

Company registration number 10650704 (England and Wales)

**EASY NEWCO LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 MARCH 2023**

# EASY NEWCO LIMITED

## COMPANY INFORMATION

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<b>Directors</b>	Mr D Pearce Mr D J Mosley
<b>Company number</b>	10650704
<b>Registered office</b>	Brunel Way Thetford Norfolk IP24 1HF
<b>Auditor</b>	King & King 5th Floor Watson House 54-60 Baker Street London W1U 7BU

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# EASY NEWCO LIMITED

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# EASY NEWCO LIMITED

## STRATEGIC REPORT

### FOR THE YEAR ENDED 31 MARCH 2023

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The directors present the strategic report for the year ended 31 March 2023.

#### Review of the business

For nearly 50 years it has operated from one of the largest integrated cleaning product factories in Europe, producing own brands, those of other brand owners and grocery own label, each supported by research and development resources.

The group delivered an operating profit of £2,463,171 (2022: £147,672). Operating profit has increased this year as a result of proactive cost management, supplier review and negotiation with customers.

The gross profit margin of the group had increased to 9.38% (2022: 6.30%), bringing it closer to 2020 levels.

As at the year end the group had net assets of £2,595,389 (2022: £990,492) and cash and cash equivalents of £1,250,127 putting the company in a very strong financial position.

The past financial year continued to be challenging with further pricing and cost actions being pushed through to offset the effect of the rapid and extraordinary rise in virtually all input costs absorbed through the year. Whilst these are now close to covering the rises in costs we have seen, negotiation lags through the year in the acceptance of our new pricing levels has meant the company suffered some initial volume losses. The management have worked tirelessly throughout to recover profitability and as we enter the new financial year, it is pleasing to see the business recovering and building a sound base for further growth in the next year.

The most significant external factor experienced this past year related to the unprecedented inflationary environment experienced across our industry. Whilst the company has strong and long-lasting relationships across its supplier base, many materials are linked to stock pricing which have risen outside our control and significantly beyond forecast levels. Alongside trying to mitigate the challenges of inflation, supply chains have been constrained through global shortages of materials and logistics networks short of resources, adding further challenges for the business teams aiming to ensure our customers' shelves remained stocked. The war in Ukraine has led to significant global uncertainty, further disruptions to supply chains and additional cost pressures.

#### Key performance indicators

The Board of Directors has identified the following Key Performance Indicators to help understand and measure the performance of the group:

	2023 (£m)	2022 (£m)
Revenue (£m)	56.01	43.55
Gross Margin (%)	9.38	6.30

The drive for volume has had a small impact on our gross margin, however, has improved factory efficiency and during 22/23 we saw a move to private label as the cost of living crisis hit many households, this drove volume and to extent allowed us to shape sales mix with our lower cost brand proposition.

Revenue from contracts with customers from the sale of goods is measured at the invoiced amount, net of sales rebates, discounts, value added tax and other sales taxes. A key performance indicator of commercial performance, this marks the progress that we are making towards our strategic objective of becoming UK's leading own label manufacturer of liquid cleaning products.

Headline revenue increased by £12.46 million, driven by high demand for private label, better sales mix and negotiated price increases.

# **EASY NEWCO LIMITED**

## **STRATEGIC REPORT (CONTINUED)**

**FOR THE YEAR ENDED 31 MARCH 2023**

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### **Principal risks and uncertainties**

All businesses are subject to risks and many individual risks are macro economic or social and common across many businesses. The key risks are those which could materially damage the company's strategy, reputation, business, profitability or assets. The principal financial risks to which the company is exposed are those of liquidity, market condition, credit, cash flow, and foreign currency. Each of these risks are managed in accordance with board approved policies which are set out below.

### **Financing risk**

The company is potentially exposed to financing risk affecting liquidity and funding that could threaten the ongoing operation and financial viability of the company.

Inability to offset in a timely manner the significant input cost inflation by raising prices, has resulted in a significant deterioration of the Company's profitability and liquidity. The management have developed and executed pricing plans to recover gross margins through cost price increases to customers.

### **Supply chain resilience**

Raw materials continue to drive a significant proportion of our product costs, thereby resulting in key underlying risks associated with commodity markets and their heightened volatility.

Uncertainty over input price inflation will restrict the Company's ability to implement plans for recovery through pricing initiatives.

The management has encouraged long-standing and strong supplier relationships allowing the company to leverage scale and push for prioritisation in times of material shortages. Reliable and regular forecasting capability to equip the Company with forward visibility of both the direction and magnitude of input cost evolution.

### **Changing market, customer and consumer dynamics**

Key international retailers face significant pressure to be the 'backstop' of grocery inflation and therefore continue to resist price increases. The cost of living crisis felt by the majority of households over the last twelve months has increased this pressure.

The management has strengthened partnerships with key retailers to avoid one-dimensional discussions solely focused on price. Clear cost-saving initiatives in each area of the business to mitigate the effects of input price increase.

### **Increased regulation**

The regulatory environment is increasing in complexity with requirement for increased monitoring, governance and reporting. The company is subject to laws and regulations in the markets in which it operates and compliance with these is an essential part of our business operations.

Non compliance with relevant laws and regulations could expose the company and / or our customers to civil and/or criminal actions. This could result in possible damages, fines, criminal sanctions, and damages to our corporate reputation.

The management continued its focus on product compliance processes and controls, which are regularly monitored to drive improvement.

# EASY NEWCO LIMITED

## STRATEGIC REPORT (CONTINUED)

**FOR THE YEAR ENDED 31 MARCH 2023**

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### **Development and performance**

All businesses are subject to risks and many individual risks are macro-economic or social and common across many businesses. The key risks are those which could materially damage the company's strategy, reputation, business, profitability or assets. The principal financial risks to which the company is exposed are those of liquidity, market condition, credit and cash flow. Each of these risks are managed in accordance with board approved policies.

The early months of the new financial year have seen trading ahead of our internal plans. Volumes are showing early signs of recovery against a backdrop of an environment that should favour private label products, combined with new business wins. This, together with an improving service performance, provides reassurance both on our revenue outlook and factory operating levels.

Recent months have seen overall raw material costs steady but with widely varying trends between material groups. Energy cost variations add further uncertainty to the cost environment, although this is mitigated to some extent by advance purchasing, however margin improvement actions from price rises or product engineering remain key activities, with strong performance on both already achieved. At this stage the company is confident in its view that full-year earnings will be ahead of our initial expectations.

### **Section 172 (1) statement**

#### *Workforce*

We recognise that the success of our business is dependent upon the health and wellbeing of our workforce. By investing in the right people we are able to meet the strategic needs of our business. We strive to create a positive and engaged environment for our workforce. We uphold the highest standards of safety in our manufacturing process. At all times the Board balanced the needs of customers and the safety of the workforce.

The management is ultimately responsible for ensuring that our activities reflect the culture we wish to instil in our colleagues to drive the right behaviours. The management is committed to providing an open and inclusive culture, where colleagues have opportunity to progress and where they are supported in their development.

#### *Customers*

We are supplying household and personal products for cleaner and more hygienic homes which, since the Covid-19 pandemic, has taken on a new significance. We seek to provide our customers a compelling overall offer balancing the customers' price, service and quality priorities. Over the past year we have made efforts to recover our service performance and continue to recognise the importance to our customers of further improving this key element of our offer. We are committed to provide focused and specialist insight to help our customers that best suits their business.

Our teams look to drive long-lasting, trusted relationships with our customers, ultimately providing a compelling and value range of products. Reacting quickly and effectively to changing requirements is increasingly a core competence in our customer proposition.

#### *Suppliers*

Raw materials drive the majority of product costs. Price increases, delay or interruption in the supply of raw materials could significantly affect our operations and financial position. We seek to establish mutually beneficial relationships with each of our suppliers and encourage them to match our high standards. Our procurement function is dedicated to sourcing group's key materials and maintaining open communication with our suppliers.

Our teams have worked tirelessly to negotiate improved pricing and supply terms with all suppliers, delaying increases or minimising their impact where possible.

**EASY NEWCO LIMITED**

**STRATEGIC REPORT (CONTINUED)**

***FOR THE YEAR ENDED 31 MARCH 2023***

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On behalf of the board

Mr D Pearce  
**Director**

30 November 2023

# **EASY NEWCO LIMITED**

## **DIRECTORS' REPORT**

### **FOR THE YEAR ENDED 31 MARCH 2023**

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The directors present their annual report and financial statements for the year ended 31 March 2023.

#### **Principal activities**

The principal activities of the group continued to be that of manufacture, marketing and distribution of cleaning products for the domestic and international markets.

#### **Results and dividends**

The results for the year are set out on page 12.

No ordinary dividends were paid. The directors do not recommend payment of a further dividend.

#### **Directors**

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mr D Pearce

Mr D J Mosley

#### **Qualifying third party indemnity provisions**

The Directors have the benefit of an indemnity provision contained in the Articles of Association of the Company. In addition, under deeds of indemnity, the Company has granted indemnities in favour of each Director of the Company in respect of any liability that may incur to a third party in relation to the affairs of the Company or any Group company. Consequently, qualifying third-party indemnity provisions for the purposes of section 234 of the Companies Act 2006 were accordingly in force during the course of the financial year and remain in force at the date of the approval of this report.

#### **Research and development**

The group is involved with research and development to create washing up liquid, lactic acid reduction and testing and low carbon block formulation project.

#### **Disabled persons**

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment within the group continues and that the appropriate training is arranged. It is the policy of the group that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

#### **Employee involvement**

The group's policy is to consult and discuss with employees, through unions, staff councils and at meetings, matters likely to affect employees' interests.

Information about matters of concern to employees is given through information bulletins and reports which seek to achieve a common awareness on the part of all employees of the financial and economic factors affecting the group's performance.

There is no employee share scheme at present, but the directors are considering the introduction of such a scheme as a means of further encouraging the involvement of employees in the group's performance.

#### **Auditor**

The auditor, King & King, is deemed to be reappointed under section 487(2) of the Companies Act 2006.



## EASY NEWCO LIMITED

### DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

#### Energy and carbon report

	2023 kWh	2022 kWh
<i>Energy consumption</i>		
Aggregate of energy consumption in the year	4,231,138	4,517,091
	2023 metric tonnes	2022 metric tonnes
<i>Emissions of CO2 equivalent</i>		
Scope 1 - direct emissions		
- Gas combustion	66.00	67.00
- Fuel consumed for owned transport	-	-
	66.00	67.00
Scope 2 - indirect emissions		
- Electricity purchased	752.00	804.00
Scope 3 - other indirect emissions		
- Fuel consumed for transport not owned by the group	14.00	15.00
	832.00	886.00
Total gross emissions		
<i>Intensity ratio</i>		
Tonnes CO2e per employee	3.1	3.4

#### Quantification and reporting methodology

The group has followed the 2019 HM Government Environmental Reporting Guidelines. The group has also used the GHG Reporting Protocol – Corporate Standard and have used the 2020 UK Government's Conversion Factors for Company Reporting

#### Intensity measurement

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO2e per employee, the recommended ratio for the sector.

#### Strategic report

The group has chosen in accordance with Companies Act 2006, s. 414C(11) to set out in the group's strategic report information required by Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, Sch. 7 to be contained in the directors' report. It has done so in respect of future developments.

#### Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the auditor of the group is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the auditor of the group is aware of that information.

## **EASY NEWCO LIMITED**

### **DIRECTORS' REPORT (CONTINUED)**

***FOR THE YEAR ENDED 31 MARCH 2023***

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#### **Going concern**

The directors have prepared detailed group financial projections for the period ending 31 December 2024. These projections are based on assumptions that the directors consider to be reasonable and achievable.

In preparing these projections, the directors have also considered the potential impact of possible recession and inflation in the UK economy. As at the date of approving these financial statements the group's trading volumes and client base have not been significantly affected by the pandemic, although it is difficult to evaluate all of the potential implications on the group's trade, customers and the wider economy.

The group generated an operating profit of £2,463,171 during the year and the statement of financial position shows net assets of £2,595,389.

After considering the above matters, current trading levels, and the existing banking facilities available to the group, the directors believe that the group will have adequate resources to meet its liabilities as they fall due so as to operate as a going concern for at least twelve months following the date of approval of these financial statements. The directors therefore consider it appropriate to continue to apply the going concern basis for preparing the financial statements.

On behalf of the board

Mr D Pearce

**Director**

30 November 2023

## **EASY NEWCO LIMITED**

### **DIRECTORS' RESPONSIBILITIES STATEMENT**

***FOR THE YEAR ENDED 31 MARCH 2023***

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The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 group and company, 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 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 ;
- prepare the on the going concern basis unless it is inappropriate to presume that the group and company will continue in business.

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

# EASY NEWCO LIMITED

## INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF EASY NEWCO LIMITED

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### Opinion

We have audited the financial statements of Easy Newco Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 March 2023 which comprise the group statement of comprehensive income, the group statement of financial position, the company statement of financial position, the group statement of changes in equity, the company statement of changes in equity, the group statement of cash flows and notes to the financial statements, including 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 the parent company's affairs as at 31 March 2023 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 *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the group and 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 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.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the group's and the company's ability to continue as a going concern.

Our responsibilities and the responsibilities of the directors 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 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.

## **EASY NEWCO LIMITED**

### **INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF EASY NEWCO LIMITED**

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With respect to the Strategic Report and Director's Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, The Companies Act 2006 requires us also to report certain opinions and matters as described below.

#### **Opinions on other matters prescribed by the Companies Act 2006**

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

- the information given in the 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 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 the 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 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.

#### **Responsibilities of directors**

As explained more fully in the directors' responsibilities statement, 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 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 either intend to liquidate 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.

## **EASY NEWCO LIMITED**

### **INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF EASY NEWCO LIMITED**

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Based on our understanding of the group and industry, we identified that the principal risks of non-compliance with laws and regulations related to health and safety regulations, environmental laws and employment laws, and we considered the extent to which non-compliance might have material effect on financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the local and international tax laws and the Companies Act 2006. We have evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including risk of override of controls), and determined that the principal risks were risks were related to posting inappropriate journal entries to improve financial performance, and management bias in accounting estimates and judgements. Audit procedures performed by the audit engagement team included:

- challenging assumptions and judgements made by management in their significant accounting estimates (because of the risk of management bias), in particular around property plant and equipment and valuation and provision on stock;
- discussions with management including known or suspected instances of non-compliance with laws and regulation or fraud;
- enquired with the management of actual and potential litigation and claims;
- auditing the tax computations to ensure compliance with tax legislation;
- identifying and testing journal entries, in particular any journal entries posted with unusual account combinations; and
- reviewing financial statement disclosures and testing to supporting documentation where appropriate to assess compliance with applicable laws and regulations.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in financial statements. Also, the risk of non detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Our audit testing might include testing complete populations of certain transactions and balances. However, it typically involves selecting a limited number of items for testing, rather than testing complete populations. We will often seek to target particular items for testing based on their size or risk characteristics. In other cases, we will use audit sampling to enable us to draw a conclusion about the population from which the sample is selected.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's 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 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.

**Milankumar Patel (Senior Statutory Auditor)**  
**For and on behalf of King & King Chartered Accountants and Statutory Auditor**

5th Floor  
Watson House  
54-60 Baker Street  
London  
W1U 7BU

5 December 2023

# EASY NEWCO LIMITED

## GROUP STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MARCH 2023

		2023	2022
	Notes	£	as restated £
Revenue	3	56,016,239	43,553,480
Cost of sales		(50,759,298)	(40,805,997)
<b>Gross profit</b>		<b>5,256,941</b>	<b>2,747,483</b>
Distribution costs		(692,615)	(313,880)
Administrative expenses		(2,101,155)	(2,285,931)
<b>Operating profit</b>	<b>4</b>	<b>2,463,171</b>	<b>147,672</b>
Finance costs	8	(858,274)	(776,080)
<b>Profit/(loss) before taxation</b>		<b>1,604,897</b>	<b>(628,408)</b>
Tax on profit/(loss)	9	-	-
<b>Profit/(loss) for the financial year</b>	<b>21</b>	<b>1,604,897</b>	<b>(628,408)</b>

Profit/(loss) for the financial year is all attributable to the owners of the parent company.

Total comprehensive income for the year is all attributable to the owners of the parent company.

All the activities of the group are from continuing operations.

# EASY NEWCO LIMITED

## GROUP STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2023

		2023		2022	
	Notes	£	£	as restated	£
<b>Non-current assets</b>					
Goodwill	10		47,241		59,050
Other intangible assets	10		776,457		836,420
Total intangible assets			823,698		895,470
Property, plant and equipment	11		4,238,400		4,596,280
			5,062,098		5,491,750
<b>Current assets</b>					
Inventories	14	7,029,592		7,319,615	
Trade and other receivables	15	13,452,592		10,844,849	
Cash and cash equivalents		1,250,127		599,090	
		21,732,311		18,763,554	
<b>Current liabilities</b>	16	(22,798,304)		(21,436,150)	
<b>Net current liabilities</b>			(1,065,993)		(2,672,596)
<b>Total assets less current liabilities</b>			3,996,105		2,819,154
<b>Non-current liabilities</b>	17		(1,400,716)		(1,828,662)
<b>Net assets</b>			2,595,389		990,492
<b>Equity</b>					
Called up share capital	20		1		1
Retained earnings	21		2,595,388		990,491
<b>Total equity</b>			2,595,389		990,492

The financial statements were approved by the board of directors and authorised for issue on 30 November 2023 and are signed on its behalf by:

Mr D Pearce  
Director

Company registration number 10650704 (England and Wales)



# EASY NEWCO LIMITED

## COMPANY STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2023

		2023		2022	
	Notes	£	£	as restated	£
<b>Non-current assets</b>					
Intangible assets	10		350,000		375,000
Investments	12		321,292		321,292
			<u>671,292</u>		<u>696,292</u>
<b>Current assets</b>					
Trade and other receivables	15	574,614		836,553	
<b>Current liabilities</b>	16	<u>(379,834)</u>		<u>(172,384)</u>	
<b>Net current assets</b>			<u>194,780</u>		<u>664,169</u>
<b>Total assets less current liabilities</b>			<u>866,072</u>		<u>1,360,461</u>
<b>Non-current liabilities</b>	17		<u>(1,400,716)</u>		<u>(1,601,996)</u>
<b>Net liabilities</b>			<u><u>(534,644)</u></u>		<u><u>(241,535)</u></u>
<b>Equity</b>					
Called up share capital	20		1		1
Retained earnings	21		<u>(534,645)</u>		<u>(241,536)</u>
<b>Total equity</b>			<u><u>(534,644)</u></u>		<u><u>(241,535)</u></u>

As permitted by s408 Companies Act 2006, the company has not presented its own income statement and related notes. The company's loss for the year was £293,109 (2022 - £294,038 loss).

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

The financial statements were approved by the board of directors and authorised for issue on 30 November 2023 and are signed on its behalf by:

Mr D Pearce  
Director

Company registration number 10650704 (England and Wales)

## EASY NEWCO LIMITED

### GROUP STATEMENT OF CHANGES IN EQUITY

**FOR THE YEAR ENDED 31 MARCH 2023**

	Share capital	Retained earnings	Total
	£	£	£
<b>As restated for the period ended 31 March 2022:</b>			
<b>Balance at 1 April 2021</b>	1	1,618,899	1,618,900
<b>Year ended 31 March 2022:</b>			
Loss and total comprehensive income	-	(628,408)	(628,408)
<b>Balance at 31 March 2022</b>	1	990,491	990,492
<b>Year ended 31 March 2023:</b>			
Profit and total comprehensive income	-	1,604,897	1,604,897
<b>Balance at 31 March 2023</b>	1	2,595,388	2,595,389

## EASY NEWCO LIMITED

### COMPANY STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2023

	Share capital £	Retained earnings £	Total £
As restated for the period ended 31 March 2022:			
Balance at 1 April 2021	1	52,502	52,503
Year ended 31 March 2022:			
Loss and total comprehensive income for the year	-	(294,038)	(294,038)
Balance at 31 March 2022	1	(241,536)	(241,535)
Year ended 31 March 2023:			
Profit and total comprehensive income	-	(293,109)	(293,109)
Balance at 31 March 2023	1	(534,645)	(534,644)

# EASY NEWCO LIMITED

## GROUP STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 MARCH 2023

		2023		2022	
	Notes	£	£	as restated	£
<b>Cash flows from operating activities</b>					
Cash generated from/(absorbed by) operations	24		2,880,055		(1,502,023)
Interest paid			(817,893)		(512,021)
<b>Net cash inflow/(outflow) from operating activities</b>			2,062,162		(2,014,044)
<b>Investing activities</b>					
Purchase of intangible assets		(2,285)		(33,287)	
Purchase of property, plant and equipment		(272,134)		(338,989)	
<b>Net cash used in investing activities</b>			(274,419)		(372,276)
<b>Financing activities</b>					
Issue of convertible loans		-		500,000	
Repayment of debentures		(201,280)		81,629	
Repayment of bank loans		(226,666)		(226,667)	
Payment of finance leases obligations		-		(24,507)	
<b>Net cash (used in)/generated from financing activities</b>			(427,946)		330,455
<b>Net increase/(decrease) in cash and cash equivalents</b>			1,359,797		(2,055,865)
Cash and cash equivalents at beginning of year			(9,809,240)		(7,743,493)
Effect of foreign exchange rates			(40,380)		(9,882)
<b>Cash and cash equivalents at end of year</b>			(8,489,823)		(9,809,240)
<b>Relating to:</b>					
Cash at bank and in hand			1,250,127		599,090
Bank overdrafts included in creditors payable within one year			(9,739,950)		(10,408,330)

# EASY NEWCO LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 31 MARCH 2023**

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### **1 Accounting policies**

#### **Company information**

Easy Newco Limited ("the company") is a private limited company domiciled and incorporated in England and Wales. The registered office is Brunel Way, Thetford, Norfolk, IP24 1HF.

The group consists of Easy Newco Limited and all of its subsidiaries.

#### **1.1 Accounting convention**

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

The company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements for parent company information presented within the consolidated financial statements:

- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues': Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

#### **1.2 Basis of consolidation**

The consolidated financial statements incorporate those of Easy Newco Limited and all of its subsidiaries (ie entities that the group controls through its power to govern the financial and operating policies so as to obtain economic benefits). Subsidiaries acquired during the year are consolidated using the purchase method. Their results are incorporated from the date that control passes.

All financial statements are made up to 31 March 2023. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

The parent company has applied the exemption contained in section 408 of the Companies Act 2006 and has not presented its individual profit and loss account.

# EASY NEWCO LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

### 1 Accounting policies

(Continued)

#### 1.3 Going concern

The directors have prepared detailed group financial projections for the period ending 31 December 2024. These projections are based on assumptions that the directors consider to be reasonable and achievable.

In preparing these projections, the directors have also considered the potential impact of possible recession and inflation in the UK economy. As at the date of approving these financial statements the group's trading volumes and client base have not been significantly affected by the pandemic, although it is difficult to evaluate all of the potential implications on the group's trade, customers and the wider economy.

The group generated an operating profit of £2,463,171 during the year and the statement of financial position shows net assets of £2,595,389.

After considering the above matters, current trading levels, and the existing banking facilities available to the group, the directors believe that the group will have adequate resources to meet its liabilities as they fall due so as to operate as a going concern for at least twelve months following the date of approval of these financial statements. The directors therefore consider it appropriate to continue to apply the going concern basis for preparing the financial statements.

#### 1.4 Revenue

Revenue is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

#### 1.5 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of a business over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is 10 years.

For the purposes of impairment testing, goodwill is allocated to the cash-generating units expected to benefit from the acquisition. Cash-generating units to which goodwill has been allocated are tested for impairment at least annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

#### 1.6 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separable from the entity.

# EASY NEWCO LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

### 1 Accounting policies

(Continued)

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Patents & licences	5 to 10 years
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#### 1.7 Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives.

The useful life of the tangible assets have been assessed at the end of the year and updated as follows for future periods:

Leasehold land and buildings	3 to 40 years
Plant and equipment	4 to 18 years
Fixtures and fittings	4 to 15 years

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of comprehensive income.

#### 1.8 Non-current investments

In the parent company financial statements, investments in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

A subsidiary is an entity controlled by the group. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

#### 1.9 Impairment of non-current assets

At each reporting period end date, the group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The carrying amount of the investments accounted for using the equity method is tested for impairment as a single asset. Any goodwill included in the carrying amount of the investment is not tested separately for impairment.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

# EASY NEWCO LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

### 1 Accounting policies

(Continued)

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

#### 1.10 Inventories

Inventories are stated at the lower of cost and estimated selling price less costs to complete and sell. Inventories are recognised as an expense in the period in which the related revenue is recognised.

Cost is determined on the first in, first out (FIFO) method. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition.

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

#### 1.11 Cash and cash equivalents

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

#### 1.12 Financial instruments

The group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the group's statement of financial position when the group becomes party to the contractual provisions of the instrument.

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

##### **Basic financial assets**

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.



# EASY NEWCO LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

### 1 Accounting policies

(Continued)

#### **Impairment of financial assets**

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

#### **Derecognition of financial assets**

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the group transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

#### **Classification of financial liabilities**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

#### **Basic financial liabilities**

Basic financial liabilities, including trade and other payables, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

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

#### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the group's contractual obligations expire or are discharged or cancelled.

#### **1.13 Compound instruments**

The compound instruments issued by the group are classified as financial liabilities in accordance with the substance of the contractual arrangement due to existence of contingent settlement provisions.

#### **1.14 Equity instruments**

Equity instruments issued by the group are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the group.

# EASY NEWCO LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

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### 1 Accounting policies

(Continued)

#### 1.15 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

##### **Current tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

##### **Deferred tax**

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset if, and only if, there is a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

#### 1.16 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or non-current assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### 1.17 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

# EASY NEWCO LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

### 2 Judgements and key sources of estimation uncertainty

In the application of the group's accounting policies, 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 where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

#### Critical judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

#### Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets.

#### Stock provisioning

The company manufactures and sells cleaning products and is subject to changing consumer demands. As a result it is necessary to consider the recoverability of the cost of stock and the associated provisioning required. When calculating the stock provision, management considers the nature and condition of the stock as well as applying assumptions around anticipated saleability of finished foods and future usage of raw materials.

#### Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

#### Bad debt provisioning

An allowance for doubtful accounts is maintained for potential credit losses based upon managements assessment of the expected collectability of all accounts receivable. The allowance for doubtful accounts is reviewed periodically to assess the adequacy of the allowance.

#### Dilapidations provision

Dilapidations relate to the vacated warehouse and are charged as a cost in the year the charges are agreed with the landlord. Dilapidation costs paid in future years will be set against the provision for the costs.

### 3 Revenue

	2023	2022
	£	£
Revenue analysed by class of business		
Sale of goods	56,016,239	43,553,480

# EASY NEWCO LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

### 3 Revenue (Continued)

	2023 £	2022 £
<b>Revenue analysed by geographical market</b>		
United Kingdom	52,474,732	42,240,334
Overseas	3,541,507	1,313,146
	<u>56,016,239</u>	<u>43,553,480</u>

### 4 Operating profit

	2023 £	2022 £
Operating profit for the year is stated after charging:		
Depreciation of owned property, plant and equipment	630,014	862,684
Amortisation of intangible assets	74,057	61,646
	<u>704,071</u>	<u>924,330</u>

### 5 Auditor's remuneration

	2023 £	2022 £
Fees payable to the company's auditor and associates:		
<b>For audit services</b>		
Audit of the financial statements of the group and company	35,000	35,000
	<u>35,000</u>	<u>35,000</u>
<b>For other services</b>		
Taxation compliance services	5,000	5,000
	<u>5,000</u>	<u>5,000</u>

### 6 Employees

The average monthly number of persons (including directors) employed by the group and company during the year was:

	Group 2023 Number	2022 Number	Company 2023 Number	2022 Number
Production staff	175	170	-	-
Distribution staff	42	44	-	-
Administration staff	51	47	2	2
Total	<u>268</u>	<u>261</u>	<u>2</u>	<u>2</u>

# EASY NEWCO LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

### 6 Employees (Continued)

Their aggregate remuneration comprised:

	Group 2023	2022	Company 2023	2022
	£	£	£	£
Wages and salaries	6,519,500	5,983,750	150,000	130,000
Social security costs	572,873	489,340	-	-
Pension costs	168,648	156,327	-	-
	<u>7,261,021</u>	<u>6,629,417</u>	<u>150,000</u>	<u>130,000</u>

### 7 Directors' remuneration

	2023	2022
	£	£
Remuneration for qualifying services	300,000	282,917
Company pension contributions to defined contribution schemes	24,000	18,000
	<u>324,000</u>	<u>300,917</u>

### 8 Finance costs

	2023	2022
	£	£
Interest on shareholders loan	66,720	81,629
Interest on convertible loan notes	20,846	15,295
Interest on directors loan	25,543	14,614
Interest on Invoice discounting facility	704,785	424,990
Total finance costs	<u>817,894</u>	<u>536,528</u>

# EASY NEWCO LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 MARCH 2023

#### 9 Taxation

The actual charge for the year can be reconciled to the expected charge/(credit) for the year based on the profit or loss and the standard rate of tax as follows:

	2023 £	2022 £
Profit/(loss) before taxation	1,604,897	(628,408)
Expected tax charge/(credit) based on the standard rate of corporation tax in the UK of 19.00% (2022: 19.00%)	304,930	(119,398)
Tax effect of expenses that are not deductible in determining taxable profit	119,703	104,587
Unutilised tax losses carried forward	(145,938)	352,972
Effects of capital allowances and depreciation	(278,695)	(338,161)
Taxation charge	-	-

#### 10 Intangible fixed assets

Group	Goodwill £	Patents & licences £	Total £
<b>Cost</b>			
At 1 April 2022	118,095	4,212,926	4,331,021
Additions	-	2,285	2,285
At 31 March 2023	118,095	4,215,211	4,333,306
<b>Amortisation and impairment</b>			
At 1 April 2022	59,045	3,376,506	3,435,551
Amortisation charged for the year	11,809	62,248	74,057
At 31 March 2023	70,854	3,438,754	3,509,608
<b>Carrying amount</b>			
At 31 March 2023	47,241	776,457	823,698
At 31 March 2022	59,050	836,420	895,470
<b>Company</b>			
<b>Cost</b>			
At 1 April 2022 and 31 March 2023			500,000
<b>Amortisation and impairment</b>			
At 1 April 2022			125,000
Amortisation charged for the year			25,000
At 31 March 2023			150,000

# EASY NEWCO LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

### 10 Intangible fixed assets (Continued)

<b>Carrying amount</b>	
At 31 March 2023	350,000
At 31 March 2022	375,000

### 11 Property, plant and equipment

Group	Leasehold land and buildings	Plant and equipment	Fixtures and fittings	Total
	£	£	£	£
<b>Cost</b>				
At 1 April 2022	5,494,550	43,645,340	4,044,051	53,183,941
Additions	28,553	228,704	14,877	272,134
At 31 March 2023	5,523,103	43,874,044	4,058,928	53,456,075
<b>Depreciation and impairment</b>				
At 1 April 2022	4,600,812	39,983,109	4,003,740	48,587,661
Depreciation charged in the year	160,187	461,405	8,422	630,014
At 31 March 2023	4,760,999	40,444,514	4,012,162	49,217,675
<b>Carrying amount</b>				
At 31 March 2023	762,104	3,429,530	46,766	4,238,400
At 31 March 2022	893,738	3,662,231	40,311	4,596,280

The company had no property, plant and equipment at 31 March 2023 or 31 March 2022.

### 12 Fixed asset investments

	Notes	Group 2023 £	2022 £	Company 2023 £	2022 £
Investments in subsidiaries	13	-	-	321,292	321,292

# EASY NEWCO LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

### 12 Fixed asset investments (Continued)

#### Movements in non-current investments Company

Shares in  
subsidiaries  
£

#### Cost or valuation

At 1 April 2022 and 31 March 2023

321,292

#### Carrying amount

At 31 March 2023

321,292

At 31 March 2022

321,292

### 13 Subsidiaries

Details of the company's subsidiaries at 31 March 2023 are as follows:

Name of undertaking	Registered office	Class of shares held	% Held Direct
Easy Cleaning Solutions Limited	United Kingdom	Ordinary	100.00

### 14 Inventories

	Group 2023 £	2022 £	Company 2023 £	2022 £
Raw materials and consumables	3,042,110	3,729,192	-	-
Work in progress	222,437	161,293	-	-
Finished goods and goods for resale	3,765,045	3,429,130	-	-
	<u>7,029,592</u>	<u>7,319,615</u>	<u>-</u>	<u>-</u>

The inventory balances above are net of a £574,445 (2022: £467,592) provision due to slow moving and obsolete inventories.

### 15 Trade and other receivables

	Group 2023 £	2022 £	Company 2023 £	2022 £
Amounts falling due within one year:				
Trade receivables	12,566,242	9,991,644	-	-
Amounts owed by group undertakings	-	-	574,614	836,553
Other receivables	596,877	595,638	-	-
Prepayments and accrued income	289,473	257,567	-	-
	<u>13,452,592</u>	<u>10,844,849</u>	<u>574,614</u>	<u>836,553</u>



# EASY NEWCO LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

### 15 Trade and other receivables

(Continued)

Amounts owed by group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

### 16 Current liabilities

		Group 2023	2022	Company 2023	2022
	Notes	£	£	£	£
Bank loans and overdrafts	18	9,966,617	10,634,997	-	-
Trade payables		11,213,648	10,087,351	-	-
Other taxation and social security		821,622	335,444	-	-
Other payables		362,632	155,089	362,632	155,089
Accruals and deferred income		433,785	223,269	17,202	17,295
		<u>22,798,304</u>	<u>21,436,150</u>	<u>379,834</u>	<u>172,384</u>

### 17 Non-current liabilities

		Group 2023	2022	Company 2023	2022
	Notes	£	£	£	£
Debenture loans	18	900,716	1,101,996	900,716	1,101,996
Convertible loans	19	500,000	500,000	500,000	500,000
Bank loans and overdrafts	18	-	226,666	-	-
		<u>1,400,716</u>	<u>1,828,662</u>	<u>1,400,716</u>	<u>1,601,996</u>

### 18 Borrowings

		Group 2023	2022	Company 2023	2022
		£	£	£	£
Debenture loans		900,716	1,101,996	900,716	1,101,996
Bank loans		226,667	453,333	-	-
Bank overdrafts		9,739,950	10,408,330	-	-
		<u>10,867,333</u>	<u>11,963,659</u>	<u>900,716</u>	<u>1,101,996</u>
Payable within one year		9,966,617	10,634,997	-	-
Payable after one year		900,716	1,328,662	900,716	1,101,996

Included in bank loans and overdraft is an amount advanced in respect of sales financing which is secured by way of first charge on all discounted debts. The overdraft is also secured by a debenture against all the assets of the company.

## EASY NEWCO LIMITED

### NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 MARCH 2023

#### 18 Borrowings

(Continued)

Debenture loans are unsecured, interest is charged at 8% and repayable on 31 March 2029.

Bank loan is repayable on 31 March 2024.

#### 19 Convertible loan notes

	Group 2023 £	2022 £	Company 2023 £	2022 £
Liability component of convertible loan notes	500,000	500,000	500,000	500,000

The liability component is measured at amortised cost, and the difference between the carrying amount of the liability at the date of issue and the amount reported in the Statement Of Financial Position represents the effective interest rate less interest paid to that date.

The effective rate of interest is 3.5% over Bank of England base rate. The convertible loan expires on 15th May 2028.

The equity component of the convertible loan notes has been credited to the equity reserve.

#### 20 Share capital

Group and company	2023	2022	2023	2022
Ordinary share capital	Number	Number	£	£
Issued and fully paid				
Ordinary shares of 0.1p each	1,000	1,000	1	1

#### 21 Reserves

##### Retained earnings

Profit and loss accounts - This reserve records retained earnings and accumulated losses.

#### 22 Operating lease commitments

At the reporting end date the group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	Group 2023 £	2022 £	Company 2023 £	2022 £
Within one year	787,500	787,500	-	-
Between two and five years	2,520,000	3,307,500	-	-
	3,307,500	4,095,000	-	-

# EASY NEWCO LIMITED

## NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

### 23 Related party transactions

Included in note 16, other payables is amount payable to the director £362,633 (2022: £155,089)

The company's other related party transactions were with wholly owned subsidiaries.

### 24 Cash generated from/(absorbed by) group operations

	2023 £	2022 £
Profit/(loss) for the year after tax	1,604,897	(628,408)
<b>Adjustments for:</b>		
Finance costs	817,893	512,021
Amortisation and impairment of intangible assets	74,057	61,646
Depreciation and impairment of property, plant and equipment	630,014	862,684
Foreign exchange gains on cash equivalents	40,380	9,882
Increase in provisions	574,445	467,592
<b>Movements in working capital:</b>		
Increase in inventories	(284,422)	(2,007,355)
Increase in trade and other receivables	(2,345,805)	(1,592,711)
Increase in trade and other payables	1,768,596	812,626
<b>Cash generated from/(absorbed by) operations</b>	<b>2,880,055</b>	<b>(1,502,023)</b>

### 25 Analysis of changes in net debt - group

	1 April 2022 £	Cash flows £	Exchange rate movements £	31 March 2023 £
Cash at bank and in hand	599,090	691,417	(40,380)	1,250,127
Bank overdrafts	(10,408,330)	668,380	-	(9,739,950)
	(9,809,240)	1,359,797	(40,380)	(8,489,823)
Borrowings excluding overdrafts	(1,555,329)	427,946	-	(1,127,383)
Convertible loan notes	(500,000)	-	-	(500,000)
	(11,864,569)	1,787,743	(40,380)	(10,117,206)

## EASY NEWCO LIMITED

### NOTES TO THE GROUP FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2023

#### 26 Prior period adjustment

##### Reconciliation of changes in equity - group

	1 April 2021 £	31 March 2022 £
<b>Adjustments to prior year</b>		
Total adjustments	-	(312,225)
Equity as previously reported	1,618,900	1,302,717
Equity as adjusted	<u>1,618,900</u>	<u>990,492</u>
<b>Analysis of the effect upon equity</b>		
Retained earnings	-	(312,225)

##### Reconciliation of changes in loss for the previous financial period

	2022 £
<b>Adjustments to prior year</b>	
Total adjustments	(312,225)
Loss as previously reported	(316,183)
Loss as adjusted	<u>(628,408)</u>

##### Reconciliation of changes in equity - company

The prior period adjustments do not give rise to any effect upon equity.

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.