial statements of the Company and its subsidiary undertakings made up to 31 December 2022. A subsidiary is an entity that is controlled by the parent. The results of subsidiary undertakings are included in the consolidated profit and loss account from the date that control commences until the date that control ceases. Control is established when the Company has the power to govern the operating and financial policies of an entity so as to obtain benefits from its activities. In assessing control, the Group takes into consideration potential voting rights that are currently exercisable.

Under Section 408 of the Companies Act 2006 the Company is exempt from the requirement to present its own profit and loss account.

In the parent financial statements, investments in subsidiaries are carried at cost less impairment.

The parent company is included in the consolidated financial statements, and is considered to be a qualifying entity under FRS 102 paragraphs 1.8 to 1.12. The following exemptions available under FRS 102 in respect of certain disclosures for the parent company financial statements have been applied:

- No separate parent company Cash Flow Statement with related notes is included; and
- Key Management Personnel compensation has not been included a second time.
- Certain disclosures required by FRS 102.26 Share Based Payments; and,
- Certain disclosures required by FRS 102.11 Basic Financial Instruments and 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.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

Judgements made by the directors, in the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed below.

Related party exemption
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 within the group.

Transactions between group entities which have been eliminated on consolidation are not disclosed within the financial statements.

Turnover
Turnover is measured at the fair value of the consideration received or receivables, excluding discounts, rebates, value added tax and other sales taxes. Revenue is recognised on fulfilment of the relevant performance obligation.

Goodwill
Goodwill is the difference between amounts paid on the acquisition of a business and the fair value of the identifiable assets and liabilities. It is amortised over its estimated economic life of 6-10 years.

Intangible assets
Patent costs and trademarks represent the monies incurred on legal costs arranging for the manufacturing process to be copyrighted. They are amortised over their estimated economic life of 4 years.

2. **Accounting policies - continued**

Tangible fixed assets
Tangible fixed assets are stated at cost less depreciation. Depreciation is not charged on freehold land. Depreciation on other tangible fixed assets is provided at rates calculated to write off the cost of those assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	2% straight line
Long term leasehold property	over the period of the lease
Plant & machinery	10% - 20% straight line
Office fixtures and equipment	25% - 33% straight line

Investment property
Investment property, which is property held to earn rentals and/or for capital appreciation, is initially recognised at cost, which includes the purchase cost and any directly attributable expenditure. Subsequently it is measured at fair value at the reporting end date. Changes in fair value are recognised in profit or loss.

The investment property was transferred from land and buildings in 2021 at carrying value, and was subsequently revalued at fair value due to the change in use. It was previously used by a group company, but in the 2021 financial period was vacated by the group entity and subsequently rented to an unconnected third party,

Stocks
Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is based on the first-in first-out principle and includes expenditure incurred in acquiring the stocks, production or conversion costs and other costs in bringing them to their existing location and condition. In the case of manufactured stocks and work in progress, cost includes an appropriate share of overheads based on normal operating capacity.

Taxation
Taxation for the year comprises current and deferred tax. Tax is recognised in the Consolidated Statement of Comprehensive Income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax
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.

Foreign currencies
Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

2. **Accounting policies - continued**

Employee benefits
Short term employee benefits including holiday pay and annual bonuses are accrued as services are rendered.

The group operates a defined contribution pension scheme and the pension charge represents the amounts payable by the group to the fund in respect of the year.

Contributions to defined contribution pension schemes are charged to profit or loss as they become payable in accordance with the rules of the scheme. Differences between contributions payable in the year and those actually paid are shown as either accruals or prepayments in the balance sheet.

Expenses

Operating Lease
Payments (excluding costs for services and insurance) made under operating leases are recognised in the profit and loss account on a straight-line basis over the term of the lease unless (i) the payments to the lessor are structured to increase in line with expected general inflation, in which case the payments related to the structured increases are recognised as incurred; or (ii) the Group or Company have received temporary rent concessions as a direct consequence of the COVID-19 pandemic (see below). Lease incentives received are recognised in profit and loss over the term of the lease as an integral part of the total lease expense.

Interest receivable and Interest payable
Interest payable and similar expenses include interest payable, finance expenses on shares classified as liabilities and finance leases recognised in profit or loss using the effective interest method, unwinding of the discount on provisions, and net foreign exchange losses that are recognised in the profit and loss account (see foreign currency accounting policy).

Interest income and interest payable are recognised in profit or loss as they accrue, using the effective interest method. Foreign currency gains and losses are reported on a net basis.

2. **Accounting policies - continued**

Financial instruments policy
Financial assets and financial liabilities are recognised in the balance sheet when the company becomes a party to the contractual provisions of the instrument.

Trade and other debtors and creditors are classified as basic financial instruments and measured at initial recognition at transaction price. Debtors and creditors are subsequently measured at amortised cost using the *effective interest rate method. A provision is established when there is objective evidence that the company will* not be able to collect all amounts due.

Cash and cash equivalents are classified as basic financial instruments and comprise cash in hand and at bank and bank overdrafts which are an integral part of the company's cash management.

Financial liabilities and equity instruments issued by the company are classified in accordance with the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs.

Financial instruments not considered to be Basic financial instruments - Other financial instruments
Other financial instruments not meeting the definition of Basic Financial Instruments are recognised initially at fair value. Subsequent to initial recognition, other financial instruments are measured at fair value with changes recognised in profit or loss except as follows:

- investments in equity instruments that are not publicly traded and whose fair value cannot otherwise be measured reliably shall be measured at cost less impairment; and
- hedging instruments in a designated hedging relationship shall be recognised as set out below.

Derivative financial instruments and hedging
Derivative financial instruments are recognised at fair value. The gain or loss on remeasurement to fair value is recognised immediately in profit or loss. However, where derivatives qualify for hedge accounting, recognition of any resultant gain or loss depends on the nature of the item being hedged (see below).

Fair value hedges
Where a derivative financial instrument is designated as a hedge of the variability in fair value of a recognised asset or liability or an unrecognised firm commitment, all changes in the fair value of the derivative are recognised immediately in profit or loss. The carrying value of the hedged item is adjusted by the change in fair value that is attributable to the risk being hedged (even if it is normally carried at cost or amortised cost) and any gains or losses on remeasurement are recognised immediately in the income statement (even if those gains would normally be recognised directly in reserves). If hedge accounting is discontinued and the hedged financial asset or liability has not been derecognised, any adjustments to the carrying amount of the hedged item are amortised into profit or loss using the effective interest method over the remaining life of the hedged item.

Impairment

Financial assets
A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. For financial instruments measured at cost less impairment an impairment is calculated as the difference between its carrying amount and the best estimate of the amount that the Company would receive for the asset if it were to be sold at the reporting date. Interest on the impaired asset continues to be recognised through the unwinding of the discount. Impairment losses are recognised in profit or loss. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

2. **Accounting policies - continued**

Non-financial assets
The carrying amounts of the entity's non-financial assets, other than investment property, stocks and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets that cannot be tested individually are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the "cash-generating unit"). The goodwill acquired in a business combination, for the purpose of impairment testing is allocated to cash-generating units, or ("CGU") that are expected to benefit from the synergies of the combination. For the purpose of goodwill impairment testing, if goodwill cannot be allocated to individual CGUs or groups of CGUs on a non-arbitrary basis, the impairment of goodwill is determined using the recoverable amount of the acquired entity in its entirety, or if it has been integrated then the entire group of entities into which it has been integrated.

An impairment loss is recognised if the carrying amount of an asset or its CGU exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the units, and then to reduce the carrying amounts of the other assets in the unit (group of units) on a pro rata basis.

An impairment loss recognised for goodwill is not reversed. Impairment losses recognised for other assets is reversed only if the reasons for the impairment have ceased to apply.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Key sources of estimation uncertainty and judgements
Preparation of the financial statements requires management to make significant judgements and estimates in determining the carrying amounts of certain assets and liabilities. Management makes assumptions of the effects of uncertain future events on those assets and liabilities at the balance sheet date. The management's estimates and assumptions are based on historical experience and expectation of future events and are reviewed periodically. This disclosure excludes uncertainty over future events and judgement in respect of measuring financial instruments. Management consider the key accounting estimates to be:

Bad debt provision
A full line by line review of trade debtors is carried out at the end of each month in order to identify any potential bad debts. Whilst every attempt is made to ensure the bad debt provisions are as accurate as possible, there remains a risk that the provisions do not match the level of debts which ultimately prove to be uncollectable.

Depreciation
The group's tangible assets are depreciated on a straight line basis over their useful economic lives. Management reviews the appropriateness of assets' useful economic lives at least annually and any changes could affect prospective depreciation rates and asset carrying values.

Amortisation
Amortisation is charged on intangible assets on a straight line basis over the estimated economic life. Management reviews the appropriateness of assets' useful economic lives at least annually and any changes could affect prospective amortisation rates and asset carrying values.

Stock provision
A full line by line review of stocks is carried out at the end of each month in order to identify any slow moving or obsolete stock. Whilst every attempt is made to ensure the finished goods stock provisions are as accurate as possible, there remains a risk that the provisions do not match the level of stock which ultimately proves to be unsaleable.

2. Accounting policies - continued

Prior year adjustment
In the prior year, the investment property held in the Singapore subsidiary's accounts was reclassified from leasehold property to investment property as a result of the company vacating the property and renting to a third party in 2021. During the current year, management identified that the Singapore subsidiary's investment property had been incorrectly disclosed within property, plant and equipment in the consolidated financial statements for the year ended 31 December 2021. The directors have restated the 2021 figures accordingly. The impact on the prior year consolidated accounts was a decrease of £976,912 in the next book value of land and buildings, a reversal of depreciation on land and buildings of £5,813, and an increase of £982,725 in investment property. There was no impact in years prior to 2021 as the reclassification of the property only occurred in the 2021 financial statement period.

	As previously stated Period ended 31 December 2021 £	Adjustments	As restated Period ended 31 December 2021 £
Cost of land and buildings	3,795,106	(1,182,827)	2,612,279
Accumulated depreciation of land and buildings	(637,423)	205,915	(431,508)
Net book value of land and buildings	3,157,683	(976,912)	2,180,771
Depreciation charge for the prior period	564,985	(5,813)	559,172
Tangible assets	3,826,425	(976,912)	2,849,513
Investment property	-	982,725	982,785
Administration expenses	(9,660,531)	5,813	9,654,718)
Operating profit	5,040,588	5,813	5,046,401
Profit before tax	4,933,271	5,813	4,939,084
Profit/total comprehensive income for the financial year	3,384,628	5,813	3,390,441
Retained earnings	9,248,192	5,813	9,254,005
Shareholders' funds	9,257,605	5,813	9,263,418

3. Turnover

The turnover and profit before taxation are attributable to the one principal activity of the group.

An analysis of turnover by geographical market is given below:

	2022 £	2021 £
United Kingdom	28,411,667	23,028,490
Europe	13,218,891	17,827,642
Rest of the world	36,648,708	29,439,672
	78,279,266	70,295,804

The whole of the turnover is attributable to the principal activity of the group.

4. Employees and directors

	2022	2021
	£	£
Wages and salaries	6,214,145	5,899,328
Social security costs	796,571	716,087
Other pension costs	202,520	168,167
	7,213,236	6,783,582

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

	2022	2021
Sales and operations	85	85
Finance and administration	15	14
IT and quality	6	6
Chemists	5	4
	111	109

5. Directors' emoluments

	2022	2021
	£	£
Directors' remuneration	451,639	1,525,003
Directors' pension contributions to money purchase schemes	32,828	22,200

During the period retirement benefits were accruing to 3 directors (2021: 3) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £234,796 (2021: £1,185,286).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £32,893 (2021: £10,000).

6. Interest payable and similar expenses

	2022	2021
	£	£
Bank interest	1,014	1,565
Other interest	2,743	31
Interest payable on amounts owed to group companies	96,385	114,003
	100,142	115,599

7. Profit before taxation

The profit is stated after charging/(crediting):

	2022	2021 * as restated (see note 2)
	£	£
Other operating leases	6,767	255,892
Depreciation - owned assets *	522,538	559,172
Loss on disposal of fixed assets	2	38,911
Goodwill amortisation	191,622	191,614
Patents and licences amortisation	847	-
Foreign exchange differences	(113,520)	181,748

8. Auditors' remuneration

	2022	2021
	£	£
Audit of these financial statements	**93,500**	10,500
Audit of financial statements of subsidiaries of the Company	**175,000**	68,296
Taxation compliance services	-	7,700
Other services	-	1,000
	£268,500	£87,496

9. Taxation

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

	2022	2021
	£	£
Current tax:		
UK corporation tax	114,018	198,827
Over provision in prior year	3,003	-
Foreign tax charge	1,672,553	1,339,353
Total current tax	1,789,574	1,538,180
Deferred tax	(3,736)	10,463
Tax on profit	1,785,838	1,548,643

9. Taxation - continued

Reconciliation of total tax charge included in profit and loss

The tax assessed for the year is higher than (2021: lower than) the standard rate of corporation tax in the UK. The difference is explained below:

	2022	2021 * as restated (see note 2)
	£	£
Profit before tax*	5,036,318	4,939,084
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2021 - 19%) *	956,900	938,426
Effects of:		
Expenses not deductible for tax purposes	5,059	1,445
Adjustments to tax charge in respect of previous periods	3,003	-
Effect of tax rates in foreign jurisdictions	564,412	597,622
Increase in tax rate on deferred tax balances	6,779	-
Current year losses for which no deferred tax asset was recognised	135,206	-
Other timing differences *	114,479	11,150
Total tax charge	1,785,838	1,548,643

At 31 December 2022 the Group had unrelieved losses of £535,826 available for future relief against UK Corporation Tax. No deferred tax assets has been provided on these.

10. Individual statement of comprehensive income

As permitted by Section 408 of the Companies Act 2006, the Income Statement of the parent company is not presented as part of these financial statements.

11. Dividends

	2022	2021
	£	£
Final	1,214,376	-

12. Intangible fixed assets

Group

	Goodwill	Patents and licences	Totals
	£	£	£
Cost			
At 1 January 2022	1,984,926	7,048	1,991,974
Additions	-	2,880	2,880
At 31 December 2022	1,984,926	9,928	1,994,854
Amortisation			
At 1 January 2022	1,660,683	5,595	1,666,278
Amortisation for year	191,622	847	192,469
At 31 December 2022	1,852,305	6,442	1,858,747
Net book value			
At 31 December 2022	132,621	3,486	136,107
At 31 December 2021	324,243	1,453	325,696

Amortisation and impairment charge

The amortisation, impairment charge and impairment reversals are recognised in the following line items in the profit and loss account:

	2022	2021
	£	£
Administrative expenses	**192,469**	191,614

13. Tangible fixed assets

Group

	Freehold property	Long leasehold * as restated	Plant and machinery * as restated	Office fixtures and equipment	Totals
	£	£	£	£	£
Cost					
At 1 January 2022 *	2,612,279	48,085	1,592,373	1,249,262	5,501,999
Additions	338	-	339,786	13,128	353,252
Disposals	-	-	(27,489)	(54,717)	(82,206)
At 31 December 2022	2,612,617	48,085	1,904,670	1,207,673	5,773,045
Depreciation					
At 1 January 2022 *	431,508	48,085	1,042,201	1,130,692	2,652,486
Charge for year	182,701	-	306,291	33,546	522,538
Eliminated on disposal	-	-	(6,486)	(54,720)	(61,206)
At 31 December 2022	614,209	48,085	1,342,006	1,109,518	3,113,818
Net book value					
At 31 December 2022	1,998,408	-	562,664	98,155	2,659,227
At 31 December 2021 *	2,180,771	-	550,172	118,570	2,849,513

13. Tangible fixed assets - continued

Group

In the prior year, the investment property held in the Singapore subsidiary's accounts, was reclassified from leasehold property to investment property. See note 2 for details of the adjustment.

14. Fixed asset investments

Company

	Shares in group undertakings £
Cost	
At 1 January 2022 and 31 December 2022	2,220,256
Net book value	
At 31 December 2022	2,220,256
At 31 December 2021	2,220,256

Details of the principal subsidiaries are as follows:

Company name	Address	Percentage holding (%)	Principal activity
Nordmann U.K. Ltd	1, Maidenbower Office Park,Balcombe Road, CrawleyRH10 7NNUnited Kingdom	100	Chemical distributor
Nordmann Singapore Pte. Ltd	4 Tuas South Drive, #04-27JTC Chemicals Hub @ Tuas South,Singapore, 637048	100	Chemical distributor
Nordmann Japan Ltd	Nihonbashi-KakigarachoTokyu Building 2F1-29-4 Nihonbashi-Kakigaracho,Chuo-Ku, Tokyo, 103-0014Japan	100	Chemical distributor
Nordmann Korea Ltd	#1807, KnK Digital Tower, 220Yeongsin-ro, Yeongdeungpo-gu07228 Seoul, 07228South Korea	100	Chemical distributor
Nordmann US Inc.	6900 Philips Highway, Suite 32Jacksonville, FL 32216USA	100	Chemical distributor
Nordmann Spain SL	Paseo Uribitarte 11,bajo48001, BilbaoSpain	100	Chemical distributor
Nordmann Nutrition Ltd	Unit 1, Airfield Industrial EstateCheddington LaneLong Marston, TringHP23 4QRUnited Kingdom	100	Food supplement distributor

The subsidiary company, Nordmann Nutrition Limited , a company incorporated in England and Wales with the registration number 09613126, has taken advantage of the exemption from audit under section 479a of the Companies Act 2006.

15. Investment property

Group

	Total £
Fair Value	
At 1 January 2022 (Restated)	982,725
Impairment	(240,301)
At 31 December 2022	742,424
Net book value	
At 31 December 2022	742,424
At 31 December 2021 (Restated)	982,725

See note 2 for details of the prior year adjustment.

The Group's investment property consists of an industrial property in Singapore. At 31 December 2022, the fair value of the investment property corresponds to its net carrying amount.

£742,424 of investment property fair value is based on a valuation by an external, independent valuer, having an appropriate recognised professional qualification and recent experience in the location and class of property being valued.

The valuations are supported by market evidence. The direct comparison approach was adopted in formulating an opinion on the market value. In this approach, recent transactions of similar properties were used as a guide to the value. Relevant adjustments were made to reflect the differences between the subject property and comparable adopted in relation to factors such as location, tenure, size, shape, age, condition, date of transaction, the prevailing market condition and underlying economic factors which may be of influence in the trend of the market price.

Any gain or loss arising from a change in fair value is recognised in profit or loss.

Fair value at 31 December 2022 is represented by:

	£
Cost (as restated)	982,725
Impairment in 2022	(240,301)
	742,424

No deferred tax asset has been provided in relation to the difference in the investment property carrying value which is below the initial cost. This is on the grounds that the group currently has no plans to dispose of the building.

16. Stocks

	Group 2022	Group 2021	Company 2022	Company 2021
	£	£	£	£
Finished goods	5,388,514	5,337,374	200,196	144,499

Included in the carrying value of stock is a stock provision for impairment of £159,301 (2021: £119,469)

17. Debtors: amounts falling due within one year

	Group 2022	Group 2021	Company 2022	Company 2021
	£	£	£	£
Trade debtors	9,755,331	7,601,404	200,276	126,078
Amounts owed by group undertakings	-	91,175	633,331	10,905
Amounts owed by participating interests	49,640	-	-	1,181
Other debtors	871,349	32,139	40,566	487
Tax	40,632	43,917	-	-
VAT	197,618	-	1,462	10,990
Other financial assets (see note 25)	187,537	-	-	-
Prepayments and accrued income	334,416	300,796	8,633	4,276
	11,248,986	8,069,431	884,268	153,917

18. Creditors: amounts falling due within one year

	Group 2022	Group 2021	Company 2022	Company 2021
	£	£	£	£
Trade creditors	4,790,060	3,723,267	190,079	106,696
Amounts owed to group undertakings	-	6,934,150	887,137	68,296
Amounts owed to participating interests	792,871	-	39,889	2,771
Tax	1,065,703	893,163	24,783	11,899
Social security and other taxes	328,232	141,451	4,243	3,564
VAT	-	413,597	-	-
Other creditors	1,361,892	61,842	-	
Other financial liabilities (see note 25)	612,841	-	-	-
Accruals	-	-	30,467	-
Accruals and deferred income	2,145,502	1,954,497	-	19,885
	11,097,101	14,121,967	1,176,598	213,111

Included in creditors is £859,421 (2021: £39,143) secured over the trade debtors of the group, and secured over a specific sale.

19. Creditors: amounts falling due after more than one year

	Group 2022	Group 2021
	£	£
Amounts owed to participating interests	8,321,284	-

19. Creditors: amounts falling due after more than one year - continued

During the year the group came to an agreement with the parent undertaking to extend the term of intercompany loans beyond the end of 2022. To this end, agreements were entered into with the parent entity on the following terms

Entity	Repayment date	Amount	Interest rate	Security
Nordmann UK Ltd	23 December 2025	£1,685,144	3.95%	none
Nordmann Singapore Pte. Ltd	1 January 2033	£6,636,140	5.39%	none

20. Leasing agreements

Minimum lease payments fall due as follows:

Group

	Non-cancellable operating leases	
	2022	**2021**
	£	**£**
Within one year	87,658	267,738
Between one and five years	322,461	29,760
	410,119	297,498

Lessor

At the reporting end date the company had contracted with tenants for the following minimum lease payments receivable in connection with the investment property.

Group

	2022	**2021**
	£	**£**
Within one year	49,412	-
Between one and five years	111,176	-
In over five years	-	-
	160,588	-

21. Provisions for liabilities

	Group	
	2022	**2021**
	£	**£**
Deferred tax		
Accelerated capital allowances	8,571	12,307

21. Provisions for liabilities - continued

Group

	Deferred tax
	£
Balance at 1 January 2022	12,307
Credit to Statement of Comprehensive Income during year	(3,736)
Balance at 31 December 2022	8,571

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date. 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. Deferred tax is provided at a rate of 25%.

No deferred tax asset has been provided in relation to the difference in the investment property carrying value which is below the initial cost.

22. Called up share capital

Allotted and issued:

Number:	Class:	Nominal value:	2022	2021
			£	£
941,377	Ordinary	.01	9,413	9,413

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

23. Reserves

Group

	Retained earnings	Fair value reserve	Totals
	£	£	£
At 1 January 2022 (as restated, see note 2)	9,248,005	-	9,248,192
Profit for the year	3,250,480		3,250,480
Dividends	(1,214,376)		(1,214,376)
Foreign exchange reserve	(44,318)	-	(44,318)
Investment property revaluation	-	(240,301)	(240,301)
At 31 December 2022	11,245,791	(240,301)	11,005,490

Company

	Retained earnings
	£
At 1 January 2022	2,461,970
Profit for the year	1,350,901
Dividends	(1,214,376)
Foreign exchange reserve	(5,303)
At 31 December 2022	2,593,192

24. Pension commitments

The group operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted to £202,520 (2021: £168,167). Contributions totalling £29,215 (2021: £7,300) were payable to the fund at the balance sheet date and are included in creditors.

25. Financial instruments

	Group		Company	
	2022	2021	2022	2021
	£	£	£	£
Assets measured at fair value through profit and loss				
Derivatives	187,537	-	-	-
Liabilities measured at fair value through profit and loss				
Derivatives	612,841	-	-	-

26. Related party disclosures

There are no Key Management Personnel other that directors. The remuneration relating to the directors is disclosed in note 5 to the accounts.

27. Ultimate controlling party

The immediate parent company is Nordmann, Rassmann GmbH. The ultimate parent undertaking is Georg Nordmann Holding Aktiengesellschaft, a company incorporated in Germany.

The Georg Nordmann Holding Aktiengesellschaft prepares group financial statements and copies can be obtained from: Georg Nordmann Holding Aktiengesellschaft, Kajen 2, 20459 Hamburg, Germany.

28. Reconciliation of profit before taxation to cash generated from operations

	2022	2021 * as restated (see note 2)
	£	£
Profit before taxation *	5,036,318	4,939,084
Depreciation charges *	522,538	559,172
Loss on disposal of fixed assets	2	38,911
Amortisation charges	192,469	191,614
Foreign exchange differences	(44,318)	(217,239)
Finance costs	100,142	115,599
Finance income	(3,916)	(8,282)
	5,803,235	5,618,859
Increase in stocks	(51,140)	(2,154,385)
Increase in trade and other debtors	(3,182,840)	(2,598,877)
Increase in trade and other creditors	5,123,878	869,746
Cash generated from operations	7,693,133	1,735,343

29. Cash and cash equivalents

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 31 December 2022

	31/12/22	1/1/22
	£	£
Cash and cash equivalents	10,266,601	5,832,953

Year ended 31 December 2021

	31/12/21	1/1/21
	£	£
Cash and cash equivalents	5,832,953	5,880,086

30. Analysis of changes in net funds and debt

	At 1/1/22	Cash flow	At 31/12/22
	£	£	£
Net cash			
Cash at bank and in hand	5,832,953	4,433,648	10,266,601
	5,832,953	4,433,648	10,266,601
Debt			
Debts falling due within 1 year			
Amounts owed to group undertakings	(6,934,150)	6,934,150	-
Debts falling due after 1 year			
Amounts owed to group undertakings	-	(8,321,284)	(8,321,284)
Total	(6,934,150)	(1,387,134)	(8,321,284)
Total	(1,101,197)	3,046,514	1,945,317