

PETS LOVE FRESH LIMITED
Unaudited Financial Statements
For the financial year ended 31 May 2022
Pages for filing with the registrar

PETS LOVE FRESH LIMITED
UNAUDITED FINANCIAL STATEMENTS
For the financial year ended 31 May 2022

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PETS LOVE FRESH LIMITED
COMPANY INFORMATION
For the financial year ended 31 May 2022

DIRECTORS

M Farmiloe

M Sutton

I Anton

T J Fenwick

REGISTERED OFFICE

32-33 Cowcross Street

London

EC1M 6DF

England

United Kingdom

COMPANY NUMBER

09060769 (England and Wales)

CHARTERED ACCOUNTANTS

Berg Kaprow Lewis LLP

35 Ballards Lane

London

N3 1XW

PETS LOVE FRESH LIMITED
STATEMENT OF FINANCIAL POSITION
As at 31 May 2022

	Note	2022	2021
		£	£
Fixed assets			
Intangible assets	4	58,179	66,019
Tangible assets	5	58,951	19,046
		117,130	85,065
Current assets			
Stocks		60,290	17,158
Debtors	6	112,591	8,485
Cash at bank and in hand		138,788	117,130
		311,669	142,773
Creditors			
Amounts falling due within one year	7	(101,562)	(39,791)
Net current assets		210,107	102,982
Total assets less current liabilities		327,237	188,047
Net assets		327,237	188,047
Capital and reserves			
Called-up share capital	8	372	310
Share premium account		1,729,578	805,220
Other reserves		77,153	49,311
Profit and loss account		(1,479,866)	(666,794)
Total shareholders' funds		327,237	188,047

PETS LOVE FRESH LIMITED
STATEMENT OF FINANCIAL POSITION (CONTINUED)
As at 31 May 2022

For the financial year ending 31 May 2022 the Company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the Company to obtain an audit of its financial statements for the financial year in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements; and
- These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime and a copy of the Statement of Comprehensive Income has not been delivered.

The financial statements of Pets Love Fresh Limited (registered number: 09060769) were approved and authorised for issue by the Board of Directors. They were signed on its behalf by:

M Farmiloe
Director

03 May 2023

PETS LOVE FRESH LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For the financial year ended 31 May 2022

1. Accounting policies

The principal accounting policies are summarised below. They have all been applied consistently throughout the financial year and to the preceding financial year, unless otherwise stated.

General information and basis of accounting

Pets Love Fresh Limited (the Company) is a private company, limited by shares, incorporated in the United Kingdom under the Companies Act 2006 and is registered in England and Wales. The address of the Company's registered office is 32-33 Cowcross Street, London, EC1M 6DF, England, United Kingdom.

The financial statements have been prepared under the historical cost convention, modified to include certain items at fair value, and in accordance with Section 1A of Financial Reporting Standard 102 (FRS 102) 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' issued by the Financial Reporting Council and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime.

The financial statements are presented in pounds sterling which is the functional currency of the company and rounded to the nearest £.

Going concern

The financial statements have been prepared on a going concern basis which assumes that the Company will continue in operational existence for the foreseeable future and will be able to meet its debts as they fall due.

The Company made a loss for the year, and had net current assets of £207,649 and net assets of £324,779 at the Statement of Financial Position date.

The directors confirm that the Company has sufficient access to working capital and investment to support the business for the foreseeable future, and as a result of this, they consider it appropriate to continue adopting the going concern basis of accounting.

Turnover

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

1. the Company has transferred the significant risks and rewards of ownership to the buyer;
2. the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
3. the amount of revenue can be measured reliably;
4. it is probable that the Company will receive the consideration due under the transaction; and
5. the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Employee benefits

Defined contribution schemes

The Company operates a defined contribution scheme. The amount charged to the Statement of Comprehensive Income in respect of pension costs and other post-retirement benefits is the contributions payable in the financial year.

Differences between contributions payable in the financial year and contributions actually paid are included as either accruals or prepayments in the Statement of Financial Position.

Share-based payment

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Equity-settled share-based payment transactions are measured at fair value at the date of grant. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of shares that will eventually vest and adjusted for the effect of non-market-based vesting conditions.

Fair value is measured by use of the Black Scholes model which is considered by management to be the most appropriate method of valuation. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions, and behavioural considerations.

Cancellations or settlements (including those resulting from employee redundancies) are treated as an acceleration of vesting and the amount that would have been recognised over the remaining vesting period is recognised immediately.

Taxation

Current tax

Current tax is provided at amounts expected to be paid (or recoverable) using the tax rates and laws that have been enacted or substantively enacted at the Statement of Financial Position date.

Deferred tax

Deferred tax arises as a result of including items of income and expenditure in taxation computations in periods different from those in which they are included in the Company's financial statements. Deferred tax is provided in full on timing differences which result in an obligation to pay more or less tax at a future date, at the average tax rates that are expected to apply when the timing differences reverse, based on current tax rates and laws. Deferred tax assets and liabilities are not discounted.

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.

Intangible assets

Intangible assets are stated at cost or valuation, net of amortisation and any provision for impairment. Amortisation is provided on all intangible assets at rates to write off the cost or valuation of each asset over its expected useful life as follows:

Website costs	10 years straight line
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Tangible fixed assets

Tangible fixed assets are stated at cost or valuation, net of depreciation and any provision for impairment. Depreciation is provided on all tangible fixed assets, other than investment property and freehold land, at rates calculated to write off the cost or valuation, less estimated residual value, of each asset on a straight-line or reducing balance basis over its expected useful life, as follows:

Plant and machinery	10 years straight line
Computer equipment	5 years straight line

Residual value represents the estimated amount which would currently be obtained from disposal of an asset, after deducting estimated costs of disposal, if the asset were already of the age and in the condition expected at the end of its useful life.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

PETS LOVE FRESH LIMITED
NOTES TO THE FINANCIAL STATEMENTS
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Leases

The Company as lessee

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to sell, which is equivalent to the net realisable value. Cost includes materials, direct labour and an attributable proportion of manufacturing overheads based on normal levels of activity. Cost is calculated using the FIFO (first-in, first-out) method. Provision is made for obsolete, slow-moving or defective items where appropriate.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

Cash and cash equivalents

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in creditors: amounts falling due within one year.

Financial instruments

The Company only enters into basic financial instruments and transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to and from related parties and investments in ordinary shares.

Financial assets

Basic financial assets, including trade and other debtors, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Such assets are subsequently carried at amortised cost using the effective interest method.

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

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

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Financial liabilities

Basic financial liabilities, including trade and other creditors and accruals, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

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

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

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

2. Employees

	2022	2021
	Number	Number
Monthly average number of persons employed by the Company during the year, including directors	7	5

PETS LOVE FRESH LIMITED
NOTES TO THE FINANCIAL STATEMENTS
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3. Share-based payments

Equity-settled share-based payment schemes

The Company has an EMI share option scheme for certain members of key personnel.

Details of the share options outstanding during the financial year are as follows:

	2022		2021	
	Weighted Average		Weighted Average	
	Number of share options	Average exercise price (£)	Number of share options	Average exercise price (£)
Outstanding at beginning of period	5,917	30	0	0
Granted during the period	0	0	5,917	30
Expired during the period	(667)	30	0	0
Outstanding at the end of the period	5,250	30	5,917	30
Exercisable at the end of the period	3,056	30	1,953	30

The fair value of the share options at the grant date was calculated using the Black Scholes model, which is considered to be the most appropriate generally accepted valuation method of measuring fair value. For the March 2021 EMI options, the weighted average share price was £33.33, the expected volatility was 30% and the risk-free interest rate was 1.64%.

The Company recognised total expenses of £ 0 and £ 0 related to equity-settled share-based payment transactions in 2022 and 2021 respectively.

4. Intangible assets

	Website costs	Total
	£	£
Cost		
At 01 June 2021	79,616	79,616
At 31 May 2022	79,616	79,616
Accumulated amortisation		
At 01 June 2021	13,597	13,597
Charge for the financial year	7,840	7,840
At 31 May 2022	21,437	21,437
Net book value		
At 31 May 2022	58,179	58,179
At 31 May 2021	66,019	66,019

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5. Tangible assets

	Plant and machinery	Computer equipment	Total
	£	£	£
Cost			
At 01 June 2021	24,429	750	25,179
Additions	44,185	0	44,185
At 31 May 2022	68,614	750	69,364
Accumulated depreciation			
At 01 June 2021	5,686	447	6,133
Charge for the financial year	4,130	150	4,280
At 31 May 2022	9,816	597	10,413
Net book value			
At 31 May 2022	58,798	153	58,951
At 31 May 2021	18,743	303	19,046

6. Debtors

	2022	2021
	£	£
Trade debtors	16,275	4,335
Prepayments	11,667	0
VAT recoverable	11,249	0
Other debtors	73,400	4,150
	112,591	8,485

7. Creditors: amounts falling due within one year

	2022	2021
	£	£
Trade creditors	47,319	7,803
Other loans	10,000	0
Accruals	11,050	15,650
Other taxation and social security	5,913	13,588
Other creditors	27,280	2,750
	101,562	39,791

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8. Called-up share capital

	2022	2021
	£	£
Allotted, called-up and fully-paid		
37,237 Ordinary shares of £ 0.01 each (2021: 30,968 shares of £ 0.01 each)	372	310
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During the year, there were 6,269 shares issued and allotted, at a premium of £924,358.

9. Financial commitments

Pensions

The Company operates a defined contribution pension scheme for the directors and employees. The assets of the scheme are held separately from those of the Company in an independently administered fund.

	2022	2021
	£	£
Unpaid contributions due to the fund (inc. in other creditors)	1,312	295
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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.