

Registered No: 11834952

Saputo Dairy UK Ltd

Report and Financial Statements

For the year ended 31 March 2023

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COMPANIES HOUSE

Saputo Dairy UK Ltd

Registered No: 11834952

Directors

T A Atherton
M Therrien
C R Thornton

Auditor

KPMG LLP
Global House
High Street
Crawley
RH10 1DQ
United Kingdom

Registered office

5 The Heights
Brooklands
Weybridge
Surrey
KT13 0NY
United Kingdom

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Strategic report

The Directors present their Strategic Report for the year ended 31 March 2023.

Principal activities

Saputo Dairy UK Ltd (the 'company') is a private company limited by shares. It acts as a holding company of Dairy Crest Group Limited and Bute Island Foods Ltd.

Increase in share capital

On 20 September 2022, the company issued 600,000 shares of £1,000 each to its parent company Saputo Dairy Europe SARL. The cash consideration was the contribution, assignment and transfer of all its rights, title and interest in the interest-bearing intercompany term loan of £600 million to the company by Saputo Dairy Europe SARL.

Business review

The profit for the period after taxation amounted to £4.3 million (2022: £3.8 million loss). No dividends were paid in the period ended 31 March 2023 (2022: nil).

The impact of the current economic climate has had minimal impact on the company.

Key performance indicators

As the Company acts as a holding company, the key performance indicator is profit before tax.

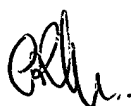
Future developments

The company will retain its investment in Dairy Crest Group Limited and Bute Island Foods Ltd.

Principal risks, economic conditions and uncertainties

Recoverability of investment - The Company is exposed to risk on the recovery of its investment. Investments are reviewed for impairment.

Approved by the Board and signed on its behalf by



C R Thornton
Director

18th July 2023

Directors' report

The Directors present their report and audited financial statements for the year ended 31 March 2023.

Directors

The Directors of the company were as follows:

T A Atherton
M Therrien
C R Thornton

Items disclosed in Strategic Report

Future developments are disclosed in the Strategic Report on page 3.

Directors' and officers' indemnities and insurance

The company maintains liability insurance for its Directors and Officers. The Directors and other Officers of the company are indemnified by the company to the extent permitted by company law. That indemnity provision has been in place during the year and remains in force.

Dividends

No dividends were paid in the period ended 31 March 2023 (2022: nil).

Going concern

As referenced in note 1 Accounting policies on page 12, the Directors are confident that the Company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

Disclosure of information to auditor

The Directors who held office at the date of approval of this Directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditors are unaware. Each Director has taken all the steps that they ought to have taken as Directors to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

Approved by the Board and signed on its behalf by



C R Thornton
Director

18th July

2023

Directors' responsibilities statement

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

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

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

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

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

Independent auditor's report

to the members of Saputo Dairy UK Ltd

Opinion

We have audited the financial statements of Saputo Dairy UK Ltd ("the Company") for the year ended 31 March 2023 which comprise the Statement of comprehensive income, Statement of financial position, Statement of changes in equity and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2023 and of its profit for the year then
- have been properly prepared in accordance with UK accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Company or to cease its operations, and as they have concluded that the Company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the directors' conclusions, we considered the inherent risks to the Company's business model and analysed how those risks might affect the Company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

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

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Company will continue in operation.

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included enquiring of directors and inspection of policy documentation as to the group policies and procedures to prevent and detect fraud that apply to this group company as well as enquiring whether the directors have knowledge of any actual, suspected or alleged fraud.

As required by auditing standards, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition because there are no revenue transactions. We did not identify any additional fraud risks.

We performed procedures including agreeing all material accounting entries in the period to supporting documentation.

Independent auditor's report (continued)

to the members of Saputo Dairy UK Ltd

Identifying and responding to risks of material misstatement related to compliance with laws and regulations

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

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

This company, as a holding company, is not subject to other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements.

Context of the ability of the audit to detect fraud or breaches of law or regulation

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

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

Strategic report and directors' report

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

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

- we have not identified material misstatements in the strategic report and the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the 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.

We have nothing to report in these respects.

Independent auditor's report (continued)

to the members of Saputo Dairy UK Ltd

Directors' responsibilities

As explained more fully in their statement set out on page 5, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

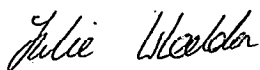
Auditor's responsibilities

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

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

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

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



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

18 July 2023

Statement of comprehensive income
for the period ended 31 March 2023

	<i>Notes</i>	2023 £m	2022 £m
Dividends received		11.5	14.3
Other Income		0.2	-
Operating profit	3	11.7	14.3
Other interest receivable and similar income	5	0.6	0.1
Other interest expense and similar expense	5	(11.3)	(18.9)
Profit / (Loss) for the year		1.0	(4.5)
Tax on Profit / (Loss)	6	3.3	0.7
Profit / (Loss) for the year		4.3	(3.8)
Total Comprehensive Income / (Expense)		4.3	(3.8)

The notes on pages 12 to 18 form a part of the financial statements

Statement of financial position

for the period ended 31 March 2023

	Notes	2023 £m	2022 £m
Non current assets			
Investments	7	1,342.0	1,342.0
Deferred tax asset	6	6.3	3.0
		<u>1,348.3</u>	<u>1,345.0</u>
Current assets			
Cash and Cash Equivalents		0.1	-
Debtors	8	16.9	16.4
		<u>17.0</u>	<u>16.4</u>
Net current assets		<u>17.0</u>	<u>16.4</u>
Total assets less current liabilities		<u>1,365.3</u>	<u>1,361.4</u>
Creditors: amounts falling due after more than one year			
Creditors	9	-	(600.2)
Provision for liabilities			
Other provisions	10	(2.9)	(3.0)
Net assets		<u>1,362.4</u>	<u>758.1</u>
Capital and reserves			
Called up share capital	11	774.8	174.8
Share premium		584.8	584.8
Profit and loss account		2.8	(1.5)
Total shareholders' equity		<u>1,362.4</u>	<u>758.1</u>

The notes on pages 12 to 18 form a part of the financial statements

The financial statements were approved by the Board of Directors and signed on its behalf by:



C R Thornton
Director

18th July 2023

Statement of changes in equity

for the period ended 31 March 2023

	<i>Share capital</i> £m	<i>Share premium</i> £m	<i>Profit and loss account</i> £m	<i>Total equity funds</i> £m
2023				
At 1 April 2022	174.8	584.8	(1.5)	758.1
Total comprehensive Income	-	-	4.3	4.3
Transactions with owners, recorded directly in equity				
Issued Share Capital	600.0	-	-	600.0
At 31 March 2023	774.8	584.8	2.8	1,362.4
	<i>Share capital</i> £m	<i>Share premium</i> £m	<i>Profit and loss account</i> £m	<i>Total equity funds</i> £m
2022				
At 31 March 2021	64.9	584.8	2.3	652.0
Total comprehensive expense	-	-	(3.8)	(3.8)
Transactions with owners, recorded directly in equity				
Issued Share Capital	109.9	-	-	109.9
At 31 March 2022	174.8	584.8	(1.5)	758.1

The notes on pages 12 to 18 form a part of the financial statements

Notes to the financial statements

for the period ended 31 March 2023

1. Accounting policies

General information and basis of accounting

Saputo Dairy UK Ltd "the company" is a private company limited by shares incorporated in the United Kingdom under the Companies Act 2006 and is registered in England and Wales. The address of the company's registered office is 5 The Heights, Brooklands, Weybridge, Surrey, KT13 0NY.

The principal activities of the company are set out in the strategic report on page 3.

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council

Saputo Dairy UK Ltd meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its separate financial statements. Exemptions have been taken in relation to share-based payments, financial instruments, presentation of a cash flow statement and remuneration of key management personnel.

Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards. The financial statements are prepared in sterling which is the functional currency of the company and rounded to the nearest £0.1 million.

Going concern

The financial statements have been prepared on a going concern basis which the Directors consider to be appropriate. The company is in a net asset and net current asset position, the company has no liabilities due. Therefore have prepared the financial statements on a going concern basis.

Key sources of estimation uncertainty

There are no key sources of estimation uncertainty that have a significant risk of causing material adjustments to the carrying amounts of assets and liabilities within the next financial year.

Areas of judgement

Impairment of investments. Management uses estimates or exercises judgment in assessing indicators of impairment. Forecasting future cash flows and determining other key assumptions such as discount rates and earnings multipliers used for assessing fair value (less costs of disposal) or value in use.

Consolidated financial statements

The Directors have taken advantage of the exemption in CA 2006 Section 401 from preparing consolidated financial statements on the grounds that the Company's ultimate parent undertaking as at the balance sheet date publishes consolidated financial statements. See note 13 for ultimate parent company details.

Interest

Interest received and payable is recognised on an accrual basis.

Dividends

In accordance with FRS 102.23.29.C dividends are recognised when the Shareholders' right to receive payment is established.

Notes to the financial statements (continued)

for the period ended 31 March 2023

1. Accounting policies (continued)

Investments

The Company recognises its investments in subsidiaries at cost being the fair value of consideration paid, less provision for impairment where appropriate plus costs directly attributable to the purchase. Income is recognised from these investments only in relation to distributions received from post-acquisition profits. Distributions received in excess of post-acquisition profits are deducted from the cost of investment.

Financial Instruments

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions of the instrument.

Financial liabilities are classified according to the substance of the contractual arrangements entered into.

(i) Financial assets and liabilities

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Commitments to make and receive loans which meet the conditions mentioned above are measured at cost (which may be nil) less impairment.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the company transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the company, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

(ii) Investments

Investments in subsidiaries and associates are measured at cost less impairment. For investments in subsidiaries acquired for consideration including the issue of shares qualifying for merger relief, cost is measured by reference to the nominal value of the shares issued plus fair value of other consideration. Any premium is ignored.

Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

A provision is recognised for those matters for which the tax determination is uncertain but it is considered probable that there will be a future outflow of funds to a tax authority. The provisions are measured at the best estimate of the amount expected to become payable. The assessment is based on the judgement of tax professionals within the Company supported by previous experience in respect of such activities and in certain cases based on specialist independent tax advice.

Notes to the financial statements (continued)

for the period ended 31 March 2023

1. Accounting policies (continued)

Taxation (continued)

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the Company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax liabilities are recognised for timing differences arising from investments in subsidiaries and associates, except where the Company is able to control the reversal of the timing difference and it is probable that it will not reverse in the foreseeable future.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of the timing difference. Deferred tax relating to non-depreciable property, plant and equipment is measured using the revaluation model and investment property is measured using the tax rates and allowances that apply to sale of the asset. In other cases, the measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Where items recognised in other comprehensive income or equity are chargeable to or deductible for tax purposes, the resulting current or deferred tax expense or income is presented in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense or income.

Current tax assets and liabilities are offset only when there is a legally enforceable right to set off the amounts and the Company intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Deferred tax assets and liabilities are offset only if: a) the Company has a legally enforceable right to set off current tax assets against current tax liabilities; and b) the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

Provisions

A provision is recognised in the balance sheet when the company has a present legal or constructive obligation as a result of a past event, that can be reliably measured, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects risks specific to the liability.

2. Auditor's remuneration

	2023 £k	2022 £k
Remuneration of the auditor is further analysed as follows:		
Audit of the financial statements	5.0	5.0
Auditor's remuneration is borne by another group undertaking.		

There were no non-audit services in either year.

Notes to the financial statements (continued)

for the period ended 31 March 2023

3. Operating profit

Operating profit is stated after crediting:

	2023	2022
	£m	£m
Dividends received	11.5	14.3

4. Emoluments of Directors and Employees

There were three employees (including Directors) in the period ended 31 March 2023 (2022 - nil).

	2023	2022
	£m	£m
Directors		
Aggregate emoluments in respect of qualifying services	1.4	-
Included in the above:		
Annual bonus	0.2	-

In the year ending 31 March 2023, remuneration for two Directors were included in the company. The costs were charged to Dairy Crest Limited as a management recharge on a cost plus mark-up basis. The remuneration of the Directors were not included in the company for the year ending 31 March 2022 as their employment contracts were previously under another group company. No apportionment of Directors remuneration to the company is required, as such apportionment would be minimal and impractical to apportion.

	Number	Number
Number of directors accruing benefits under money purchase schemes (at 31 March)	2	-
The current directors are set out in the Directors' Report on page 4.		
In respect of the highest paid director:	2023	2022
	£m	£m
Aggregate emoluments in respect of qualifying services	0.9	-
Of which annual bonus	0.1	-

5. Interest

	2023	2022
	£m	£m
Interest receivable:		
Loans to group undertakings	0.6	0.1
	0.6	0.1
Interest payable:		
Loans from group undertakings	11.3	18.9
	11.3	18.9

Notes to the financial statements (continued)

for the period ended 31 March 2023

6. Tax

	2023 £m	2022 £m
(a) Tax on profit		
The tax charge is made up as follows:		
<i>Deferred tax:</i>		
Deferred tax charge	(1.9)	(0.1)
Changes in respect to prior years	(0.5)	-
Effect of changes in tax rates	(0.9)	(0.6)
Total deferred tax (credit)	<u>(3.3)</u>	<u>(0.7)</u>
Total tax (credit) (note 6 (b))	<u>(3.3)</u>	<u>(0.7)</u>
(b) Factors affecting current tax charge		
The differences are reconciled below:		
Profit before tax	1.0	(4.5)
Profit multiplied by the standard rate of Corporation tax in the UK of 19% (2022 19%)	0.2	(0.9)
Effects of:		
Income not subject to tax	(2.2)	(2.7)
Group relief	0.1	3.5
Changes in respect to prior years	(0.5)	-
Change in UK corporation tax rate	(0.9)	(0.6)
Total tax (credit)	<u>(3.3)</u>	<u>(0.7)</u>
Deferred tax asset		
	2023 £m	2022 £m
The deferred tax asset comprises:		
Interest restriction	0.6	0.4
Tax losses	5.7	2.6
	<u>6.3</u>	<u>3.0</u>

Deferred tax assets are recognised for tax losses carried forward to the extent that the realisation of the related tax benefit through future taxable profits is probable. As at 31 March 2023, Saputo Dairy UK Limited recognised a deferred tax asset of £5.7 million (2022: £2.6 million) in respect of losses of £23.0 million (2022: £10.2 million).

The standard rate of corporation tax applied to reported profit, including deferred tax balances, for the year ended 31 March 2023 is 19% (2022: 19%). The rate of corporation tax will increase to 25% with effect from 1 April 2023, as announced by the UK Government on 3 March 2021, and substantively enacted on 24 May 2021. The effect of the increase in corporation tax rate results in a credit to the profit and loss account of £0.9m in relation to the required re-valuation of deferred tax assets at 31 March 2023.

Notes to the financial statements (continued)

for the period ended 31 March 2023

7. Investments

	<i>Subsidiary undertaking £m</i>
Cost:	
At 31 March 2022 and 31 March 2023	<u>1,342.0</u>

The Company owns 100% of the issued share capital of Bute Island Foods Ltd. The principal place of operation and country of incorporation of the subsidiary undertaking is Scotland. Its registered office is The Creamery Townhead, Rothesay, Isle of Bute, PA20 9JH.

The company owns 100% of the issued share capital of Dairy Crest Group Limited. Its principal place of operation and country of incorporation of the subsidiary undertaking is England and Wales. Its registered office is 5 The Heights, Brooklands, Weybridge, Surrey, KT13 0NY.

8. Debtors

Amounts falling due within one year:

	<i>2023 £m</i>	<i>2022 £m</i>
Debtors:		
Loans to group undertaking*	16.9	16.4
	<u>16.9</u>	<u>16.4</u>

*These are unsecured loans, with an interest rate at SONIA plus 1%.

9. Creditors

Amounts falling due after more than one year:

	<i>2023 £m</i>	<i>2022 £m</i>
Creditors:		
Loans from parent undertaking	-	(600.2)
	<u>-</u>	<u>(600.2)</u>

At 31 March 2022 the loan from parent undertaking was unsecured with an interest rate at SONIA plus 3%.

10. Provisions for liabilities

	<i>Community initiative £m</i>
At 1 April 2022	(3.0)
Provided during the year	-
Utilised during the year	0.1
At 31 March 2023	<u>(2.9)</u>

£3 million was committed by the company to support local Bute Island community initiatives as part of the company's purchase of Bute Island Foods Ltd.

Notes to the financial statements (continued)

for the period ended 31 March 2023

11. Share capital

Ordinary shares of £1,000 each

	No.	£m
<i>Allotted, called-up and fully paid</i>		
At 1 April 2022	174,824	174.8
Issued during the year	600,000	600.0
At 31 March 2023	774,824	774.8

During the year the company's share capital was increased by £600 million through the issue of 600,000 shares of £1,000 each to its parent company Saputo Dairy Europe SARL. The cash consideration was the contribution, assignment and transfer of all its rights, title and interest in the interest-bearing intercompany term loan of £600 million to the company from Saputo Dairy Europe SARL.

12. Related party transactions

Group

As the company is a wholly-owned subsidiary of Saputo Inc, it is exempt under the terms of FRS 102.33.1A "Related Party Disclosures" from disclosing transactions with other wholly-owned Group undertakings, joint ventures or associated companies. There were no other related party transactions in the period.

Key management personnel

The company has no key management personnel. Further details are set out in Note 4.

13. Parent undertakings

The company's immediate parent undertaking is Saputo Dairy Europe SARL whose financial statements are available from its registered office at 6 rue Jean Monnet, 2180 Luxembourg.

The company's ultimate parent undertaking and controlling party is Saputo Inc., a company incorporated in Canada. Saputo Inc's registered office is 6869, Métropolitain Est, Montréal, Québec H1P 1X8, Canada.

The largest and smallest group preparing consolidated accounts which includes Saputo Dairy UK Ltd is Saputo Inc..