

ANNUAL REPORT AND FINANCIAL
STATEMENTS

FOR THE YEAR ENDED

31 MAY 2022

WHATMORE HOLDINGS
LIMITED

MENZIES

WHATMORE HOLDINGS LIMITED

COMPANY INFORMATION

Director	M. F. Nash
Registered number	09949620
Registered office	Whatmore House 136 South Street Dorking Surrey RH4 2EU
Independent auditors	Menzies LLP Chartered Accountants & Statutory Auditor Ashcombe House 5 The Crescent Leatherhead Surrey KT22 8DY

WHATMORE HOLDINGS LIMITED

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WHATMORE HOLDINGS LIMITED

GROUP STRATEGIC REPORT FOR THE YEAR ENDED 31 MAY 2022

Introduction

The directors present the strategic report for the year ended 31 May 2022.

Business review

Whatmore Holdings Ltd is the holding company of the trading business Bryan Nash & Sons Ltd who's principal strategic focus remains the supply of high quality ingredients to the global food industry, whilst maintaining its traditional core values of excellent service, integrity and mutual respect for all its' stakeholders.

A key feature of the year was the escalation of the Russo-Ukrainian war resulting in significant stresses in the grain markets and fragmentation of supply chains with resultant price increases. Focus on long established and trusted supplier and customer relationships has enabled the business to successfully navigate through these challenging times, whilst concurrently expanding its market presence outside its historically traditional markets into beverage-related products.

These changes in business profile as well as the ongoing increased complexity of trading with the EU has required ongoing investment in and adoption of new business processes, IT systems, compliance, resourcing as well as the appointment of new advisors and auditors.

Principal risks and uncertainties

Key areas of business risk include supply chain management and service delivery, product quality and compliance to BRC standards, working capital management and currency risk exposure.

Management focus remains on the quality of existing customer and supplier relationship as well as the development of new customers and markets in order to mitigate any fragmentation of traditional supply chains.

Key investment in existing and new resources across all functional areas of the business has ensured that quality and service levels are maintained as the business continues to grow.

The business retains a prudent and measured approach to working capital management and currency hedging to mitigate any potential risks.

Financial key performance indicators

The consolidated accounts have been prepared to include Bryan Nash & Sons Ltd and its subsidiary company Nash Beverages Ingredients Ltd and Ashtree Commodities Ltd (non-trading). Group turnover of £ 38,134,096 for the year represented a 11.2% increase over the prior year and operating profit after tax was £ 2,458,176 for 2022 versus £ 1,023,699 for 2021. The net current assets of the group at the financial year ended 31 May 2022 were £ 11,530,187 and in year compared to £ 9,647,212 for year ended 31 May 2021 and net assets amounted to £ 12,804,101 in year ended 31 May 2022 compared to £ 11,288,638 in year ended 31 May 2021.

Future Developments

The Directors remain optimistic about the future of the business and its potential for further growth and continues to invest in people, systems and business processes to ensure that the business maintains exceptional service levels whilst at the same time supporting further expansion.

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

M. F. Nash
Director

Date: 18 January 2023

WHATMORE HOLDINGS LIMITED

DIRECTOR'S REPORT FOR THE YEAR ENDED 31 MAY 2022

The director presents his report and the financial statements for the year ended 31 May 2022.

Director's responsibilities statement

The Director is responsible for preparing the Group strategic report, the Director's report and the consolidated financial statements in accordance with applicable law and regulations.

Company law requires the Director to prepare financial statements for each financial year. Under that law the director has 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 director must not approve the financial statements unless he is 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 director is required to:

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

The Director is 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 him to ensure that the financial statements comply with the Companies Act 2006. He is 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.

Principal activity

The group's principal activity during the year continued to be that of commodity trading.

Results and dividends

The profit for the year, after taxation and minority interests, amounted to £2,458,176 (2021 - £1,023,699).

The directors have declared a dividend of £744,713 (2021: £1,000,000) in the year.

Director

The director who served during the year was:

M. F. Nash

Disclosure of information to auditors

The Director at the time when this Director's report is approved has confirmed that:

- so far as he is aware, there is no relevant audit information of which the Company and the Group's auditors are unaware, and
- has 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 auditors are aware of that information.

Post balance sheet events

There have been no significant events affecting the Group since the year end.

WHATMORE HOLDINGS LIMITED

DIRECTOR'S REPORT (CONTINUED) FOR THE YEAR ENDED 31 MAY 2022

Auditors

Menzies LLP were appointed in accordance with section 485 of the Companies Act 2006 on 20 May 2022.

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

M. F. Nash

Director

Date: 18 January 2023

Whatmore House

136 South Street

Dorking

Surrey

RH4 2EU

WHATMORE HOLDINGS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WHATMORE HOLDINGS LIMITED

Opinion

We have audited the financial statements of Whatmore Holdings Limited (the 'parent Company') and its subsidiaries (the 'Group') for the year ended 31 May 2022, which comprise the Group Statement of income and retained earnings, the Group and Company Statements of financial position, the Group Statement of cash flows, the Group and Company Statement of changes in equity and the related notes, 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 Financial Reporting Standard 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 of the parent Company's affairs as at 31 May 2022 and of the Group's profit for the year 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 director's 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 or 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 Director with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the Annual Report other than the financial statements and our Auditors' report thereon. The Director is 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.

WHATMORE HOLDINGS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WHATMORE HOLDINGS LIMITED (CONTINUED)

Opinion 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 Director's 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 Director's report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Group and the parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group strategic report or the Director's 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 Director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the Director's responsibilities statement set out on page 2, the Director is 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 Director determines 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 Director is responsible for assessing the Group's 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 Director either intends to liquidate the Group or the parent Company or to cease operations, or have no realistic alternative but to do so.

WHATMORE HOLDINGS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WHATMORE HOLDINGS LIMITED (CONTINUED)

Auditors' 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 Auditors' 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 Group financial statements.

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

- The Group is subject to laws and regulations that directly affect the financial statements including financial reporting legislation. We determined that the following laws and regulations were most significant:
 - The Companies Act 2006;
 - Financial Reporting Standard 102;
 - UK Employment Legislation;
 - General Data Protection Regulations;
 - British Retail Consortium Global Standards;
 - UK Tax Legislation; and
 - UK Health and Safety legislation.
- We assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.
- We understood how the parent Company and the Group is complying with those legal and regulatory frameworks by, making inquiries to management, those responsible for legal and compliance procedures and the Group secretary. We corroborated our inquiries through our review of board minutes.
- The engagement partner assessed whether the engagement team collectively had the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations. The assessment did not identify any issues in this area.
- We assessed the susceptibility of the Group financial statements to material misstatement, including how fraud might occur. Audit procedures performed by the Group engagement team and component auditors/engagement team included:
 - Identifying and assessing the design effectiveness of controls management has in place to prevent and detect fraud;
 - Understanding how those charged with governance considered and addressed the potential for override of controls or other inappropriate influence over the financial reporting process;
 - Challenging assumptions and judgements made by management in its significant accounting estimates; and
 - Identifying and testing journal entries, in particular any journal entries posted with unusual account combinations.
- As a result of the above procedures, we considered the opportunities and incentives that may exist within the organisation for fraud and identified the greatest potential for fraud in the following areas:
 - Posting of journals to the accounting software which are of a non-routine nature in terms of timing and amount;
 - Timing of revenue recognition.
- The use of management override of controls to manipulate results, or to cause the Group to enter into transactions not in its best interests.

WHATMORE HOLDINGS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WHATMORE HOLDINGS LIMITED (CONTINUED)

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of the instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

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 Auditors' report.

Use of our report

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an Auditors' 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.

Caroline Milton FCA (Senior statutory auditor)
for and on behalf of

Menzies LLP

Chartered Accountants
Statutory Auditor
Ashcombe House
5 The Crescent
Leatherhead
Surrey
KT22 8DY

20 January 2023

WHATMORE HOLDINGS LIMITED

CONSOLIDATED STATEMENT OF INCOME AND RETAINED EARNINGS FOR THE YEAR ENDED 31 MAY 2022

	Note	2022 £	As restated 2021 £
Turnover		38,134,096	34,289,648
Cost of sales		(33,796,020)	(31,601,615)
Gross profit		4,338,076	2,688,033
Administrative expenses		(1,428,609)	(1,337,217)
Other operating income	5	610	11,959
Gain/(losses) from changes in fair value of forward contracts		177,343	(172,277)
Operating profit	6	3,087,420	1,190,498
Gain on revaluation of investments		3,011	160,417
Interest receivable and similar income	10	2,134	509
Profit before tax		3,092,565	1,351,424
Tax on profit	11	(634,389)	(327,725)
Profit after tax		2,458,176	1,023,699
Retained earnings at the beginning of the year		1,063,638	2,121,602
		1,063,638	2,121,602
Profit for the year attributable to the owners of the parent		2,252,785	1,023,699
Dividends declared and paid		(744,713)	(2,081,663)
Retained earnings at the end of the year		2,571,710	1,063,638
Profit for the year attributable to the non-controlling interest		205,391	-
Non-controlling interest at the end of the year		205,391	-

There were no recognised gains and losses for 2022 or 2021 other than those included in the consolidated statement of income and retained earnings.

The notes on pages 15 to 29 form part of these financial statements.

WHATMORE HOLDINGS LIMITED

REGISTERED NUMBER:09949620

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 MAY 2022

	Note	2022 £	As restated 2021 £
Fixed assets			
Intangible assets	13	1,285,425	1,620,754
Tangible assets	14	23,298	20,672
		<u>1,308,723</u>	<u>1,641,426</u>
Current assets			
Stocks	16	1,806,466	1,740,518
Debtors: amounts falling due after more than one year	17	58,333	-
Debtors: amounts falling due within one year	17	6,428,991	5,045,217
Current asset investments	18	762,146	759,135
Cash at bank and in hand		8,576,301	7,707,201
		<u>17,632,237</u>	<u>15,252,071</u>
Creditors: amounts falling due within one year	19	(6,102,050)	(5,604,859)
Net current assets		<u>11,530,187</u>	<u>9,647,212</u>
Total assets less current liabilities		<u>12,838,910</u>	<u>11,288,638</u>
Provisions for liabilities			
Deferred taxation		(34,809)	-
		<u>(34,809)</u>	<u>-</u>
Net assets		<u><u>12,804,101</u></u>	<u><u>11,288,638</u></u>
Capital and reserves			
Called up share capital	22	10,225,000	10,225,000
Profit and loss account	23	2,571,710	1,063,638
Non-controlling interests		7,391	-
		<u>12,804,101</u>	<u>11,288,638</u>

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

M. F. Nash
Director

Date: 18 January 2023

The notes on pages 15 to 29 form part of these financial statements.

WHATMORE HOLDINGS LIMITED

REGISTERED NUMBER:09949620

COMPANY STATEMENT OF FINANCIAL POSITION AS AT 31 MAY 2022

	Note	2022 £	2021 £
Fixed assets			
Investments	15	10,225,000	10,225,000
		<u>10,225,000</u>	<u>10,225,000</u>
Current assets			
Debtors: amounts falling due within one year	17	1,524,450	31,438
Cash at bank and in hand		238,378	1,010,832
		<u>1,762,828</u>	<u>1,042,270</u>
Creditors: amounts falling due within one year	19	(234,581)	(237,775)
Net current assets		<u>1,528,247</u>	<u>804,495</u>
Total assets less current liabilities		<u>11,753,247</u>	<u>11,029,495</u>
Net assets		<u><u>11,753,247</u></u>	<u><u>11,029,495</u></u>
Capital and reserves			
Called up share capital	22	10,225,000	10,225,000
Profit and loss account brought forward		804,495	1,715,016
Profit for the year		1,468,465	1,171,142
Dividends paid		(744,713)	(2,081,663)
		<u>1,528,247</u>	<u>804,495</u>
Profit and loss account carried forward		<u><u>11,753,247</u></u>	<u><u>11,029,495</u></u>

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

M. F. Nash

Director

Date: 18 January 2023

The notes on pages 15 to 29 form part of these financial statements.

WHATMORE HOLDINGS LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MAY 2022

	Called up share capital	Profit and loss account	Equity attributable to owners of parent Company	Non-controlling interests	Total equity
	£	£	£	£	£
At 1 June 2020	10,225,000	2,121,602	12,346,602	-	12,346,602
Comprehensive income for the year					
Profit for the year	-	1,023,699	1,023,699	-	1,023,699
Total comprehensive income for the year	-	1,023,699	1,023,699	-	1,023,699
Dividends: Equity capital	-	(2,081,663)	(2,081,663)	-	(2,081,663)
Total transactions with owners	-	(2,081,663)	(2,081,663)	-	(2,081,663)
At 1 June 2021	10,225,000	1,063,638	11,288,638	-	11,288,638
Comprehensive income for the year					
Profit for the year	-	2,252,785	2,252,785	205,391	2,458,176
Total comprehensive income for the year	-	2,252,785	2,252,785	205,391	2,458,176
Dividends: Equity capital	-	(744,713)	(744,713)	(198,000)	(942,713)
Total transactions with owners	-	(744,713)	(744,713)	(198,000)	(942,713)
At 31 May 2022	10,225,000	2,571,710	12,796,710	7,391	12,804,101

The notes on pages 15 to 29 form part of these financial statements.

WHATMORE HOLDINGS LIMITED

COMPANY STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MAY 2022

	Called up share capital £	Profit and loss account £	Total equity £
At 1 June 2020	10,225,000	1,715,016	11,940,016
Comprehensive income for the year			
Profit for the year	-	1,171,142	1,171,142
Total comprehensive income for the year	-	1,171,142	1,171,142
Contributions by and distributions to owners			
Dividends: Equity capital	-	(2,081,663)	(2,081,663)
Total transactions with owners	-	(2,081,663)	(2,081,663)
At 1 June 2021	10,225,000	804,495	11,029,495
Comprehensive income for the year			
Profit for the year	-	1,468,465	1,468,465
Total comprehensive income for the year	-	1,468,465	1,468,465
Contributions by and distributions to owners			
Dividends: Equity capital	-	(744,713)	(744,713)
At 31 May 2022	10,225,000	1,528,247	11,753,247

The notes on pages 15 to 29 form part of these financial statements.

WHATMORE HOLDINGS LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MAY 2022

	2022 £	2021 £
Cash flows from operating activities		
Profit for the financial year	2,458,176	1,023,699
Adjustments for:		
Amortisation of intangible assets	335,329	335,329
Depreciation of tangible assets	9,188	11,594
Interest received	(2,134)	(509)
Taxation charge	642,504	327,725
(Increase) in stocks	(65,948)	(790,772)
(Increase) in debtors	(1,442,107)	(532,739)
Increase in creditors	388,955	2,345,577
Net fair value (gains) recognised in P&L	(180,354)	(73,511)
Corporation tax (paid)	(322,116)	(485,195)
Net cash generated from operating activities	1,821,493	2,161,198
Cash flows from investing activities		
Purchase of tangible fixed assets	(11,814)	(14,064)
Interest received	2,134	509
Net cash from investing activities	(9,680)	(13,555)
Cash flows from financing activities		
Dividends paid	(744,713)	(2,081,663)
Non-equity dividends paid	(198,000)	-
Net cash used in financing activities	(942,713)	(2,081,663)
Net increase in cash and cash equivalents	869,100	65,980
Cash and cash equivalents at beginning of year	7,707,201	7,641,221
Cash and cash equivalents at the end of year	8,576,301	7,707,201
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	8,576,301	7,707,201
	8,576,301	7,707,201

The notes on pages 15 to 29 form part of these financial statements.

WHATMORE HOLDINGS LIMITED

CONSOLIDATED ANALYSIS OF NET DEBT FOR THE YEAR ENDED 31 MAY 2022

	At 1 June 2021 £	Cash flows £	At 31 May 2022 £
Cash at bank and in hand	7,707,201	869,100	8,576,301
Debt due within 1 year	(56,896)	-	(56,896)
	<u>7,650,305</u>	<u>869,100</u>	<u>8,519,405</u>

The notes on pages 15 to 29 form part of these financial statements.

WHATMORE HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2022

1. General information

Whatmore Holdings Limited is a private Group limited by shares and incorporated in England and Wales. The address of the registered office is disclosed on the Company information page.

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

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 judgment 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 income and retained earnings in these financial statements.

The following principal accounting policies have been applied:

2.2 Basis of consolidation

The consolidated financial statements present the results of the Company and its own subsidiaries ("the Group") as if they form 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 Statement of financial position, 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 income and retained earnings from the date on which control is obtained. They are deconsolidated from the date control ceases.

In accordance with the transitional exemption available in FRS 102, the group has chosen not to retrospectively apply the standard to business combinations that occurred before the date of transition to FRS 102.

WHATMORE HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2022

2. Accounting policies (continued)

2.3 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

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 profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Consolidated statement of income and retained earnings within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

On consolidation, the results of overseas operations are translated into Sterling at rates approximating to those ruling when the transactions took place. All assets and liabilities of overseas operations are translated at the rate ruling at the reporting date. Exchange differences arising on translating the opening net assets at opening rate and the results of overseas operations at actual rate are recognised in other comprehensive income.

2.4 Revenue

Revenue is derived from the sale of wheat and other wholesale products. Revenue 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. Revenue is recognised on contractual agreements based on the International Commercial Terms and is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

2.5 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.6 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 profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of financial position. The assets of the plan are held separately from the Group in independently administered funds.

WHATMORE HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2022

2. Accounting policies (continued)

2.7 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss 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 reporting 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 reporting 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.

2.8 Intangible 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 income and retained earnings over its useful economic life which is deemed 10 years.

Other intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

2.9 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.

WHATMORE HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2022

2. Accounting policies (continued)

2.9 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:

Office equipment	-	25%	per annum straight line method
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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 profit or loss.

2.10 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment and held within fixed assets.

Investments in unlisted Group shares, whose market value can be reliably determined, are remeasured to market value at each reporting date. Gains and losses on remeasurement are recognised in the Consolidated statement of income and retained earnings for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment. Investments in unlisted company shares are held within current assets.

2.11 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 cost of purchase on a first in, first out basis.

At each reporting 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 in profit or loss.

2.12 Provisions for liabilities

Provisions are made where an event has taken place that gives the Group a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Group becomes aware of the obligation, and are measured at the best estimate at the reporting date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of financial position.

2.13 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.

WHATMORE HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2022

2. Accounting policies (continued)

2.13 Financial instruments (continued)

Derivatives, including forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or income as appropriate. The Group does not currently apply hedge accounting for interest rate and foreign exchange derivatives.

2.14 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

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

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Determining the provision for slow moving or obsolete stock is an area of significant judgement. The directors review the slow moving stock items and make a judgement on a case by case basis, they consider no stock provision is required for the year ending 31 May 2022.

4. Turnover

An analysis of turnover by class of business is as follows:

	2022 £	2021 £
Sale of goods	38,131,355	34,288,387
Commissions	2,741	1,261
	<u>38,134,096</u>	<u>34,289,648</u>

Analysis of turnover by country of destination:

	2022 £	2021 £
United Kingdom	30,157,947	22,079,123
Rest of Europe	4,199,411	6,615,072
Rest of the world	3,776,738	5,595,453
	<u>38,134,096</u>	<u>34,289,648</u>

WHATMORE HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2022

5. Other operating income

	2022	2021
	£	£
Other operating income	610	11,959
	<u>610</u>	<u>11,959</u>

6. Operating profit

The operating profit is stated after charging:

	2022	2021
	£	£
Depreciation	9,188	11,594
Amortisation	335,329	-
Gain from changes in fair value of forward contracts	177,343	-
Losses from changes in fair value of forward contracts	-	(172,277)
Exchange differences	<u>(110,738)</u>	<u>(234,212)</u>

7. Auditors' remuneration

	2022	2021
	£	£
Fees payable to the Group's auditor and its associates for the audit of the Group's annual financial statements	<u>24,250</u>	<u>5,500</u>
Fees payable to the Group's auditor and its associates in respect of:		
All other services	<u>13,495</u>	<u>-</u>

WHATMORE HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2022

8. Employees

Staff costs, including director's remuneration, were as follows:

	Group	<i>Group</i>	Company	<i>Company</i>
	2022	<i>2021</i>	2022	<i>2021</i>
	£	<i>£</i>	£	<i>£</i>
Wages and salaries	569,410	<i>418,299</i>	20,971	<i>21,723</i>
Social security costs	63,053	<i>43,199</i>	618	<i>680</i>
Cost of defined contribution scheme	70,334	<i>64,361</i>	-	<i>-</i>
	<u>702,797</u>	<i><u>525,859</u></i>	<u>21,589</u>	<i><u>22,403</u></i>

The average monthly number of employees, including the director, during the year was as follows:

	2022	<i>2021</i>
	No.	<i>No.</i>
Administration	8	<i>5</i>
Sales	3	<i>3</i>
	<u>11</u>	<i><u>8</u></i>

9. Director's remuneration

	2022	<i>2021</i>
	£	<i>£</i>
Director's emoluments	11,449	<i>11,449</i>
Company contributions to defined contribution pension schemes	38,756	<i>39,997</i>
	<u>50,205</u>	<i><u>51,446</u></i>

During the year retirement benefits were accruing to 1 director (2021 - 1) in respect of defined contribution pension schemes.

10. Interest receivable

	2022	<i>2021</i>
	£	<i>£</i>
Other interest receivable	2,134	<i>509</i>
	<u>2,134</u>	<i><u>509</u></i>

WHATMORE HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2022

11. Taxation

	2022 £	2021 £
Corporation tax		
Current tax on profits for the year	653,336	315,229
Adjustments in respect of previous periods	(53,756)	12,496
	<u>599,580</u>	<u>327,725</u>
Total current tax	<u>599,580</u>	<u>327,725</u>
Deferred tax		
Deferred tax	34,809	-
Total deferred tax	<u>34,809</u>	<u>-</u>
Taxation on profit on ordinary activities	<u>634,389</u>	<u>327,725</u>

Factors affecting tax charge for the year

The tax assessed for the year is higher 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>3,092,565</u>	<u>1,351,424</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021 - 19%)	587,588	256,771
Effects of:		
Non-tax deductible amortisation of goodwill and impairment	63,711	63,711
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	3,159	(6,403)
Fixed asset differences	(673)	(84)
Adjustments to tax charge in respect of prior periods	(53,756)	-
Non-taxable income	(572)	14,199
Chargeable gains	22,650	-
Remeasurement of deferred tax charges in tax rates	7,114	1,240
Movement in deferred tax not recognised	5,168	(1,709)
Total tax charge for the year	<u>634,389</u>	<u>327,725</u>

WHATMORE HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2022

11. Taxation (continued)

Factors that may affect future tax charges

Changes to the UK Corporation tax rates were substantively enacted on 24 May 2021 to increase the main rate of Corporation tax to 25% from 1 April 2023.

12. Dividends

	2022 £	2021 £
Dividends on ordinary shares	744,713	2,081,663
	<u>744,713</u>	<u>2,081,663</u>

13. Intangible assets

Group and Company

	Goodwill As restated £
Cost	
At 1 June 2021	3,353,285
At 31 May 2022	<u>3,353,285</u>
Amortisation	
At 1 June 2021	1,732,531
Charge for the year on owned assets	335,329
At 31 May 2022	<u>2,067,860</u>
Net book value	
At 31 May 2022	<u>1,285,425</u>
At 31 May 2021	<u>1,620,754</u>

The Company has no goodwill.

WHATMORE HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2022

14. Tangible fixed assets

Group

	Office equipment £
Cost or valuation	
At 1 June 2021	47,687
Additions	11,814
Disposals	(666)
At 31 May 2022	58,835
Depreciation	
At 1 June 2021	27,015
Charge for the year on owned assets	9,188
Disposals	(666)
At 31 May 2022	35,537
Net book value	
At 31 May 2022	23,298
At 31 May 2021	20,672

The Company has no tangible assets.

15. Fixed asset investments

Company

	Investments in subsidiary companies £
Cost or valuation	
At 1 June 2021	10,225,000
At 31 May 2022	10,225,000

The Group has no investments.

WHATMORE HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2022

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Class of shares	Holding
Bryan W. Nash & Sons Limited		100
	Ordinary	%
Nash Beverage Ingredients Limited*		75
	Ordinary	%
Ashtree Commodities Limited		100
	Ordinary	%

*Indirect subsidiaries

All group companies are included within the consolidated financial statements and have the same registered office address as Whatmore Holdings Limited, which can be found on the company information page.

16. Stocks

	Group 2022 £	Group As restated 2021 £
Finished goods and goods for resale	1,806,466	1,740,518
	<u>1,806,466</u>	<u>1,740,518</u>

The difference between purchase price or production cost of stocks and their replacement cost is not material.

The Company has no stock.

WHATMORE HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2022

17. Debtors

	Group 2022 £	<i>Group As restated 2021 £</i>	Company 2022 £	<i>Company 2021 £</i>
Due after more than one year				
Other debtors	58,333	-	-	-
	<u>58,333</u>	<u>-</u>	<u>-</u>	<u>-</u>
	Group 2022 £	<i>Group As restated 2021 £</i>	Company 2022 £	<i>Company 2021 £</i>
Due within one year				
Trade debtors	6,361,104	5,023,206	-	-
Amounts owed by group undertakings	-	-	1,524,118	24,118
Other debtors	1,922	7,320	332	7,320
Prepayments and accrued income	65,965	14,691	-	-
	<u>6,428,991</u>	<u>5,045,217</u>	<u>1,524,450</u>	<u>31,438</u>

18. Current asset investments

	Group 2022 £	<i>Group 2021 £</i>	Company 2022 £	<i>Company 2021 £</i>
Unlisted investments	762,146	759,135	-	-
	<u>762,146</u>	<u>759,135</u>	<u>-</u>	<u>-</u>
	Group 2022 £	<i>Group 2021 £</i>	Company 2022 £	<i>Company 2021 £</i>
Opening fair value	759,135	513,346	-	-
Gains on remeasurement to fair value	3,011	245,789	-	-
Market value	<u>762,146</u>	<u>759,135</u>	<u>-</u>	<u>-</u>

WHATMORE HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2022

19. Creditors: Amounts falling due within one year

	Group 2022 £	Group As restated 2021 £	Company 2022 £	Company 2021 £
Trade creditors	4,901,755	4,754,453	17	4,920
Amounts owed to group undertakings	-	-	225,135	225,135
Corporation tax	402,577	116,998	-	-
Other taxation and social security	305,512	400,306	134	570
Other creditors	273,886	1,985	-	-
Accruals and deferred income	175,605	111,059	9,295	7,150
Financial instruments	42,715	220,058	-	-
	<u>6,102,050</u>	<u>5,604,859</u>	<u>234,581</u>	<u>237,775</u>

20. Financial instruments

	Group 2022 £	Group As restated 2021 £
Financial liabilities		
Derivative financial instruments measured at fair value through profit or loss	<u>42,715</u>	<u>220,058</u>

The Company have no financial liabilities held at fair value.

21. Deferred taxation

Group	2022 £
Charged to profit or loss	(34,809)
At end of year	<u>(34,809)</u>

WHATMORE HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2022

21. Deferred taxation (continued)

	Group 2022 £
Fixed asset timing differences	(5,825)
Short term timing differences	818
Capital gains	(29,802)
	<u>(34,809)</u>

The Company has no deferred tax.

22. Share capital

	2022 £	2021 £
Allotted, called up and fully paid		
10,225,000 (2021 -10,225,000) Ordinary shares shares of £1.00 each	<u>10,225,000</u>	<u>10,225,000</u>

23. Reserves

Share capital

The share capital account represents the par value of the shares allotted in the company.

Profit and loss account

The profit and loss account contains the balance of retained earnings to carry forward. It is fully distributable and shown as part of shareholders' reserves on the balance sheet.

24. Prior year adjustment

During the preparation of the Group's current year's financial statements it was identified that foreign exchange gains and losses were incorrectly being recognised as other income. The foreign exchange gains and losses totaled £161,524 and have been reclassified to administrative costs. There is no impact to retained earnings.

It was also identified that goods in transit to the value of £989,484 had incorrectly been allocated to trade debtors. This amount has been corrected to be classified as goods in transit within stock. There is no impact to retained earnings.

Additionally forward contracts had not been recognised at fair value in the last two prior years. At 31 May 2020 a forward contract liability of £47,781 has now been recognised. At 31 May 2021, a forward contract liability of £220,058 has now been recognised. This has reduced retained earnings by £220,058. This adjustment has reduced tax by £41,811.

Finally it was identified that the goodwill had not previously been amortised over its useful life. This was rectified by amortisation being posted into retained earnings for 2020 totaling £1,397,202. Amortisation has also been recognised in the prior year impacting retained earnings by a further £335,329. There is no impact on tax.

WHATMORE HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MAY 2022

25. Commitments under operating leases

At 31 May 2022 the Group had future minimum lease payments due under non-cancelable operating leases for each of the following periods:

	Group 2022 £	<i>Group 2021 £</i>
Not later than 1 year	26,900	26,900
Later than 1 year and not later than 5 years	8,444	35,344
	<u>35,344</u>	<u>62,244</u>

The Company had no commitments under non-cancelable operating leases.

26. Controlling party

The ultimate controlling party is M F Nash by virtue of his shareholding.

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.