



Manifesto Foods Ltd

Registered number: 09820142

Annual Report

For the period ended 26 November 2022



MANIFESTO FOODS LTD

COMPANY INFORMATION

Directors

G R Moir
C V Wright
A M Christiaanse
J Fancourt

Registered number

09820142

Registered office

Number One Pride Place
Pride Park
Derby
DE24 8QR

Independent auditor

Mazars LLP
Chartered Accountants & Statutory Auditor
Capital Square
58 Morrison Street
Edinburgh
EH3 8BP

Bankers

NatWest
Drummond House
PO Box 1727
1 Redheughs Avenue
Edinburgh
EH12 9JN

Close Brothers
80 Mosley Street
Manchester
M2 3FX

Solicitors

Geldards LLP
Number One Pride Place
Pride Park
Derby
England
DE24 8QR

MANIFESTO FOODS LTD

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MANIFESTO FOODS LTD

GROUP STRATEGIC REPORT FOR THE PERIOD ENDED 26 NOVEMBER 2022

Introduction

The Directors present their Strategic Report for the 52 weeks ended 26 November 2022.

Manifesto Foods Ltd is the parent company of A. K. Stoddart Limited and Manifesto Foods (Properties) Limited (the 'Group').

Principal activities

The principal activity of the Company is that of a holding company.

The principal activity of A. K. Stoddart Limited is meat processing. The principal activity of Manifesto Foods (Properties) Limited is acting as landlord to A. K. Stoddart Limited in respect of properties occupied by the business.

Business review

Operating profit for the period amounted to £1,396,171 (2021 - £946,922).

Given the market conditions over the previous 2 years brought about by the COVID 19 pandemic and Brexit, the fiscal year 21/22 was relatively quiet allowing the Group to focus all of its efforts on day to day operations and expansion of its commercial strategy.

Central to both commercial and operational activities is the continued expansion of a bespoke customer offering built around innovation and consistent quality. This strategy continues to move the sales ledger away from a price sensitive commodity end of the market into long term customer partnerships.

The business has now established a strong reputation across all markets for consistency and quality and, through working on an exclusive basis with each customer, partner relationships have also continued to strengthen on a mutually beneficial basis.

The cattle market tightened in the second half of the trading year due to strong consumer demand and a general shortage of cattle in the national herd. As a result the Group has agreed a number of new long term supply contracts with larger farming concerns to ensure future supply.

Export sales continue to be a key deliverable within our trading strategy and without the Brexit disruption seen in the previous year the business was able to grow its overall export business by 35%. The majority of this growth has come from a mix of new and existing European customers. The Far East continues to be a key market for certain products and, in the latter part of the year, an additional customer was secured in this region, thus further underpinning the potential that this region provides. Export sales continue to provide better returns than the UK market and allows the company to spread its risk over more customers around the globe.

Labour shortages were a recurring issue throughout the previous year and a long term solution was put in place to recruit employees from the Philippines. The first employees arrived in the back quarter of the trading year with a second intake arriving 3 months later. The new staff are now settled and fully integrated into the business. Resultant operational efficiencies are now being delivered across the primary processing operation.

During the period the Group continued to experience inflation on costs to general overheads including wages. These have successfully been passed on through increased selling prices of finished goods.

Given that inflation is affecting all businesses across the food sector including our customers, there has been a general understanding of cost drivers and the need for recovery by the supply sector. A buoyant trading landscape with strong demand as people emerge from lock down has also helped to reduce the impact to our customers.

MANIFESTO FOODS LTD

GROUP STRATEGIC REPORT (CONTINUED) FOR THE PERIOD ENDED 30 NOVEMBER 2022

Business review (continued)

The Group anticipates that it will continue to see further inflationary on costs in the coming year.

Coming out the past 2 years Covid and Brexit related disruption, the Group has enjoyed a successful trading period and the Board is pleased with progress and direction of travel. The Group remains committed to its program of investment back into the business with a 25% increase in spend on capital projects completed within the year thus ensuring that the business continues to thrive in the future.

Principal risks and uncertainties

The Directors have assessed that the main risks facing the business are animal disease, which they consider to be out of their control, and continuing pressure on margins due to the highly competitive nature of the sector and continued supply of cattle. The Directors believe that the latter risk is mitigated by the strong relationships which exist with both customers and suppliers and continued diversification into new markets.

Financial risk management objectives and policies

The Group finances its operations through a mixture of retained profits and where necessary to fund expansion or capital expenditure programmes through bank borrowings and hire purchase.

Management's objectives are to:

- Retain sufficient liquid funds to enable the Group to meet its day to day obligations as they fall due whilst maximising returns on surplus funds;
- Minimise the Groups exposure to fluctuating interest rates when seeking new borrowings; and
- Match the repayment schedule of any external borrowings or overdrafts with the expected future cash flows expected to arise from the Group's trading activities.

Financial key performance indicators


The Directors monitor and assess on a regular basis the key performance indicators of the business. The following KPI's are monitored closely:

- The Group monitors turnover and cash flow related performance indicators including cash headroom and interest cover, in line with the funding requirements of the business.
- The Group monitors operational performance and efficiency through a number of specific indicators and measures, which are regularly assessed.
- Raw material costs and pricing to customers is regularly reviewed to ensure gross margins are understood and controlled.
- The Group continuously reviews and monitors technical performance to ensure all factories operate at the highest level of competence and operational integrity at all times.
- The Group places great emphasis on the importance of health and safety within the business and regularly reviews KPI's to ensure the best possible environment for its employees and all legal requirements and processes are adhered to.
- The Group monitors its commercial KPI's as part of its continued commitment to ensure all customers are provided with the best possible level of service and account management.

MANIFESTO FOODS LTD

**GROUP STRATEGIC REPORT (CONTINUED)
FOR THE PERIOD ENDED 30 NOVEMBER 2022**

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


G moir (Aug 23, 2023 14:49 GMT+1)

G R Moir
Director

Date: Aug 23, 2023

MANIFESTO FOODS LTD

DIRECTORS' REPORT FOR THE PERIOD ENDED 30 NOVEMBER 2022

The Directors present their report and the financial statements for the period ended 26 November 2022.

Directors' responsibilities statement

The Directors are responsible for preparing the Group Strategic Report, the Directors' Report and the consolidated financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 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 the Group and of the profit or loss of the Group for that period.

In preparing these financial statements, the Directors are required to:

- select suitable accounting policies for the Group's financial statements and then apply them consistently;
- make judgements and accounting 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and the Group and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Results and dividends

The profit for the period, after taxation, amounted to £979,601 (2021 - £649,231).

The Directors do not recommend payment of a dividend.

Directors

The Directors who served during the period were:

G R Moir
C V Wright
A M Christiaanse
J Fancourt

Future developments

The Board remains focused on ongoing development of its people processes and best practice, ensuring the highest levels of corporate governance are established and the adoption of the Group's core values and good operating practice are implemented, as determined by its Board of Directors.

MANIFESTO FOODS LTD

DIRECTORS' REPORT (CONTINUED) FOR THE PERIOD ENDED 30 NOVEMBER 2022

Matters covered in the Group Strategic Report

As permitted by Section 414C(11) of the Companies Act 2006, the Directors have elected to disclose information required to be in the Directors' Report by Schedule 7 of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 in the Group Strategic Report instead. The business review, principal risks and financial key performance indicators are included within the Group Strategic Report on pages 1 and 2.

Disclosure of information to auditor

Each of the persons who are Directors at the time when this Directors' Report is approved has confirmed that:

- so far as the Directors are aware, there is no relevant audit information of which the Company and the Group's auditor is unaware, and
- the Directors have taken all the steps that ought to have been taken as a Director in order to be aware of any relevant audit information and to establish that the Company and the Group's auditor is aware of that information.

Economic impact of global events

UK businesses are currently facing many uncertainties such as the consequences of Brexit, COVID-19, environmental sustainability and geopolitical events such as the Russian invasion of Ukraine. These uncertainties have contributed to an environment where there exists a range of issues and risks, including inflation, rising interest rates, labour shortages, disrupted supply chains and new ways of working.


The Directors have carried out an assessment of the potential impact of these uncertainties on the business, including the impact of mitigation measures, and have concluded that these are non-adjusting events with the greatest impact on the business expected to be from the economic ripple effect on the global economy. The Directors have taken account of these potential impacts in their going concern assessment.

The Group continues to work with its partners to minimise any impacts of these events and maximise the realisation of any opportunities they may provide to the business.

Auditor

The auditor, Mazars LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

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


G R Moir (Aug 23, 2023 14:49 GMT+1)

G R Moir
Director

Date: Aug 23, 2023

MANIFESTO FOODS LTD

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MANIFESTO FOODS LTD

Opinion

We have audited the financial statements of Manifesto Foods Ltd (the 'Parent Company') and its subsidiaries (the 'Group') for the period ended 26 November 2022 which comprise the Consolidated Statement of Comprehensive Income, the Consolidated Balance Sheet, the Company Balance Sheet, the Consolidated Statement of Changes in Equity, the Company Statement of Changes in Equity, the Consolidated Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the Group's and the Parent Company's affairs as at 26 November 2022 and of the Group's profit for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; 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 under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Group and the Parent Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

MANIFESTO FOODS LTD

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MANIFESTO FOODS LTD

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The Directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Group Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the Group and the Parent Company and their environment obtained in the course of the audit, we have not identified material misstatements in the Group Strategic Report or the Directors' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept 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.

MANIFESTO FOODS LTD

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MANIFESTO FOODS LTD

Responsibilities of Directors

As explained more fully in the Directors' Responsibilities Statement set out on page 4, the Directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Directors are responsible for assessing the Group and the 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 the Directors intend either to liquidate the Group or the Parent Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

Based on our understanding of the Group and the Parent Company and their industry, we considered that non-compliance with the following laws and regulations might have a material effect on the financial statements: employment regulation, health and safety regulation, food safety standards and anti-money laundering regulation.

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- Inquiring of management and, where appropriate, those charged with governance, as to whether the Group and Parent Company is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- Inspecting correspondence, if any, with relevant licensing or regulatory authorities;
- Communicating identified laws and regulations to the engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the Group and Parent Company which were contrary to applicable laws and regulations, including fraud.

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as tax legislation, pension legislation and the Companies Act 2006.

MANIFESTO FOODS LTD

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MANIFESTO FOODS LTD

In addition, we evaluated the Directors' and management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of override of controls, and determined that the principal risks were related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, revenue recognition (which we pinpointed to the cut-off assertion), and significant one-off or unusual transactions.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the Directors and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of the audit report

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

Anna Campbell

Anna Campbell (Aug 24, 2023 18:04 GMT+1)

Anna Campbell (Senior statutory auditor)

for and on behalf of

Mazars LLP
Chartered Accountants and Statutory Auditor
Capital Square
58 Morrison Street
Edinburgh
EH3 8BP

Date: Aug 24, 2023

MANIFESTO FOODS LTD

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 26 NOVEMBER 2022**

	Note	52 weeks ended 26 November 2022 £	52 weeks ended 27 November 2021 £
Turnover	4	57,421,155	49,682,468
Cost of sales		(43,977,833)	(39,161,987)
Gross profit		<u>13,443,322</u>	<u>10,520,481</u>
Administrative expenses		(12,074,317)	(9,998,468)
Other operating income	5	27,166	424,909
Operating profit	6	1,396,171	946,922
Interest payable and similar expenses	10	(202,357)	(172,328)
Profit before taxation		<u>1,193,814</u>	<u>774,594</u>
Tax on profit	11	(214,213)	(125,363)
Profit for the financial period		<u><u>979,601</u></u>	<u><u>649,231</u></u>
 Total comprehensive income for the period		 <u><u>979,601</u></u>	 <u><u>649,231</u></u>

The notes on pages 19 to 38 form part of these financial statements.

MANIFESTO FOODS LTD
REGISTERED NUMBER: 09820142


CONSOLIDATED BALANCE SHEET
AS AT 26 NOVEMBER 2022

	Note	26 November 2022 £	27 November 2021 £
Fixed assets			
Intangible fixed assets	13	1,146,636	1,234,843
Tangible fixed assets	14	2,252,483	2,209,138
		<u>3,399,119</u>	<u>3,443,981</u>
Current assets			
Stocks	16	3,215,899	2,690,242
Debtors: amounts falling due within one year	17	4,995,066	4,626,608
Cash and cash equivalents	18	556,346	596,516
		<u>8,767,311</u>	<u>7,913,366</u>
Creditors: amounts falling due within one year	19	(8,637,988)	(8,387,057)
Net current assets/(liabilities)		<u>129,323</u>	<u>(473,691)</u>
Total assets less current liabilities		<u>3,528,442</u>	<u>2,970,290</u>
Creditors: amounts falling due after more than one year	20	(992,869)	(1,407,952)
Provisions for liabilities			
Other provisions	21	(89,311)	(95,677)
		<u>(89,311)</u>	<u>(95,677)</u>
Net assets		<u>2,446,262</u>	<u>1,466,661</u>
Capital and reserves			
Called up share capital	26	1,328	1,328
Share premium account	27	148,500	148,500
Revaluation reserve	27	153,000	156,400
Capital redemption reserve	27	171	171
Profit and loss account	27	2,143,263	1,160,262
Equity attributable to owners of the Parent Company		<u>2,446,262</u>	<u>1,466,661</u>

MANIFESTO FOODS LTD
REGISTERED NUMBER: 09820142

CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 26 NOVEMBER 2022

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:


G moir (Aug 23, 2023 14:49 GMT+1)

G R Moir
Director

Date: Aug 23, 2023


The notes on pages 19 to 38 form part of these financial statements.

MANIFESTO FOODS LTD
REGISTERED NUMBER: 09820142

COMPANY BALANCE SHEET
AS AT 26 NOVEMBER 2022

	Note	30 November 2022 £	27 November 2021 £
Fixed assets			
Investments	15	6,855,018	6,855,018
Current assets			
Debtors: amounts falling due within one year	17	1,004,030	652,874
Cash and cash equivalents	18	346,388	408,103
		<u>1,350,418</u>	<u>1,060,977</u>
Creditors: amounts falling due within one year	19	(7,919,242)	(7,561,058)
Net current liabilities		<u>(6,568,824)</u>	<u>(6,500,081)</u>
Total assets less current liabilities		286,194	354,937
Creditors: amounts falling due after more than one year	20	(92,552)	(332,523)
Net assets		<u>193,642</u>	<u>22,414</u>
Capital and reserves			
Called up share capital	26	1,328	1,328
Share premium account	27	148,500	148,500
Capital redemption reserve	27	171	171
Profit and loss account	27	43,643	(127,585)
		<u>193,642</u>	<u>22,414</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:


G moir (Aug 23, 2023 14:49 GMT+1)

G R Moir
Director

Date: Aug 23, 2023

The notes on pages 19 to 38 form part of these financial statements.

MANIFESTO FOODS LTD

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 26 NOVEMBER 2022**

	Called up share capital £	Share premium account £	Capital redemption reserve £	Revaluation reserve £	Profit and loss account £	Total equity £
At 28 November 2020	1,328	148,500	171	159,800	507,631	817,430
Comprehensive income for the period						
Profit for the period	-	-	-	-	649,231	649,231
Transfer to/from profit and loss account	-	-	-	(3,400)	3,400	-
At 27 November 2021	1,328	148,500	171	156,400	1,160,262	1,466,661
Comprehensive income for the period						
Profit for the period	-	-	-	-	979,601	979,601
Transfer to/from profit and loss account	-	-	-	(3,400)	3,400	-
At 30 November 2022	1,328	148,500	171	153,000	2,143,263	2,446,262

The notes on pages 19 to 38 form part of these financial statements.

MANIFESTO FOODS LTD

**COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 26 NOVEMBER 2022**

	Called up share capital £	Share premium account £	Capital redemption reserve £	Profit and loss account £	Total equity £
At 28 November 2020	1,328	148,500	171	(137,434)	12,565
Comprehensive income for the period					
Profit for the period	-	-	-	9,849	9,849
At 27 November 2021	1,328	148,500	171	(127,585)	22,414
Comprehensive income for the period					
Profit for the period	-	-	-	171,228	171,228
At 30 November 2022	1,328	148,500	171	43,643	193,642

The notes on pages 19 to 38 form part of these financial statements.

MANIFESTO FOODS LTD

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 30 NOVEMBER 2022**

	30 November 2022 £	27 November 2021 £
Cash flows from operating activities		
Profit for the financial period	979,601	649,231
Adjustments for:		
Amortisation of intangible fixed assets	88,207	88,203
Depreciation of tangible fixed assets	295,589	264,334
Loss on disposal of tangible fixed assets	-	(16,401)
Government grants	(6,366)	(295,921)
Interest paid	202,357	172,328
Taxation charge	214,213	125,363
Increase in stocks	(525,657)	(1,385,128)
Increase in debtors	(378,004)	(1,114,711)
Increase in creditors	695,458	285,874
Decrease in provisions	-	(135,000)
Corporation tax paid	(100,001)	(90,963)
Net cash generated from/(used in) operating activities	<u>1,465,397</u>	<u>(1,452,791)</u>
Cash flows from investing activities		
Purchase of tangible fixed assets	(200,412)	(145,195)
Sale of tangible fixed assets	-	17,775
Hire purchase interest paid	(12,766)	(13,220)
Net cash used in investing activities	<u>(213,178)</u>	<u>(140,640)</u>
Cash flows from financing activities		
Repayment of loans	(274,260)	(274,260)
Repayment of hire purchase	(115,730)	(111,783)
Movements on invoice discounting	(712,808)	1,871,247
Interest paid	(189,591)	(159,108)
Net cash (used in)/generated from financing activities	<u>(1,292,389)</u>	<u>1,326,096</u>
Net decrease in cash and cash equivalents	(40,170)	(267,335)
Cash and cash equivalents at beginning of period	596,516	863,851
Cash and cash equivalents at the end of period	<u><u>556,346</u></u>	<u><u>596,516</u></u>

MANIFESTO FOODS LTD

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE PERIOD ENDED 30 NOVEMBER 2022

	30 November 2022 £	27 November 2021 £
Cash and cash equivalents at the end of period comprise:		
Cash at bank and in hand	<u>556,346</u>	<u>596,516</u>

The notes on pages 19 to 38 form part of these financial statements.

MANIFESTO FOODS LTD

**CONSOLIDATED ANALYSIS OF NET DEBT
FOR THE PERIOD ENDED 30 NOVEMBER 2022**

(i) Analysis of changes in net debt:

	At 28 November 2021 £	Cash flows £	Other non- cash changes £	At 30 November 2022 £
Cash at bank and in hand	596,516	(40,170)	-	556,346
Debt due after 1 year	(890,034)	274,260	(90,951)	(706,725)
Debt due within 1 year	(314,141)	-	90,951	(223,190)
Hire purchase	(293,143)	(115,730)	(138,521)	(547,394)
Invoice discounting	(3,223,975)	712,808	-	(2,511,167)
	<u>(4,124,777)</u>	<u>831,168</u>	<u>(138,521)</u>	<u>(3,432,130)</u>

The notes on pages 19 to 38 form part of these financial statements.

MANIFESTO FOODS LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 NOVEMBER 2022

1. General information

Manifesto Foods Ltd is a private company limited by shares and registered in England & Wales. The Company's registered number is 09820142. The registered office is Number One Pride Place, Pride Park, Derby, DE24 8QR.

The principal activity of the Company is that of a holding company.

The principal activity of the Group is that of meat processors.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Group management to exercise judgement in applying the Group's accounting policies (see note 3).

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Comprehensive Income in these financial statements.

These financial statements have been presented in Pounds Sterling (£), this being the functional currency of the Group and currency of the primary economic environment in which the Group operates. The monetary amounts are rounded to the nearest £.

The following principal accounting policies have been applied:

2.2 Basis of consolidation

The consolidated financial statements present the results of group and its own subsidiaries ("the Group") as they formed a single entity. Intercompany transactions and balances between Group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Balance Sheet, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated Statement of Comprehensive Income from the date on which control is obtained. They are deconsolidated from the date control ceases.

2.3 Going concern

Competition in the labour market and inflation are impacting the Group. The Directors have prepared financial forecasts to take account of these factors and, based on these forecasts and the cash reserves of the Group, believe that the Group will continue to meet its liabilities as they fall due. The financial statements have therefore been prepared on a going concern basis.

MANIFESTO FOODS LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 NOVEMBER 2022

2. Accounting policies (continued)

2.4 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Turnover 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

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

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

2.5 Intangible fixed assets

Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of the Group's share of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, Goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the Consolidated Statement of Comprehensive Income over its useful economic life of 20 years.

2.6 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The Group adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the Group. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to the Consolidated Statement of Comprehensive Income during the period in which they are incurred.

MANIFESTO FOODS LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 NOVEMBER 2022

2. Accounting policies (continued)

2.6 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Heritable property	- 2%
Plant & machinery	- 10% to 25%
Motor vehicles	- 15% to 25%

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Consolidated Statement of Comprehensive Income.

2.7 Operating leases: the Group as lessee

Rentals paid under operating leases are charged to the Consolidated Statement of Comprehensive Income on a straight line basis over the period of the lease.

2.8 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment. Where merger relief is applicable, the cost of the investment in a subsidiary undertaking is measured at the nominal value of the shares issued together with the fair value of any additional consideration paid.

2.9 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the retail method, whereby cost is measured by reducing the sales value of the inventory by the Group's gross margin. Work in progress and finished goods include labour and attributable overheads.

At each Balance Sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately the Consolidated Statement of Comprehensive Income.

2.10 Debtors

Short-term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

MANIFESTO FOODS LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 NOVEMBER 2022

2. Accounting policies (continued)

2.11 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Consolidated Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

2.12 Financial instruments

The Group only enters into basic financial instrument 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 related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Investments in non-derivative instruments that are equity to the issuer are measured:

- at fair value with changes recognised in the Consolidated Statement of Comprehensive Income if the shares are publicly traded or their fair value can otherwise be measured reliably;
- at cost less impairment for all other investments.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Consolidated Statement of Comprehensive Income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

2.13 Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

MANIFESTO FOODS LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 NOVEMBER 2022

2. Accounting policies (continued)

2.14 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Consolidated Statement of Comprehensive Income in the same period as the related expenditure.

2.15 Foreign currency translation

Functional and presentation currency

The Group's functional and presentational currency is GBP. The monetary amounts are rounded to the nearest £.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Consolidated Statement of Comprehensive Income except when deferred in other comprehensive income as qualifying cash flow hedges.

2.16 Finance costs

Finance costs are charged to the Consolidated Statement of Comprehensive Income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.17 Pensions

Defined contribution pension plan

The Group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group has no further payment obligations.

The contributions are recognised as an expense in the Consolidated Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Group in independently administered funds.

MANIFESTO FOODS LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 30 NOVEMBER 2022

2. Accounting policies (continued)

2.18 Borrowing costs

All borrowing costs are recognised in the Consolidated Statement of Comprehensive Income in the period in which they are incurred.

2.19 Current and deferred taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in the Consolidated Statement of Comprehensive Income except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company and the Group operate and generate income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance Sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

3. Judgements in applying accounting policies and key sources of estimation uncertainty

In the application of the Group's accounting policies, which are described in note 2, the Directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The Directors consider the key source of judgement and estimation uncertainty to be the valuation of stock. This is reviewed on a monthly basis by the Directors in conjunction with the sales team, based on their knowledge of recent selling prices and current market conditions.

MANIFESTO FOODS LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 NOVEMBER 2022**

3. Judgements in applying accounting policies (continued)

The Directors consider that the carrying value of tangible fixed assets to be an area subject to management judgement and uncertainty, and the need for potential provisions for impairment. The Directors review the underlying value of the fixed assets on a regular basis which provides comfort over the values within the financial statements, and they are reviewed on an annual basis for any indications of impairment.

4. Turnover

The whole of the turnover is attributable to the Group's principal activity.

Analysis of turnover by country of destination:

	2022 £	2021 £
United Kingdom	50,459,304	44,501,972
Rest of the world	6,961,851	5,180,496
	<u>57,421,155</u>	<u>49,682,468</u>

5. Other operating income

	2022 £	2021 £
Government grants receivable	27,166	424,909
	<u>27,166</u>	<u>424,909</u>

6. Operating profit

The operating profit is stated after charging/(crediting):

	2022 £	2021 £
Depreciation of tangible fixed assets	295,589	264,334
Amortisation of intangible fixed assets, including goodwill	88,207	88,203
Exchange differences	(9,708)	4,989
Government grants receivable	(27,166)	(424,909)
Defined contribution pension scheme	193,875	129,776
	<u>430,807</u>	<u>462,393</u>

MANIFESTO FOODS LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 NOVEMBER 2022**

7. Auditor's remuneration

	2022 £	2021 £
Fees payable to the Group's auditor for the audit of the Group's annual financial statements	4,500	3,050
Fees payable to the Group's auditor in respect of:		
The auditing of the annual financial statements of subsidiaries	18,000	12,175
All other services	20,110	22,630
	<u>38,110</u>	<u>34,805</u>

8. Employees

Staff costs, including Directors' remuneration, were as follows:

	Group 2022 £	Group 2021 £
Wages and salaries	5,581,798	4,675,222
Social security costs	491,956	401,699
Cost of defined contribution scheme	193,875	129,776
	<u>6,267,629</u>	<u>5,206,697</u>

The average monthly number of employees, including the Directors, during the period was as follows:

	2022 No.	2021 No.
Production staff	168	168
Office and management staff	39	36
	<u>207</u>	<u>204</u>

MANIFESTO FOODS LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 NOVEMBER 2022**

9. Directors' remuneration

	2022 £	2021 £
Directors' emoluments	542,867	465,020
Group contributions to defined contribution pension schemes	73,463	38,484
	<u>616,330</u>	<u>503,504</u>

During the period retirement benefits were accruing to 2 Directors (2021 - 2) in respect of defined contribution pension schemes.

The highest paid Director received remuneration of £245,891 (2021 - £212,825).

The value of the Group's contributions paid to a defined contribution pension scheme in respect of the highest paid Director amounted to £21,591 (2021 - £19,872).

The Directors of the Group are considered key management personnel.

10. Interest payable and similar expenses

	2022 £	2021 £
Bank interest payable	189,591	159,108
Hire purchase interest payable	12,766	13,220
	<u>202,357</u>	<u>172,328</u>

MANIFESTO FOODS LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 NOVEMBER 2022**

11. Taxation

	2022 £	2021 £
Corporation tax		
Current tax on profits for the year	204,639	127,832
Adjustments in respect of previous periods	-	(2,469)
Total current tax	<u>204,639</u>	<u>125,363</u>
Deferred tax		
Origination and reversal of timing differences	9,574	-
Total deferred tax	<u>9,574</u>	<u>-</u>
Tax on profit	<u>214,213</u>	<u>125,363</u>

Factors affecting tax charge for the period

The tax assessed for the period is lower than (2021 - lower than) the standard rate of corporation tax in the UK of 19% (2021 - 19%). The differences are explained below:

	2022 £	2021 £
Profit on ordinary activities before tax	<u>1,193,814</u>	<u>774,594</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021 - 19%)	226,824	147,173
Effects of:		
Expenses not deductible for tax purposes	22,511	15,237
Fixed asset timing differences	(30,030)	(21,833)
Utilisation of tax losses	(9,504)	(1,871)
Adjustments to tax charge in respect of prior periods	-	(2,469)
Non-taxable income	(5,162)	(8,725)
Adjustments to tax charge in respect of prior periods	9,574	(2,149)
Total tax charge for the period	<u>214,213</u>	<u>125,363</u>

MANIFESTO FOODS LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 NOVEMBER 2022**

11. Taxation (continued)

Factors that may affect future tax charges

The UK Government announced in the 2021 budget that from 1 April 2023, the rate of corporation tax in the United Kingdom would increase from 19% to 25%. Companies with profits of £50,000 or less would continue to be taxed at 19%, which was a new small profits rate. Where taxable profits were between £50,000 and £250,000, the higher 25% rate would apply but with a marginal relief applying as profits increased. Deferred tax is provided for at 25% as that was the substantially enacted rate at the reporting date.

12. Parent company profit for the year

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Comprehensive Income in these financial statements. The profit after tax of the Parent Company for the period was £171,228 (2021 - £9,849).

13. Intangible fixed assets

Group

	Goodwill £
Cost	
At 28 November 2021	1,852,264
At 30 November 2022	<u>1,852,264</u>
Amortisation	
At 28 November 2021	617,421
Charge for the year	88,207
At 30 November 2022	<u>705,628</u>
Net book value	
At 30 November 2022	<u><u>1,146,636</u></u>
At 27 November 2021	<u><u>1,234,843</u></u>

MANIFESTO FOODS LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 NOVEMBER 2022**

14. Tangible fixed assets

Group

	Heritable property £	Plant & machinery £	Motor vehicles £	Total £
Cost				
At 28 November 2021	1,685,000	5,758,268	390,483	7,833,751
Additions	-	200,413	138,521	338,934
At 30 November 2022	<u>1,685,000</u>	<u>5,958,681</u>	<u>529,004</u>	<u>8,172,685</u>
Depreciation				
At 28 November 2021	134,800	5,183,477	306,336	5,624,613
Charge for the period	33,700	261,889	-	295,589
At 30 November 2022	<u>168,500</u>	<u>5,445,366</u>	<u>306,336</u>	<u>5,920,202</u>
Net book value				
At 30 November 2022	<u>1,516,500</u>	<u>513,315</u>	<u>222,668</u>	<u>2,252,483</u>
At 27 November 2021	<u>1,550,200</u>	<u>574,791</u>	<u>84,147</u>	<u>2,209,138</u>

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2022 £	2021 £
Plant and machinery	102,198	122,963
Motor vehicles	164,726	46,011
	<u>266,924</u>	<u>168,974</u>

MANIFESTO FOODS LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 NOVEMBER 2022**

15. Fixed asset investments

Company

	Investments in subsidiary companies £
Cost	
At 28 November 2021	6,855,018
At 30 November 2022	<u>6,855,018</u>

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Registered office	Principal activity	Class of shares	Holding
A.K. Stoddart Limited	16 Dunnet Way, East Mains Industrial Estate, Broxburn, EH52 5NN	Meat processing	Ordinary	100%
Manifesto Foods (Properties) Limited	Number One Pride Place, Pride Park, Derby, DE24 8QR	Property investment	Ordinary	100%

MANIFESTO FOODS LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 NOVEMBER 2022**

16. Stocks

	Group 2022 £	Group 2021 £
Raw materials and consumables	100,559	85,566
Work in progress	520,645	385,843
Finished goods	2,594,695	2,218,833
	<u>3,215,899</u>	<u>2,690,242</u>

17. Debtors

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Trade debtors	4,661,632	4,334,522	-	-
Amounts owed by group undertakings	-	-	144,000	-
Other debtors	67,300	47,406	30	3,300
Prepayments and accrued income	266,134	235,106	860,000	640,000
Deferred taxation (note 25)	-	9,574	-	9,574
	<u>4,995,066</u>	<u>4,626,608</u>	<u>1,004,030</u>	<u>652,874</u>

18. Cash and cash equivalents

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Cash at bank and in hand	<u>556,346</u>	<u>596,516</u>	<u>346,388</u>	<u>408,103</u>

MANIFESTO FOODS LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 NOVEMBER 2022**

19. Creditors: Amounts falling due within one year

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Bank loans (note 22)	223,190	314,141	-	-
Trade creditors	3,831,883	3,511,709	72,000	5,400
Amounts owed to group undertakings (note 30)	-	-	7,383,505	7,143,505
Corporation tax	232,431	127,793	30,677	-
Other taxation and social security	125,329	102,907	10,200	-
Obligations under hire purchase contracts (note 24)	122,342	107,748	-	-
Invoice discounting and revolving stock facility	2,511,167	3,223,975	-	-
Other creditors	506,866	442,529	240,713	240,713
Accruals and deferred income	1,084,780	556,255	182,147	171,440
	<u>8,637,988</u>	<u>8,387,057</u>	<u>7,919,242</u>	<u>7,561,058</u>

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

The invoice discounting facility is secured over the trade debtors. The revolving stock facility is secured by a floating charge over the assets of the A. K. Stoddart Limited.

20. Creditors: Amounts falling due after more than one year

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Bank loans (note 22)	706,725	890,034	-	-
Obligations under hire purchase contracts (note 24)	193,592	185,395	-	-
Other creditors	92,552	332,523	92,552	332,523
	<u>992,869</u>	<u>1,407,952</u>	<u>92,552</u>	<u>332,523</u>

MANIFESTO FOODS LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 NOVEMBER 2022**

21. Provisions

Group

	Government grants £
At 28 November 2021	95,677
Received in period	20,800
Utilised in period	(27,166)
At 30 November 2022	89,311

22. Loans

Analysis of the maturity of bank loans is given below:

	Group 2022 £	Group 2021 £
Amounts falling due within one year	223,190	314,141
Amounts falling due 1-2 years	104,700	176,109
Amounts falling due 2-5 years	314,100	303,300
Amounts falling due after more than 5 years	287,925	410,625
	929,915	1,204,175

The bank borrowings are secured by a standard security over the heritable properties at 9 Old Farm Road, Heathfield Industrial Estate, Ayr; 16 Dunnet Way, East Mains Industrial Estate, Broxburn; and 37A Simpson Road, East Mains Industrial Estate, Broxburn. They are also secured by a bond and floating charge over the assets of A. K. Stoddart Limited. The bank loans bear interest at 2.5%, 3.3% and 4.5% above the bank base rate and are repayable by monthly instalments.

MANIFESTO FOODS LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 NOVEMBER 2022**

23. Financial instruments

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Financial assets				
Financial assets that are debt instruments measured at amortised cost	5,551,412	5,231,550	1,350,418	1,051,403
	<u>5,551,412</u>	<u>5,231,550</u>	<u>1,350,418</u>	<u>1,051,403</u>
	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Financial liabilities				
Financial liabilities measured at amortised cost	(6,761,899)	(6,340,333)	(7,970,887)	(7,893,581)
	<u>(6,761,899)</u>	<u>(6,340,333)</u>	<u>(7,970,887)</u>	<u>(7,893,581)</u>

Financial assets measured at amortised cost comprise trade and other debtors, cash and accrued income.

Financial liabilities comprise trade and other creditors, amounts owed to group undertakings, bank loans, hire purchase creditors and accruals.

24. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	Group 2022 £	Group 2021 £
Within one year	122,342	107,748
Between 1-2 years	74,847	101,850
Between 2-5 years	118,745	83,545
	<u>315,934</u>	<u>293,143</u>

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

MANIFESTO FOODS LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 NOVEMBER 2022**

25. Deferred taxation

Group

	2022 £
At beginning of period	9,574
Movement in period	(9,574)
At end of period	-

Company

	2022 £
At beginning of period	9,574
Movement in period	(9,574)
At end of period	-

The deferred tax asset, which is calculated at 25% (2021 - 19%), is made up as follows:

	Group 2022 £	Group 2021 £	Company 2022 £	Company 2021 £
Tax losses carried forward	-	9,574	-	9,574

MANIFESTO FOODS LTD

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 30 NOVEMBER 2022**

26. Share capital

	2022	2021
	£	£
Allotted, called up and fully paid		
132,800 (2021 - 132,800) Ordinary shares of £0.01 each	1,328	1,328

27. Reserves

Share premium account

This reserve records the amount above the nominal value received for shares sold, less transaction costs.

Revaluation reserve

This reserve records the surplus on revaluation of the Group's property.

Capital redemption reserve

This reserve is a result of the repurchase of the Company's own shares.

Profit & loss account

This reserve includes all retained profits and losses.

28. Pension commitments

The Group operates two defined contributions pension schemes. The assets of the schemes are held separately from those of the Group in independently administered funds. The pension cost charge represents contributions payable by the Group to the funds and amounted to £193,875 (2021 - £129,776). Contributions totalling £27,749 (2021 - £23,100) were payable to the funds at the Balance Sheet date and are included in creditors.

29. Commitments under operating leases

At 30 November 2022 the Group had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	Group 2022	Group 2021
	£	£
Plant, vehicles and other leases		
Not later than 1 year	54,804	98,747
Later than 1 year and not later than 5 years	8,763	65,315
	<u>63,567</u>	<u>164,062</u>

MANIFESTO FOODS LTD

**NOTES TO THE FINANCIAL STATEMENTS
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30. Related party transactions

The Group has taken advantage of the exemption provided by FRS 102 s33.1A whereby disclosures need not be given of transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member.

31. Controlling party

In the opinion of the Directors, there is no ultimate controlling party.