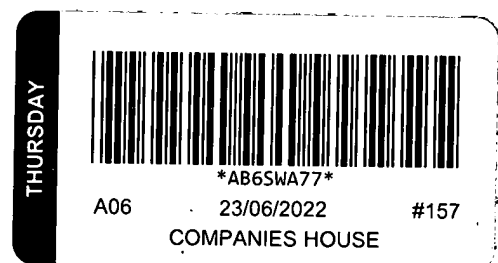


Company Registration No. 12531480 (England and Wales)

FORTHGLADE PET FOOD BIDCO LIMITED
REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED
30 SEPTEMBER 2021



FORTHGLADE PET FOOD BIDCO LIMITED

COMPANY INFORMATION

Directors	C D Brooking C D Bull P A J Horton J E Kennedy G P Lovell G S Jones M Jolley D Cox
Company number	12531480
Registered office	Woodwater House Pynes Hill Exeter EX2 5WR
Auditor	RSM UK Audit LLP Chartered Accountants Hartwell House 55-61 Victoria Street Bristol BS1 6AD

FORTHGLADE PET FOOD BIDCO LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 30 SEPTEMBER 2021

The directors present the strategic report for the year ended 30 September 2021.

Review of the business

The company is an intermediate holding company in a group whose principal activity is the development, manufacture and distribution of natural pet foods. These financial statements present information about the company as an individual entity and not about its group.

During the period, the company incurred interest on its borrowings.

Detailed commentary on the business environment and commercial outlook in the sector in which the group operates is set out in the strategic report included in the financial statements of the company's subsidiary Forthglade Foods Limited.

Future developments

There are no plans to change the nature of the company's activities in the foreseeable future.

Principal risks and uncertainties

As an intermediate holding company the principal risk facing the company concerns the carrying value of its investment in subsidiaries, which is ultimately affected by the trading performance of the principal trading subsidiary Forthglade Foods Limited.

The subsidiary's activities expose it to a number of financial risks, including credit risk, price risk and liquidity risk. The subsidiary has in place a risk management programme that seeks to limit the adverse effect on the financial performance of the subsidiary by monitoring and mitigating these risks.

- **Credit risk** - Credit risk arises from credit exposure to retail and wholesale customers, and from cash and cash equivalents held at financial institutions. Credit risk is managed by the utilisation of credit limits, which are regularly reviewed, and credit insurance.
- **Price risk** - The subsidiary is exposed to commodity price risk as a result of its operations. Management actively monitor the costs of ingredients, packaging and energy on a weekly basis to ensure that price risk is minimised.
- **Liquidity risk** - The subsidiary maintains balances of cash and cash equivalents sufficient to fund ongoing operations and future developments, supported by a flexible debt finance facility held by Forthglade Pet Food Bidco Limited.

In its own right the company is also exposed to the risk of adverse movements on interest rates in relation to its commercial finance. Details of borrowings are set out in note 12.

Key performance indicators

As a non-trading intermediate holding company there are no key performance indicators relevant to an assessment of the company's results or financial position.

COVID-19

At the time of approval of these financial statements the ongoing situation regarding COVID-19 has given rise to additional risk and uncertainty. The directors have considered these risks and taken steps and actions they consider appropriate to minimise the associated impact. These include, and are not limited to, preparation of business continuity plans, including risk assessment and readiness evaluations covering all business functions. Regular communications have been made to staff and the company's stakeholders to minimise disruption.

FORTHGLADE PET FOOD BIDCO LIMITED

STRATEGIC REPORT (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2021

Going concern

The company's group has maintained sufficient liquidity throughout the period of COVID-19 and is projected to continue in generating cash for the foreseeable future. Therefore, the directors have concluded that no material uncertainty exists as to the ability of the group and company to continue as a going concern and that it remains appropriate to prepare the financial statements on that basis.

On behalf of the board

G S Jones

G S Jones
Director

31 January 2022

FORTHGLADE PET FOOD BIDCO LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 SEPTEMBER 2021

The directors present their annual report and financial statements for the year ended 30 September 2021. Information on future developments, credit, price and liquidity risks and related financial risk management objectives and policies is not shown in the directors' report as it is included in the strategic report as permitted by CA2006 s414C(11).

Principal activities

The principal activity of the company is that of an intermediate holding company.

Results and dividends

The results for the year are set out on page 8. No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

Directors

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

C D Brooking	
C D Bull	(Appointed 1 November 2020)
P A J Horton	
J E Kennedy	
G P Lovell	
G S Jones	(Appointed 7 April 2021)
M Jolley	(Appointed 16 July 2021)
D Cox	(Appointed 26 January 2022)

Directors' insurance

The company's group maintains insurance covering its directors, officers and senior managerial staff.

Auditor

RSM UK Audit LLP has indicated its willingness to continue in office.

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 company's auditor is unaware. Additionally, each director has taken all the necessary steps that they ought to have taken as a director in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board

G S Jones

G S Jones
Director

31 January 2022

FORTHGLADE PET FOOD BIDCO LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 30 SEPTEMBER 2021

The directors are responsible for preparing the Strategic Report and 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 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 company and of the profit or loss of the company 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FORTHGLADE PET FOOD BIDCO LIMITED

Opinion

We have audited the financial statements of Forthglade Pet Food Bidco Limited (the 'company') for the year ended 30 September 2021 which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity 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 FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 September 2021 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 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 company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

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

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

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FORTHGLADE PET FOOD BIDCO LIMITED (CONTINUED)

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its 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, 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.

Responsibilities of directors

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

In preparing the financial statements, the directors are responsible for assessing the 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 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 the audit was considered capable of detecting irregularities, including fraud

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the audit engagement team:

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory framework that the company operates in and how the company is complying with the legal and regulatory framework;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF FORTHGLADE PET FOOD BIDCO LIMITED (CONTINUED)

As a result of these procedures we consider the most significant laws and regulations that have a direct impact on the financial statements are FRS 102 and compliance with the Companies Act 2006 and tax compliance regulations. We performed audit procedures to detect non-compliances which may have a material impact on the financial statements which included, reviewing financial statement disclosures, inspecting correspondence with local tax authorities and evaluating advice received from internal/external tax advisors.

The audit engagement team identified the risk of management override of controls as the areas where the financial statements were most susceptible to material misstatement due to fraud. Audit procedures performed included but were not limited to testing manual journal entries and other adjustments and evaluating the business rationale in relation to significant, unusual transactions and transactions entered into outside the normal course of business.

A further description of our responsibilities for the audit of the financial statements is located 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 member 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 member 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 member for our audit work, for this report, or for the opinions we have formed.

RSM UK Audit LLP

Hywel Pegler (Senior Statutory Auditor)
For and on behalf of RSM UK Audit LLP, Statutory Auditor
Chartered Accountants
Hartwell House
55-61 Victoria Street
Bristol
BS1 6AD

31 January 2022

FORTHGLADE PET FOOD BIDCO LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 SEPTEMBER 2021

		Year ended 30 September 2021 £	Period ended 30 September 2020 £
	Notes		
Interest payable and similar expenses	5	(1,872,492)	(131,263)
Loss before taxation		(1,872,492)	(131,263)
Tax on loss	6	-	-
Loss for the financial year		<u>(1,872,492)</u>	<u>(131,263)</u>

FORTHGLADE PET FOOD BIDCO LIMITED**STATEMENT OF FINANCIAL POSITION****AS AT 30 SEPTEMBER 2021**

	Notes	2021 £	£	2020 £	£
Fixed assets					
Investments	7	43,025,406		43,881,966	
Current assets					
Debtors	9	20,213,281		15,162,776	
Creditors: amounts falling due within one year	10	(53,255)		(486,818)	
Net current assets		20,160,026		14,675,958	
Total assets less current liabilities		63,185,432		58,557,924	
Creditors: amounts falling due after more than one year	11	(25,400,000)		(18,900,000)	
Net assets		37,785,432		39,657,924	
Capital and reserves					
Called up share capital	13	3,978,921		3,978,921	
Share premium account	14	35,810,266		35,810,266	
Profit and loss reserves	14	(2,003,755)		(131,263)	
Total equity		37,785,432		39,657,924	

The financial statements were approved by the board of directors and authorised for issue on 31 January 2022 and are signed on its behalf by:

GS Jones

G S Jones
Director

FORTHGLADE PET FOOD BIDCO LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 SEPTEMBER 2021

	Share capital £	Share premium account £	Profit and loss reserves £	Total £
Period ended 30 September 2020:				
Loss and total comprehensive income for the period	-	-	(131,263)	(131,263)
Issue of share capital	3,978,921	35,810,266	-	39,789,187
Balance at 30 September 2020	3,978,921	35,810,266	(131,263)	39,657,924
Period ended 30 September 2021:				
Loss and total comprehensive income for the year	-	-	(1,872,492)	(1,872,492)
Balance at 30 September 2021	3,978,921	35,810,266	(2,003,755)	37,785,432

FORTHGLADE PET FOOD BIDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 SEPTEMBER 2021

1 Accounting policies

Company information

Forthglade Pet Food Bidco Limited is a private company limited by shares and is registered and incorporated in England and Wales. The registered office is Woodwater House, Pynes Hill, Exeter, EX2 5WR.

The company's principal activities and nature of its operations are disclosed in the Directors' Report.

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.

Reduced disclosures

The company is a qualifying entity under the FRS 102 Reduced Disclosure Framework and has taken advantage of the exemptions from the following disclosure requirements:

- 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.

The financial statements of the company are consolidated in the financial statements of Forthglade Pet Food Topco Limited. The consolidated financial statements of Forthglade Pet Food Topco Limited are available from its registered office, Woodwater House, Pynes Hill, Exeter, EX2 5WR.

Group accounts exemption

The company has taken advantage of the exemption under section 400 of the Companies Act 2006 not to prepare consolidated accounts. The financial statements present information about the company as an individual entity and not about its group.

Going concern

The company is a member of the Forthglade Pet Food Topco Limited group of companies. The group maintains central treasury and cashflow management, with debt subject to cross guarantees from each entity. The directors are common to each entity within the group and will ensure that such liquidity as required will be made available to the company in order that it can meet its liabilities as they fall due. The pet food market has remained resilient to the wider impacts of COVID-19, which is supported by underlying trade in the year to 30 September 2021 and in the period to the approval of these financial statements. As such these financial statements have been prepared on a going concern basis.

In forming this conclusion, the directors have conducted a detailed trading and cashflow forecasts for a period of at least 12 months from the approval of these financial statements, which have considered the potential impacts of COVID-19 on performance, including sensitivities to any related loan covenants.

FORTHGLADE PET FOOD BIDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2021

1 Accounting policies (Continued)

The Forthglade Pet Food Topco Limited group is funded through a mixture of preference shares and bank debt which is subject to cross guarantees against all entities in the group. The bank debt is subject to long term agreements with the group's bankers, who are supportive of the group and with whom the directors maintain regular dialogue.

The group has maintained sufficient liquidity throughout the period of COVID-19 and is projected to continue in generating cash for the foreseeable future. Therefore, the directors have concluded that no material uncertainty exists as to the ability of the group and company to continue as a going concern and that it remains appropriate to prepare the financial statements on that basis.

Reporting period

The current reporting period covers the year ended 30 September 2021. The comparative reporting period covers the period from incorporation on 24 March 2020 to 30 September 2020. The company's group acquired its principal trading subsidiary Forthglade Foods Limited on 28 August 2020. Accordingly, the comparative amounts presented in these financial statements are not entirely comparable.

Fixed asset investments

Interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

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

Financial instruments

The company 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 when the company becomes party to the contractual provisions of the instrument. Financial assets and liabilities are offset, with 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 are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost. Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company 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.

Basic financial liabilities

Basic financial liabilities, including other creditors, 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. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method. Financial liabilities are derecognised when, and only when, the company's contractual obligations are discharged, cancelled, or they expire.

Equity instruments

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 company after deducting all of its liabilities. Equity instruments issued by the company are recorded at the fair value of 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 company.

FORTHGLADE PET FOOD BIDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2021

1 Accounting policies (Continued)

Taxation

The tax expense represents the sum of the current tax expense and deferred tax expense. Current tax assets are recognised when tax paid exceeds the tax payable. Current and deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited to other comprehensive income or equity, when the tax follows the transaction or event it relates to and is also charged or credited to other comprehensive income, or equity.

Current tax is based on taxable profit for the period. Taxable profit differs from total comprehensive income because it excludes items of income or expense that are not taxable or deductible, or that are taxable or deductible in other periods. Current tax assets and liabilities are measured using tax rates that have been enacted or substantively enacted by the reporting period.

Deferred tax is calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates that have been enacted or substantively enacted by the reporting date. Deferred tax liabilities are recognised in respect of all timing differences that exist at the reporting date. Timing differences are differences between taxable profits and total comprehensive income that arise from the inclusion of income and expenses in tax assessments in different periods from their recognition in the financial statements. Deferred tax assets are recognised only to the extent that it is probable that they will be recovered by the reversal of deferred tax liabilities or other future taxable profits.

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

2 Judgements and key sources of estimation uncertainty

In the application of the company'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.

In the opinion of the directors, no judgements, estimates or assumptions involved in preparing these financial statements are considered to have a material impact on its reported results or financial position.

3 Employees

The company had no direct employees during the period. The directors of the company were remunerated by other group companies and no specific recharge was made to this company for their services.

FORTHGLADE PET FOOD BIDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2021

4 Auditor's remuneration

	2021	2020
	£	£
Fees payable to the company's auditor and its associates:		
For audit services		
Audit of the financial statements of the company	2,100	2,000

Auditor's remuneration is borne by the company's subsidiary Forthglade Foods Limited.

5 Interest payable and similar expenses

	2021	2020
	£	£
Interest on bank overdrafts and loans	1,595,208	131,263
Debt arrangement fees amortised	149,842	-
Facility commitment fees	127,442	-
	<u>1,872,492</u>	<u>131,263</u>

6 Taxation

The total tax charge for the year included in the income statement can be reconciled to the loss before tax multiplied by the standard rate of tax as follows:

	2021	2020
	£	£
Loss before taxation	<u>(1,872,492)</u>	<u>(131,263)</u>
Expected tax credit based on the standard rate of corporation tax in the UK of 19.00% (2020: 19.00%)	(355,773)	(24,940)
Group relief	<u>355,773</u>	<u>24,940</u>
Taxation charge for the period	<u>-</u>	<u>-</u>

Factors that may affect future tax charges

The main rate of corporation tax in the UK will rise from 19% to 25% with effect from 1 April 2023. The change in rate was substantively enacted on 24 May 2021.

FORTHGLADE PET FOOD BIDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2021

7 Fixed asset investments

	Notes	2021 £	2020 £
Investments in subsidiaries	8	43,025,406	43,881,966

Movements in fixed asset investments

	Shares in group undertakings £
Cost or valuation	
At 1 October 2020	43,881,966
Adjustments	(856,560)
At 30 September 2021	43,025,406
Carrying amount	
At 30 September 2021	43,025,406
At 30 September 2020	43,881,966

Adjustments reflect the reclassification of prepaid debt arrangement fees (see note 9).

8 Subsidiaries

Details of the company's subsidiaries at 30 September 2021 are as follows:

Name of undertaking	Nature of business	Class of shares held	% Held Direct Indirect
Forthglade Foods Holdings Limited	Intermediate holding company	Ordinary	100.00 -
Forthglade Foods Limited	Natural pet food	Ordinary	- 100.00

Both of these subsidiaries are incorporated in the United Kingdom and registered in England and Wales, and their registered office is Woodwater House, Pynes Hill, Exeter, Devon, EX2 5WR.

FORTHGLADE PET FOOD BIDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2021

9 Debtors

	2021 £	2020 £
Amounts falling due within one year:		
Amounts owed by group undertakings	19,356,563	14,853,909
Other debtors	-	308,867
Prepayments	143,795	-
	<u>19,500,358</u>	<u>15,162,776</u>
Amounts falling due after more than one year:		
Prepayments	712,923	-
	<u>712,923</u>	<u>-</u>
Total debtors	<u>20,213,281</u>	<u>15,162,776</u>

Prepayments due within one year and after more than one year reflect prepaid debt arrangement fees. The fees are being amortised over the period of the loan (see notes 5 and 12).

10 Creditors: amounts falling due within one year

	2021 £	2020 £
Accruals and deferred income	53,255	486,818
	<u>53,255</u>	<u>486,818</u>

11 Creditors: amounts falling due after more than one year

	Notes	2021 £	2020 £
Bank loans and overdrafts	12	25,400,000	18,900,000
		<u>25,400,000</u>	<u>18,900,000</u>

FORTHGLADE PET FOOD BIDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 SEPTEMBER 2021

12 Borrowings

	2021 £	2020 £
Bank loans	25,400,000	18,900,000
Payable after one year	25,400,000	18,900,000

Bank loans are secured by fixed and floating charges dated 28 August 2020 over all property and undertakings of the company and of the company's immediate parent Forthglade Pet Food Holdco Limited, and by fixed and floating charges dated 3 November 2020 over all property and undertakings of the company's subsidiaries Forthglade Foods Holdings Limited and Forthglade Foods Limited.

Bank loans are drawn down under a Term and Multicurrency Revolving Facilities Agreement dated 28 August 2020. The loans are repayable in full seven years after draw down. Interest is charged at LIBOR (subject to a minimum value of 0.125%) plus a margin of 6.75%. Interest is payable on the last day of each interest period which is generally quarterly. The facilities agreement includes a payment in kind option under which the borrower can elect, in advance of an interest period, to roll up to 2.25% of the interest margin into the principal in return for an additional margin of 0.25% of any interest so treated.

The amount due in more than five years is £25,400,000 (2020 - £18,900,000).

13 Share capital

	2021 Number	2020 Number	2021 £	2020 £
Ordinary share capital				
Issued and fully paid				
Ordinary shares of 10p each	39,789,205	39,789,205	3,978,921	3,978,921

The company has one class of ordinary shares. The shares carry no right to fixed income. Each share carries the right to one vote at general meetings of the company.

14 Reserves

Share premium

The share premium account reflects consideration received for shares issued above their nominal value net of transaction costs.

Profit and loss reserves

The profit and loss reserve reflects cumulative profits and losses net of distributions to owners.

15 Related party transactions

The company has taken advantage of the exemption available under Section 33 of FRS102 and has not disclosed details of transactions or balances with other wholly-owned group companies.

FORTHGLADE PET FOOD BIDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 SEPTEMBER 2021

16 Ultimate controlling party

The immediate parent company is Forthglade Pet Food Holdco Limited. The ultimate parent company is Forthglade Pet Food Topco Limited. Both companies are incorporated in the United Kingdom and registered in England and Wales.

Forthglade Pet Food Topco Limited heads the largest and smallest group in which the results and financial position of the company are consolidated. Its consolidated financial statements can be obtained from its registered office, Woodwater House, Pynes Hill, Exeter, Devon, EX2 5WR.

In the opinion of the directors there is no ultimate controlling party.