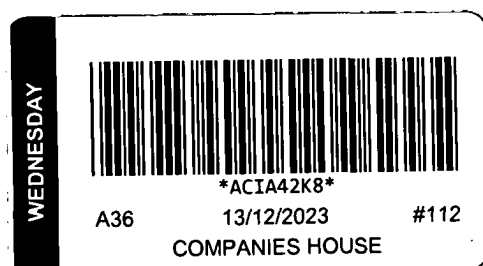


Company Registration No. 13412347 (England and Wales)

WELLBEING TOPCO LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
For the period ended 01 April 2023



WELLBEING TOPCO LIMITED
For the period ended 01 April 2023

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WELLBEING TOPCO LIMITED
For the period ended 01 April 2023

COMPANY INFORMATION

Directors	S Faithfull (Resigned 6 th June 23) P D Unsworth T W Falcon (Resigned 11 th August 23) J G Jacovou K J Terry (Resigned 11 th August 23) N P Hebron (Appointed 1 st June 22) (Resigned 28 th February 23) P A Tichbon (Appointed 13 th June 23) T Dornan (Appointed 11 th August 23)
Company Number	13412347
Country of Incorporation	United Kingdom
Registered Office	Tyn-Y-Llidiart Industrial Estate Corwen Denbighshire Wales LL21 9RR
Auditors	Grant Thornton UK LLP Royal Liver Building Liverpool L3 1PS
Business Address	Tyn-Y-Llidiart Industrial Estate Corwen Denbighshire Wales LL21 9RR
Bankers	Barclays Bank plc Leicester LE87 2BB Shawbrook Bank Limited Lutea House, The Drive, Warley Hill Business Park, Great Warley, Brentwood, Essex CM13 3BE

WELLBEING TOPCO LIMITED

For the period ended 01 April 2023

GROUP STRATEGIC REPORT

Introduction

The directors present their report and the consolidated financial statements for the period ended 01 April 2023.

Wellbeing Topco Limited is a company registered in England and Wales incorporated on 20 May 2021. Wellbeing Topco Limited has wholly owned subsidiaries, Wellbeing Midco Limited, Wellbeing Bidco Limited, Healthfull Holdings Group Limited, Healthfull Holdings Limited, Wholebake (Topco) Limited, trading subsidiaries, Wholebake Limited, 9Brand Foods Limited, Bounce Brands Limited and Deeside Cereals I Ltd who have a defined benefit pension subsidiary Deeside Cereals I DB Pension Limited.

Business review

The Wellbeing Group is made up of two principal trading entities Wholebake Limited (manufacturer of snack bars) and Deeside Cereals I Ltd (manufacturer of breakfast cereals and snack bars). The year was a challenging one for the Group. A continuation of a tight labour market continued to make factory planning extremely difficult and the more importantly the severe upheaval in the food commodity and energy markets following the invasion of Ukraine.

These labour and commodity availability issues, with associated inflationary pressures, severely impacted profitability and by late spring, the Group was experiencing significant losses each month, energy bills rose from around £1.5m p.a. to £4.0m p.a and gross profit margins almost halved. The Group's ability to respond to these changes, not experienced for decades, was limited in the short term. This ability to respond was exacerbated, specifically at Wholebake, by problems in physical stock reconciliations and accounting for labour / materials variances which were to some extent masked by the macro-economic challenges faced by the sector / wider economy. These accounting problems coupled with irregular accounting entries and omissions across the Group lead to inaccurate monthly reporting for part of the year which delayed the Board being able to have the correct information it needed to make the changes needed to stabilise the business. These changes were then only able to be carried out in the second half of the year also resulting in some senior management leaving the business as a result. The ability to assess the duration and scale of these environmental changes was challenging, resulting in issues in both setting pricing correctly and the recovery of the cost increases from customers and consumers. In the second half of the year, a number of rounds of price rises were executed, leading to the restoration of profitable trading at the beginning of FY 2023/24. The Group's main institutional shareholders provided additional expertise and support working in the business in order to support and strengthen management from early 2023 whilst the changes outlined above alongside improvements in processes / controls / personnel were implemented and embedded in the business. This support continued until they were satisfied that prompt and accurate management reporting returned to being the norm.

During the loss-making period pressure increased on our suppliers and the Group's funding position became under threat. The Group's main institutional shareholders, after making considerable enquiries / investigations of the root causes of the issues, agreed to provide extra equity funding to re-establish normal trading terms with our supplier base. Even with the equity injection, the Group suffered some reputational damage, leading to tighter terms and credit limits, making trading and operations more challenging.

WELLBEING TOPCO LIMITED
For the period ended 01 April 2023

GROUP STRATEGIC REPORT (CONTINUED)

Business review (continued)

The material uncertainty caused by these events meant that the directors made the decision to delay the publication of the FY22 accounts until they were assured of the going concern basis for these accounts, this caused further supplier stress and some challenges with our banking facilities.

The Group has now returned to profitable trading and continues to work on improving operational and financial processes and controls. New arrangements with our customers are in place and embedded and relations with our supplier base are good. Relations with both our investors and bank are solid and stable. The historic losses incurred have been restored by the equity injection from the Group's investor shareholder, the Group's banking arrangements are restored, and the prospects look encouraging for a profitable year.

Principal risks and uncertainties

Financial risk management

Risk management is a fundamental element of the groups business practice on all levels and is embedded into the business planning and controlling processes. Material risks, if there are any, are monitored and regularly discussed with the Board of Directors.

The group carries out an annual risk assessment, covering both financial and operational risks. A risk is defined as the possibility of an adverse event which has a negative impact on the achievement of the group's objectives.

Price Risk

The group sources a large proportion of its ingredients from numerous origins around the world, and costs prices have fluctuated markedly. The group had formal contracts in place for circa 25% (2022: 50%) of the following year's ingredients requirements. In addition, the Group now actively manages with the use of forward purchase agreement the exposure to changes in Energy prices.

Foreign Currency Risk

As some commodities are traded in foreign currencies, the Group will, where deemed necessary, enter into forward currency contracts to mitigate the risk.

Liquidity Risk

The Group, with the support of its principal shareholder, actively maintains a mixture of long-term shareholder debt finance and bank working capital facilities that is designed to ensure the Group has sufficient working capital and funding available to support current and future plans.

Interest Risk

The Group has interest bearing assets and interest bearing liabilities. Interest bearing assets include some cash balances which earn interest at a variable rate. Interest bearing liabilities include the Invoice discounting facility and bank loans which incur variable interest at the bank of England base rate plus a margin.

WELLBEING TOPCO LIMITED
For the period ended 01 April 2023

GROUP STRATEGIC REPORT (CONTINUED)

Operational Risk

The Group regularly assesses risks that impact on the business, including its processes and procedures in relation to quality and health and safety. Safety is a top priority across the group, each of our businesses has robust health and safety procedures in place and our leadership teams have a commitment to health and safety matters. The group encourages regular training and engagement with staff on health and safety matters, sharing of best practice and learnings across our businesses is encouraged to support continual improvement across the group.

Through its quality management system, the Group conducts regular risk assessments and audits, with management fully committed to maintaining and improving controls and effective processes. The management team regularly reviews such risk assessments together with related health and safety matters.

Customer credit exposure

The group may offer credit terms to its customers which allow payment of the debt after delivery of the goods. The group is at risk to the extent that a customer may be unable to pay the debt on the specified due date. This risk is mitigated by the strong on-going customer relationships and by credit insurance.

Information security Risk

Loss of the IT networks or data held within them could result in significant reputational and financial damage. The Group retains a dedicated IT support contractor, with skill and experience maintaining IT infrastructure. Business data is regularly backed up and stored in a secure location and email and internet filtering technology and firewall software is in place to restrict the impact of any attempted cyber-attacks.

Fluctuating Energy prices

Electricity and Gas prices rise and fall for various reasons involving supply and demand. These include weather, economic conditions, actions by major oil and gas exporting countries, political instability or conflicts, and natural disasters or global pandemics. Price fluctuations are monitored by an external agency who advise the Company on a forward purchasing strategy for a proportion of supply, contracts are in place to Spring 2025.

Government tax matters

All transactions undertaken by the Group have a business purpose and a commercial rationale. The Group does not engage in aggressive tax planning and does not implement structures purely for tax planning purposes. In relation to tax compliance, it is the policy of the Group to fully comply with all applicable tax rules, regulations and disclosure requirements in all territories in which it operates; submit all tax returns by their due dates in line with local laws; and pay all applicable taxes as they fall due or by agreement over extended terms. The Group uses appropriate qualified and trained employees to look after the Group's tax affairs and uses external advisors as appropriate.

WELLBEING TOPCO LIMITED
For the period ended 01 April 2023

GROUP STRATEGIC REPORT (CONTINUED)

Financial key performance indicators

The key performance indicators used by the directors are EBITDA, employee utilisation, gross margins, cash generation and customer satisfaction.

Employees

The Group recognises the need for good communication and is committed to involving all employees in its development. Employees are kept informed of, consulted and encouraged to express their views on matters which are likely to affect their interest in and contribution to their company, its profitability and performance.

It is the Group's policy to give full consideration to suitable applications for employment by disabled persons. Where an employee becomes disabled whilst employed, arrangements are made whenever practicable to continue their employment or provide training for any other suitable position. Disabled persons are eligible to participate in all career development opportunities available to staff. All employees are given opportunities to develop their expertise and knowledge and to qualify for promotion in furtherance of their careers.

Section 172 statement

As required by Section 172 of the Companies Act, a director of a Group must act in good faith in a way which promotes the Group's success, for the benefit of the shareholders. In doing so each director has regard amongst other matters, to the following:

The likely consequences of any decisions in the long term

The directors understand the business and the markets in which it operates. With their considerable industry experience they are well equipped to understand the likely consequences of any strategic decision in the long term. Long term planning is reviewed periodically when the consequences of decisions and future plans are considered.

The interest of the Group's employees

The Group has developed procedures for good communication and employee involvement. Joint committees operate on a regular basis to discuss matters affecting communication of information about the business to all levels of employees. Team briefing sessions are conducted regularly and provide regular communication of information about the business to all levels of employees.

WELLBEING TOPCO LIMITED
For the period ended 01 April 2023

GROUP STRATEGIC REPORT (CONTINUED)

Section 172 statement (continued)

The need to foster the Group's business relationships with suppliers, customers, and others.

In addition to its workforce, the Group's other key stakeholders are its customers and suppliers. All members of the management team ensure regular dialogue with customers and key material suppliers and the feedback is reported to the board when required. Suppliers are a critical link in the overall supply chain, providing a source of value, consistency of quality and service and opportunity for innovation. Engagement with customers drives alignment with their values and priorities with strategic partnerships helping to ensure business sustainability and growth. There are regular review meetings to agree short, medium and long-term goals to develop relationships and continuous improvement.

The Group also has a role with pensions, charities, regulators, trade and industry bodies and the local community in which we operate. The management team provides effective pension savings and retirement planning for employees through engagement with a third-party advisor.

The impact of the Group's operations on the community and the environment

Community engagement is recognised as important to employees and the community in which the Group operates. The Group has supported a number of local charities in recent years.

The Group's reputation for high standards of business conduct

The Group aims to meet the highest standards for its reputation and business conduct. Within the markets we operate, our reputation is key, and all standards must be maintained throughout the business to achieve this.

The need to act fairly between members of the Group.

The Group has one main shareholder and will always act fairly between members. The directors consider which course of action best enables delivery of the Group's strategy regarding the long term, taking into consideration the impact on stakeholders.

The board is presented with regular board packs and other information that it needs to fulfil its responsibilities. During the year, at board meetings the Board have discussed and made decisions on a number of specific issues including business priorities, strategy, capital investments and the ongoing management of the current economic situation.

On behalf of the board by:

Peter Tichbon

.....
P A Tichbon – Director
27th October 2023

WELLBEING TOPCO LIMITED

For the period ended 01 April 2023

DIRECTORS' REPORT

The directors present their report and financial statements for the period ended 01 April 2023.

Principal activities and nature of operations

The principal activity of the company was as a holding company for a group that manufacture natural and vegetarian foods and develop and sell health related food products.

Future developments

As the Group emerges from a particularly difficult year we will continue to focus on servicing the growing demand from its healthy snacking partners, the development of its own brands and the support for new branded customers.

Results and dividends

The loss for the year is set out on page 17. The directors did not propose payment of a final dividend (2022: £Nil).

Going concern

During this year the Group did breach some of its banking covenants. Since the year end the bank has agreed a revised set of banking arrangements with flexible covenants reset to reflect the new circumstances. The bank continues to support the Group's plan to restore profitability, during the period of difficult trading the Group was able to continue to pay all interest and capital payments as and when they fell due. However, due to the Company's banking covenants not being formally waived until post year-end, all bank loans are shown as due within one year as required by FRS102, in reality these loans have reverted back to the original terms, details of which can be found in the post balance sheet events note 29.

The directors now consider that trading has essentially returned to business as usual and that the level of uncertainty is in line with any commercial trading organisation of our size and complexity and that the uncertainty which characterised the position when signing the 2022 accounts is in the past. Therefore, the directors consider it is appropriate to adopt the going concern basis in preparing these financial statements.

Engagement with suppliers, customers and others

We continue to strengthen our partnerships we have with our suppliers to deliver quality products to our customers, at great value.

Directors

The following directors have held office throughout the current year:

S Faithfull (Resigned 6th June 23)

P D Unsworth

T W Falcon (Resigned 11th August 23)

J G Jacovou

K J Terry (Resigned 11th August 23)

N P Hebron (Appointed 1st June 22) (Resigned 28th February 23)

P A Tichbon (Appointed 13th June 23)

T Dornan (Appointed 11th August 23)

WELLBEING TOPCO LIMITED
For the period ended 01 April 2023

DIRECTORS' REPORT (CONTINUED)

Director's indemnities

The Group has made qualifying third-party indemnity provisions for the benefit of its directors which were made during the period and remain in force at the date of this report.

Auditors

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

Streamlined energy and carbon reporting (SECR)

Reasons for Change in Emissions

This is the first year of reporting under SECR. The current gross emissions are 4,789 tonnes of CO₂e. The main contributing factor to the total emissions relates to natural gas consumption which accounts for 64% of the overall emissions.

Business Travel

Activities relating to travel has been provided for personal leased vehicles only as the business does not own any company transport.

Quantification and Reporting Methodology

HM Government Environmental Reporting Guidelines: including streamlined energy and carbon reporting guidance (March 2020) has been used for the collation of data sources and reporting of emissions. UK Government GHG Conversion Factors for Company Reporting has been used for the reporting of emissions, using the 2022 version.

Organisational Boundary

The financial boundary of the business has been used to determine the reporting boundary.

Operational Scope

Measurements include mandatory scope 1, 2 and 3 emissions.

Exclusions

There are no data exclusions in this reporting period.

Base Year

The base year is 1st April 2022 – 31st March 2023. This is the first year the organisation has met the SECR qualification criteria.

The recalculation policy is to review the base year against current reported emissions for relevant changes which meet a significance threshold value of 5% of base year emissions.

Target Setting and Responsibilities

The target is to reduce gross scope 1 and 2 emissions in tonnes of CO₂e per £m turnover and per number of full time employees by 2% per year. The performance against target will be reviewed periodically.

WELLBEING TOPCO LIMITED
For the period ended 01 April 2023

DIRECTORS' REPORT (CONTINUED)

Streamlined energy and carbon reporting (SECR) (continued)

Intensity Measurement

The metric chosen for reporting is gross scope 1, 2, and 3 emissions in tonnes of CO₂e per £m turnover and per number of full time employees (FTE) as this is closely matched the business operation. The intensity measurement will be reported each year with comparison made against previous year to highlight performance.

Carbon Offsetting

Electricity purchased on green contracts is included in this report.

SCOPE 1 CO ₂ e (tonnes)	Estimated (%)	Specific Exclusions (%)	Apr 22 - Mar 23
Natural gas consumption	0	None	3,069
Diesel	0	None	1
LPG	0	None	5
Refrigerants	0	None	100
Total Scope 1 (tCO₂e)	0		3,175
SCOPE 2 CO ₂ e (tonnes)	Estimated (%)	Specific Exclusions (%)	Apr 22 - Mar 23
Electricity	0	None	1,476
Total Scope 2 (tCO₂e)	0		1,476
SCOPE 3 CO ₂ e (tonnes)	Estimated (%)	Specific Exclusions (%)	Apr 22 - Mar 23
Electricity transmission and distribution losses	0	None	135
Private transport for business purposes	0	None	2
Total Scope 3 (tCO₂e)			137
TOTAL CO₂e Scope 1, 2, 3 Gross emissions (tonnes)			4,789
Intensity Metric Measure - £m turnover			46.43
Intensity Metric Measure - Number of FTE (100s)			4.4
Intensity Metric (Gross emissions) tCO₂e/ £m turnover			103.14
Intensity Metric (Gross emissions) tCO₂e/ Number of FTE (100s)			1,088.41
Energy Consumption		Exclusions	Apr 22 - Mar 23
kWh		As above	24,483,625
Intensity Metric (Net Emissions)			Apr 22 - Mar 23
Scope 1, 2, 3 emissions (Gross) tCO ₂ e			4,789
Carbon Offsets (Electricity green contracts)			1,476
Scope 1, 2, 3 emissions (Net) tCO ₂ e			3,312
Intensity Metric (Net emissions) tCO₂e/ £m turnover			71.34
Intensity Metric (Net emissions) tCO₂e/ Number of FTE (100s)			752.73

In the financial period 2022 to 2023 Wellbeing Topco Limited have helped to minimise energy consumption by:

- Energy survey commissioned with Trident Utilities Limited at Deeside site.
- Additional lagging installed to prevent thermal heat loss from gas boiler (Deeside).
- All lighting is now energy efficient lighting - offices, storage and production (All sites).
- Shutdown procedure in place for weekends ensuring all energy consumers are turned off or placed on standby.

WELLBEING TOPCO LIMITED
For the period ended 01 April 2023

DIRECTORS' REPORT (CONTINUED)

Streamlined energy and carbon reporting (SECR) (continued)

- All power tariffs across the group are sourced from 100% renewables.
- New compressor is being installed at Deeside which is significantly more energy efficient. This will save 180 tCO₂ pa. Additionally, the installer is in partnership with Ecologi and will plant 500 trees on our behalf.
- We are considering the installation of solar pv on the Deeside roof after we have completed a new roof installation - planned for Oct 23.

Directors' Responsibilities Statement

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

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group and parent company's transactions and disclose with reasonable accuracy at any time the financial position of the group and parent 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 parent company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

WELLBEING TOPCO LIMITED
For the period ended 01 April 2023

DIRECTORS' REPORT (CONTINUED)

Disclosure of information to auditor

The directors confirm that:

- so far as each director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- the directors have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

The directors are responsible for preparing the annual report in accordance with applicable law and regulations. The directors consider the annual report and the financial statements, taken as a whole, provides the information necessary to assess the company's performance, business model and strategy and is fair, balanced and understandable.

Approved by the Board and signed on its behalf by:

Peter Tichbon

.....
P A Tichbon

Director

27th October 2023

WELLBEING TOPCO LIMITED
For the period ended 01 April 2023

Independent auditor's report to the members of Wellbeing Topco Limited

Opinion

We have audited the financial statements of Wellbeing Topco Limited (the 'parent company') and its subsidiaries (the 'group') for the period ended 01 April 2023, which comprise the Consolidated Statement of Comprehensive Income, Consolidated Statement of Financial Position, Company Statement of Financial Position, Consolidated Statement of Cash Flows, Consolidated Statement of Changes in Equity, Company Statement of Changes in Equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 01 April 2023 and of the group's loss 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 the parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We are responsible for concluding on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's and the parent company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. Our conclusions are based on the audit evidence obtained up to the date of our report. However, future events or conditions may cause the group or the parent company to cease to continue as a going concern.

WELLBEING TOPCO LIMITED
For the period ended 01 April 2023

**Independent auditor's report to the members of Wellbeing Topco Limited
(continued)**

In our evaluation of the directors' conclusions, we considered the inherent risks associated with the group's and the parent company's business model including effects arising from macro-economic uncertainties such as the continued impact of Brexit, Covid 19 alongside the more recent cost of living crisis and increased interest rates, we assessed and challenged the reasonableness of estimates made by the directors and the related disclosures and analysed how those risks might affect the group's and the parent company's financial resources or ability to continue operations over the going concern period.

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

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

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

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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is 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.

WELLBEING TOPCO LIMITED
For the period ended 01 April 2023

**Independent auditor's report to the members of Wellbeing Topco Limited
(continued)**

Matter on which we are required to report under the Companies Act 2006

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.

Matters on which we are required to report by exception

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 set out on page 10, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below:

WELLBEING TOPCO LIMITED
For the period ended 01 April 2023

**Independent auditor's report to the members of Wellbeing Topco Limited
(continued)**

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the entity and determined that the most significant which are directly relevant to specific assertions in the financial statements are those related to the reporting framework FRS 102 'The financial Reporting Standards applicable in the UK and Republic of Ireland', Companies Act 2006 and the relevant tax compliance regulations.
- We assessed the susceptibility of the entity's financial statements to material misstatement, including how fraud may occur and the risk of management override of controls. Audit procedures performed by the engagement team included:
 - Identifying and assessing the design effectiveness of controls management has in place to prevent and detect fraud:
 - Challenge assumptions and judgements, made by management in its significant accounting estimates:
 - Consideration for the potential for fraud in revenue recognition:
 - Identifying and testing journal entries: and
 - Identifying and testing related party transactions.
- Assessment of the appropriateness of the collective competence and capabilities of the engagement team included consideration of the engagement team's understanding of, and practical experience with audit engagements of a similar nature and complexity through appropriate training and participation.
- In assessing the potential risks of material misstatement, we obtained an understanding of:
 - the entity's operations, including the nature of its revenue sources and of its objectives and strategies to understand the classes of transactions, account balances, expected financial statement disclosures and business risks that may result in risks of material misstatement; and
 - the entity's control environment, including management's knowledge of relevant laws and regulations and how the company is complying with those laws and regulations, the adequacy of procedures for authorisation of transactions, and procedures to ensure that possible breaches of law and regulations are appropriately resolved.
- We enquired of management whether they were aware of any instances of noncompliance with laws and regulations or whether they had any knowledge of actual, suspected or alleged fraud.
- Utilising Forensic specialists in our audit testing where we consider it necessary.
- These audit procedures were designed to provide reasonable assurance that the financial statements were free from fraud or error. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error and detecting irregularities that result from fraud is inherently more difficult than detecting those that result from error, as fraud may involve collusion, deliberate concealment, forgery or intentional misrepresentations. Also, the further removed non-compliance with laws and regulations is from events and transactions reflected in the financial statements, the less likely we would become aware of it;
- No matters relating to non-compliance with laws and regulations or relating to fraud were identified in relation to the above mentioned laws and regulations that were identified by us as most significant.

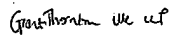
WELLBEING TOPCO LIMITED
For the period ended 01 April 2023

**Independent auditor's report to the members of Wellbeing Topco Limited
(continued)**

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

Use of 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.



Carl Williams FCCA
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
Liverpool
Date: October 2023
31/10/2023

WELLBEING TOPCO LIMITED
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the period ended 01 April 2023

		2023	As restated 2022
	Notes	£'000	£'000
Turnover	2	72,781	43,215
Cost of sales - pre exceptional items		(59,084)	(31,842)
Cost of sales - exceptional item Covid-19	3	-	(171)
Cost of sales		<u>(59,084)</u>	<u>(32,013)</u>
Gross Profit - pre exceptional items		13,697	11,373
Gross Profit		13,697	11,202
Administrative expenses - pre exceptional items		(27,600)	(16,901)
Administrative expenses - exceptional item Severance	3	-	(47)
Administrative expenses - exceptional due diligence	3	(41)	(336)
Administrative expenses		<u>(27,641)</u>	<u>(17,284)</u>
Other operating income	4	<u>101</u>	<u>1</u>
Operating loss - pre exceptional items		(13,802)	(5,527)
Operating loss	5	(13,843)	(6,081)
Interest receivable and similar income	6	53	161
Interest payable and similar charges	7	<u>(4,747)</u>	<u>(2,930)</u>
Loss on ordinary activities before taxation		(18,537)	(8,850)
Tax on loss on ordinary activities	9	<u>2,067</u>	<u>553</u>
Loss for the year and total comprehensive income		<u>(16,470)</u>	<u>(8,297)</u>
Other comprehensive (expense)/income for the financial year:			
Movement in deferred tax relating to revalued properties		31	-
Actuarial (losses)/ gains on defined benefit pension scheme	20	(650)	816
Movement of deferred tax relating to pension surplus		<u>249</u>	<u>(244)</u>
Other comprehensive income for the financial year		<u>(370)</u>	<u>572</u>
Total comprehensive (expense)/income for the financial year		<u>(16,840)</u>	<u>(7,725)</u>

The consolidated income statement has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the income statement.

The notes on pages 23 to 49 form part of these financial statements.

WELLBEING TOPCO LIMITED
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 01 April 2023

Company Registration No: 13412347

		2023	2022
ASSETS	Notes	£'000	£'000
Fixed assets			
Intangible assets	10	17	76
Goodwill - positive	10	13,864	20,552
Goodwill - negative	10	(9,644)	(10,221)
Intangible assets	10	4,237	10,407
Tangible assets	12	14,863	14,451
		19,100	24,858
Current assets			
Stocks	13	6,338	6,061
Debtors: amounts falling due within 1 year	14	13,751	11,823
Debtors: amounts falling due after more than 1 year	14	1,083	-
Cash at bank and in hand	28	527	2,965
		21,699	20,849
Pension Asset	20	11,680	12,277
		52,479	57,984
Total assets			
EQUITY			
Capital and reserves			
Called up share capital	21	1	1
Share premium	22	97	94
Revaluation reserve	22	(31)	-
Profit and loss account	22	(24,565)	(7,725)
Total equity		(24,498)	(7,630)
LIABILITIES			
Provisions for liabilities and charges - Deferred tax	19	3,144	4,377
Creditors: amounts falling due after more than one year	16		
Shareholder loan notes		25,764	28,196
Preferred shares		19,473	17,668
Bank loans		-	-
Finance leases		82	281
		45,319	46,145
Creditors: amounts falling due within one year	15	28,514	15,092
Total equity and liabilities		52,479	57,984

The notes on pages 23 to 49 form part of these financial statements.

The financial statements were approved and authorised for issue by the Board of Directors on 27th October 2023. Signed on behalf of the board of directors:

Peter Tichbon
P A Tichbon - Director
27/10/2023

WELLBEING TOPCO LIMITED
COMPANY STATEMENT OF FINANCIAL POSITION
As at 01 April 2023

Company Registration No: 13412347

		2023	2022
ASSETS	Notes	£'000	£'000
Fixed assets			
Investments	11	-	-
		-	-
Current assets			
Debtors: amounts falling due within 1 year	14	19,981	18,268
Debtors: amounts falling due after more than 1 year	14	32	-
Cash at bank and in hand		1	12
		20,014	18,280
Total assets		20,014	18,280
EQUITY			
Capital and reserves			
Called up share capital	21	1	1
Share premium	22	97	94
Profit and loss account	22	(13)	-
Total equity		85	95
LIABILITIES			
Creditors: amounts falling due after more than one year	16		
Preferred shares		19,473	17,668
Creditors: amounts falling due within one year	15	456	517
Total equity and liabilities		20,014	18,280

The parent company has taken advantage of section 408 of the Companies Act 2006 and has not included its own Profit and Loss Account in these financial statements. The parent company's loss for the period was £13,000.

The financial statements were approved by the Board of Directors on 27th October 2023.

The notes on pages 23 to 49 form part of these financial statements.

Signed on behalf of the board of directors:

Peter Tichbon

.....
P A Tichbon
Director
27/10/2023

WELLBEING TOPCO LIMITED
CONSOLIDATED STATEMENT OF CASHFLOWS
For the period ended 01 April 2023

	2023	2022
	£'000	£'000
Cash flows from operating activities		
(Loss) for the financial year	(16,470)	(8,297)
Adjusted for:		
Amortisation of intangible assets	6,058	4,132
Depreciation of tangible assets	1,941	1,110
Tangible asset impairment loss	-	206
Interest payable and similar charges	4,747	2,930
Taxation	(2,067)	(536)
(Increase) in trade and other debtors	(1,929)	(482)
(Increase) / decrease in stocks	(277)	782
Increase in creditors	1,840	38
Difference between pension charges and contributions	(53)	(161)
Cash from operations	(6,210)	(278)
Income taxes (paid) / received	-	(60)
Net cash (used in)/generated from operating activities	(6,210)	(338)
Cash flows from investing activities		
Purchases of tangible fixed assets	(2,647)	(531)
Sale of tangible fixed assets	294	-
Purchases of intangible fixed assets	(10)	(14)
Acquisition of subsidiary	302	(42,364)
Less cash acquired from subsidiary	-	4,754
Net cash used in investing activities	(2,061)	(38,155)
Cash flows from financing activities		
Issue of ordinary share capital	3	95
Issue of preferred shares	-	17,200
Issue of Loan notes	6,200	27,200
New bank loans granted	8,240	-
Repayment of bank loans	(672)	(40)
Repayment of loan notes	(10,000)	-
Repayment of loan note interest	(861)	-
Repayment of finance leases	(166)	(98)
Increase / (Decrease) in invoice discounting facility	3,983	(1,433)
Financing set up costs	169	(1,031)
Interest paid	(1,063)	(435)
Net cash generated from/(used in) financing activities	5,833	41,458
(Decrease) / increase in cash and cash equivalents	(2,438)	2,965
Cash and cash equivalents at the beginning of the year	2,965	-
Cash and cash equivalents at end of year	527	2,965

WELLBEING TOPCO LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the period ended 01 April 2023

	Called up share capital £'000	Share premium account £'000	Other Reserves £'000	Profit and loss account £'000	TOTAL £'000
At 27 March 2022	1	94	-	(7,725)	(7,630)
Loss for the year	-	-	-	(16,470)	(16,470)
Actuarial gains on pension scheme, net of tax	-	-	-	(401)	(401)
Revaluation of assets	-	-	(31)	31	-
Issue of Shares	-	3	-	-	3
At 01 April 2023	1	97	(31)	(24,565)	(24,498)

**WELLBEING TOPCO
LIMITED**
**CONSOLIDATED
STATEMENT OF
CHANGES IN EQUITY**
For the period ended 26
March 2022

	Called up share capital £'000	Share premium account £'000	Other Reserves £'000	Profit and loss account £'000	TOTAL £'000
At 20 May 2021	-	-	-	-	-
Loss for the year	-	-	-	(8,297)	(8,297)
Actuarial gains on pension scheme, net of tax	-	-	-	572	572
Issue of Shares	1	94	-	-	95
At 26 March 2022	1	94	-	(7,725)	(7,630)

WELLBEING TOPCO LIMITED
COMPANY STATEMENT OF CHANGES IN EQUITY
For the period ended 01 April 2023

	Called up share capital £'000	Share premium account £'000	Other Reserves £'000	Profit and loss account £'000	TOTAL £'000
At 27 March 2022	1	94	-	-	95
Loss for the year	-	-	-	(13)	(13)
Issue of shares	-	3	-	-	3
At 01 April 2023	1	97	-	(13)	85

**WELLBEING TOPCO
LIMITED**
**COMPANY STATEMENT
OF CHANGES IN EQUITY**
For the period ended 26
March 2022

	Called up share capital £'000	Share premium account £'000	Other Reserves £'000	Profit and loss account £'000	TOTAL £'000
At 20 May 2021	-	-	-	-	-
Profit/(Loss) for the year	-	-	-	-	-
Issue of shares	1	94	-	-	95
At 26 March 2022	1	94	-	-	95

WELLBEING TOPCO LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For the period ended 01 April 2023

1 ACCOUNTING POLICIES

1.1 Company information

Wellbeing Topco Limited is a private company limited by shares registered in England and is a holding company for Wellbeing Midco Limited who have wholly owned subsidiaries Wellbeing Bidco Limited, Healthfull Holdings Group Limited, Healthfull Holdings Limited and Wholebake (Topco) Limited and wholly owned subsidiary trading companies, Wholebake Limited, 9Brand Foods Limited, Bounce Brands Limited and Deeside Cereals I Ltd who have a defined benefit pension subsidiary Deeside Cereals I DB Pension Limited. The group's registered office is; Tyn-Y-Llidiart Industrial Estate, Corwen, Denbighshire, Wales, LL21 9RR. The principal activity of the company is that of a holding company and the principal activities of the group companies are the manufacture and retail of natural and vegetarian foods.

1.2 Basis of preparation

These financial statements have been prepared in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 – 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' ('FRS 102'), and with the Companies Act 2006 including the Large and Medium sized Companies and Groups (Accounts and Reports) Regulations 2008. The financial statements have been prepared on the historical cost basis.

The group financial statements consolidate the financial statements of Wellbeing Topco Limited, Wellbeing Midco Limited, Wellbeing Bidco Limited, Healthfull Holdings Group Limited, Healthfull Holdings Limited, Wholebake (Topco) Limited, Wholebake Limited, 9Brand Foods Limited, Bounce Brands Limited, Deeside Cereals I Ltd and Deeside Cereals I DB Pension Limited drawn up to 01 April 2023.

The financial statements are presented in sterling (£) which is also the functional currency of the group. The Company accounts of Wellbeing Topco Limited have adopted the following disclosure exemptions as permitted by the reduced disclosure regime within FRS 102;

- the requirement to present a statement of cash flows and related notes;
- the requirement to present a company only KMP disclosure.

1.3 Going concern

During this year the Group did breach some of its banking covenants. Since the year end the bank has agreed a revised set of banking arrangements with flexible covenants reset to reflect the new circumstances. The bank continues to support the Group's plan to restore profitability, during the period of difficult trading the Group was able to continue to pay all interest and capital payments as and when they fell due. However, due to the Company's banking covenants not being formally waived until post year-end, all bank loans are shown as due within one year as required by FRS102, in reality these loans have reverted back to the original terms, details of which can be found in the post balance sheet events note 29.

The directors now consider that trading has essentially returned to business as usual and that the level of uncertainty is in line with any commercial trading organisation of our size and complexity and that the uncertainty which characterised the position when signing the 2022 accounts is in the past. Therefore, the directors consider it is appropriate to adopt the going concern basis in preparing these financial statements.

WELLBEING TOPCO LIMITED
 NOTES TO THE FINANCIAL STATEMENTS
 For the period ended 01 April 2023

1 ACCOUNTING POLICIES (CONTINUED)

1.4 Significant judgements and estimates

In the process of applying the company's accounting policies, the company is required to make certain judgements, estimates and assumptions that it believes are reasonable based on the information available. The significant judgements and estimates relate to the following:

- The group makes a judgement of the recoverable value of trade debtors and other debtors. When assessing impairment of trade debtors and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience.
- The useful lives and residual values of tangible fixed assets are estimated based on economic utilisation and physical condition of the assets and are amended when necessary resulting in changes to the annual depreciation charge. The directors consider that the useful economic lives and residual value are appropriate.
- The customer contracts acquired as part of the purchase of Healthfull Holdings Group Limited have been valued at fair value and will be amortised over the life of the contracts. The Goodwill acquired in the year has been amortised over 10 years and will be assessed by management on an ongoing basis.
- The pension scheme surplus is deemed to be a non-monetary asset on the basis that the group will never realise the surplus even though it is recognised under FRS102.

1.5 Basis of consolidation

The consolidated financial statements incorporate the financial statements of the group and entities controlled by the group (its subsidiaries). Control is achieved where the group has the power to govern the financial and operating policies of an entity to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the year are included in total comprehensive income from the effective date of acquisition and up to the effective date of disposal, as appropriate using accounting policies consistent with those of the parent. All intra-group transactions, balances, income and expenses are eliminated in full on consolidation.

Investments in subsidiaries are accounted for at cost less impairment in the individual financial statements.

1.6 Intangible assets

Intangible assets are measured at cost less accumulated amortisation and any accumulated impairment loss. Goodwill is amortised over 10 years and Customer contracts acquired have been valued at fair value and will be amortised over 3 years.

Amortisation is charged to allocate the cost of intangibles less their residual values over their estimated useful lives, using the straight – line method.

WELLBEING TOPCO LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For the period ended 01 April 2023

1 ACCOUNTING POLICIES (CONTINUED)

1.7 Tangible assets

Tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is calculated to write down the cost less estimated residual value of all tangible fixed asset, other than freehold land, over their expected useful lives, using the straight – line method. The rates applicable are:

- Land and buildings leasehold	Over the remaining term of the lease
- Freehold buildings	2% straight-line
- Freehold land	Not depreciated
- Plant and machinery	10% straight-line
- Fixtures, fittings and equipment	15% straight-line
- Assets in the course of construction	Not depreciated

1.8 Impairment of assets

At each reporting date, fixed assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared with its carrying value. If estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in the profit and loss.

If an impairment loss, for fixed assets other than goodwill subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in profit and loss.

1.9 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

1.10 Stocks and work in progress

Stocks are stated at the lower of cost, using the first in first out method, and selling prices less costs to complete and sell.

1.11 Debtors

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

1.12 Creditors

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

WELLBEING TOPCO LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For the period ended 01 April 2023

1 ACCOUNTING POLICIES (CONTINUED)

1.13 Leasing and hire purchase commitments

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and reward of ownership of the leased asset to the group. All other leases are classified as operating leases.

Rents payable under operating leases are charged to profit or loss on a straight – line basis over the lease term unless the rental payments are structured to increase in line with expected general inflation, in which case the group recognises annual rent expense equal to amounts owed to the lessor.

The aggregate benefit of lease incentives is recognised as a reduction to the expense recognised over the lease term on a straight-line basis.

1.14 Provisions for liabilities

Provisions are recognised when the group has a present obligation (legal or constructive) as a result of a past event, it is probable that the group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, considering the risks and uncertainties surrounding the obligation.

Where the effect of the time value of money is material the amount expected to be required to settle the obligation is recognised at present value using a pre-tax discount rate. The unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

The group recognises a provision for annual leave accrued by employees as a result of services rendered in the current period, and which employees are entitled to carry forward and use within the next 12 months. The provision is measured at the salary cost payable for the period of absence.

WELLBEING TOPCO LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For the period ended 01 April 2023

1 ACCOUNTING POLICIES (CONTINUED)

1.15 Taxation

Current tax is recognised for the amount of income tax payable in respect of the taxable profit for the current or past reporting periods using the tax rates and laws that have been enacted or substantively enacted by the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date, except as otherwise indicated. Deferred tax assets are only 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. If and when all conditions for retaining tax allowances for the cost of a fixed asset have been met, the deferred tax is reversed.

Deferred tax is recognised when income or expenses from a subsidiary have been recognised, and will be assessed for tax in a future period, except where:

- The group is able to control the reversal of the timing difference; and
- It is probable that the timing difference will not reverse in the foreseeable future.

A deferred tax liability or asset is recognised for the additional tax that will be paid or avoided in respect of assets and liabilities that are recognised in a business combination. The amount attributed to goodwill is adjusted by the amount of deferred tax recognised.

Deferred tax is calculated using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing differences.

With the exception of changes arising on the initial recognition of a business combination, the tax expense (income) is presented either in profit or loss, other comprehensive income or equity depending on the transaction that resulted in the tax expense (income).

Deferred tax liabilities are presented within provisions for liabilities and deferred tax assets within debtors. Deferred tax assets and deferred tax liabilities are offset only if:

- The group has a legally enforceable right to set off current tax assets against current tax liabilities, and;
- 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.

1.16 Turnover

Turnover is measured at the fair value of the consideration received or receivable, net of discounts and value added taxes.

Sale of goods

Turnover from the sale of goods is recognised when the significant risks and rewards of ownership of the goods has transferred to the buyer. This is usually at the point that the customer has signed for the delivery of goods.

WELLBEING TOPCO LIMITED
 NOTES TO THE FINANCIAL STATEMENTS
 For the period ended 01 April 2023

1 ACCOUNTING POLICIES (CONTINUED)

1.17 Employee benefits

Short-term employee benefits and contributions to defined contribution plans are recognised as an expense in the period in which they are incurred.

1.18 Foreign currency translation

In preparing the financial statements of the group, transactions in currencies other than the functional currency of the group are recognised as the spot rate at the dates of the transactions, or at an average rate where this rate approximates to the actual rate at the date of the transaction. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non – monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences are recognised in profit or loss in the period in which they arise.

1.19 Government grants

Grants are credited to deferred revenue. Grants towards capital expenditure are released to the profit and loss account over the expected useful life of the assets from the point that all recognition conditions have been met. Grants towards revenue expenditure are released to the profit and loss account as the related expenditure is incurred. Grants from the Corona virus job retention scheme (CJRS) and Coronavirus statutory sick pay rebate scheme are released to the profit and loss account as the related expenditure is incurred.

1.20 Research and development

Research expenditure is written off to the profit and loss account in the year in which it is incurred. Development expenditure is written off in the same way until the directors are satisfied as to the technical, commercial and financial viability of individual projects. In this situation, the expenditure is capitalised as an intangible asset and amortised over the period during which the group is expected to benefit.

1.21 Share based payments

Share based payments are included in the financial statements according to FRS 102 section 26 with the definition as follows;

An agreement between the entity (or another group entity or any shareholder of any group entity) and another party (including an employee) that entitles the other party to receive:

- a) cash or other assets of the entity for amounts that are based on the price (or value) of equity instruments (including shares or share options) of the entity or another group entity; or
- b) equity instruments (including shares or share options) of the entity or another group entity,
- c) provided the specified vesting conditions, if any, are met.

WELLBEING TOPCO LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For the period ended 01 April 2023

1 ACCOUNTING POLICIES (CONTINUED)

1.22 Financial instruments

The group only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

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

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

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

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and the group would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an 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.

WELLBEING TOPCO LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For the period ended 01 April 2023

1 ACCOUNTING POLICIES (CONTINUED)

1.23 Defined Benefit Pension Plan

One of the group companies Deeside Cereals I Ltd operates a defined benefit pension scheme providing benefits based upon pensionable pay. The assets of the scheme are held separately from those of the Company.

Pension scheme assets are measured using market values. Pension scheme liabilities are measured using projected actuarial method and discounted at the current rate of return on a high quality corporate bond of equivalent term and currency to the liability.

The Group considers that the surplus calculated on the defined benefit pension plan will be recoverable so has recognised the related pension asset in full. A plan surplus is recognised here recovery of the surplus is expected through reduced contributions in the future or through refunds from the plan. The directors consider that they will be able to receive future economic benefits from the scheme surplus, through reduced contributions.

Defined contribution pension plan

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

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

2 TURNOVER

Turnover, analysed geographically between markets, was as follows:

	2023	As restated
	£'000	2022
		£'000
United Kingdom	67,601	38,398
Europe	5,013	4,781
Rest of World	167	36
	72,781	43,215

WELLBEING TOPCO LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For the period ended 01 April 2023,

3 EXCEPTIONAL ITEMS

During the current year the Group incurred due diligence expenses of £41,000 relating to a discontinued sale process of a subsidiary.

During the previous year the Group incurred additional costs due to the effects of Covid-19, management put in place staggered shift handovers in the factories due to social distancing regulations leading to paying for staff for half an hour per shift lost productive time with reduced output plus additional spend for PPE and cleaning costs, overall cost £171,000. During the previous year, one of the company's subsidiaries, Wellbeing Bidco Limited purchased Healthfull Holdings Group Limited and Deeside Cereals I Ltd, the due diligence expenses of £336,000 are the costs incurred relating to that process. Director's compensation for loss of office during the previous year was £47,000.

4 OTHER OPERATING INCOME

	2023	2022
	£'000	£'000
Elysian deal Escrow receipt	76	-
Return of bank deposit	25	-
Coronavirus SSP	-	1
	101	1

A prepayment of £76,000 has been made for monies received from an Escrow account relating to the Elysian deal to purchase the Healthfull Holdings Group in 2021, the funds were received in August-23. £25,000 relates to return of a bank deposit following the removal of a charge.

During the previous year the group received Government grants of £848 from the Coronavirus statutory sick pay rebate scheme.

5 OPERATING LOSS

The operating loss is stated after:

	2023	2022
	£'000	£'000
Auditors' remuneration;		
Audit fees - Company	1	1
Audit fees - subsidiaries	132	90
Other accounting and tax services	110	30
Foreign exchange losses	46	108
Operating lease rentals;		
Plant and machinery	294	55
Other assets	140	246
Government grant income	-	(1)
Amortisation of intangible assets	6,058	4,132
Depreciation of tangible assets	1,941	1,110
Impairment of tangible assets	-	206
Research and development expense	541	364

WELLBEING TOPCO LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For the period ended 01 April 2023

6 INTEREST RECEIVABLE AND SIMILAR CHARGES

	2023	2022
	£'000	£'000
Net gain on defined benefit pension asset	53	161
	<u>53</u>	<u>161</u>

7 INTEREST PAYABLE AND SIMILAR CHARGES

	2023	2022
	£'000	£'000
Fixed and variable rate Loan notes	2,138	1,764
Preferred share dividends	1,714	984
Finance leases and hire purchase contracts	36	25
Other interest payable	859	157
	<u>4,747</u>	<u>2,930</u>

8 DIRECTORS AND EMPLOYEES

	Group	Group	Company	Company
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Staff costs during the period follows:				
Wages and salaries	14,341	8,525	-	-
Social security costs	1,438	749	-	-
Other pension costs	452	266	-	-
	<u>16,231</u>	<u>9,540</u>	<u>-</u>	<u>-</u>

The group operates a defined contribution pension scheme for the benefit of all of its employees. The assets of the scheme are administered by an independent pension provider. Pension payments recognised as an expense during the period amount to £452,000 (2022: £266,000).

	Group	Group	Company	Company
	2023	2022	2023	2022
	No.	No.	No.	No.
The average number of employees Of the group during the period was:				
Production	354	376	-	-
Administration	101	74	-	-
	<u>455</u>	<u>450</u>	<u>-</u>	<u>-</u>

	Group	Group	Company	Company
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Remuneration in respect of directors was as follows:				
Emoluments	425	159	-	-
	<u>425</u>	<u>159</u>	<u>-</u>	<u>-</u>

Director's compensation for loss of office during the year was £Nil (2022: £30,000)

WELLBEING TOPCO LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For the period ended 01 April 2023

8 DIRECTORS AND EMPLOYEES (CONTINUED)

The Directors did not participate in a money purchase pension schemes during the period.
The amounts set out above include remuneration in respect of the highest paid director as follows:

	Group 2023 £'000	Group 2022 £'000	Company 2023 £'000	Company 2022 £'000
Emoluments	195	115	-	-
	<u>195</u>	<u>115</u>	<u>-</u>	<u>-</u>

9 TAX ON LOSS ON ORDINARY ACTIVITIES

The tax (credit)/charge is based on the loss for the year and represents:	2023 £'000	2022 £'000
UK Corporation Tax	-	14
Adjustment in respect of prior periods	-	-
Total current tax	-	14
Deferred taxation: origination/reversal of timing difference	(2,067)	(567)
Tax on results of ordinary activities	<u>(2,067)</u>	<u>(553)</u>

The tax assessed for the year is lower than the standard rate of corporation tax in the United Kingdom at 19% (2022: 19%). The differences are explained as follows:

Loss on ordinary activities before tax	(18,537)	(8,850)
Loss on ordinary activities multiplied by standard rate of corporation tax in the United Kingdom of 19% (2022: 19%).	(3,523)	(1,681)
Expenses not deductible for tax purposes	1,653	1,014
Income not taxable for tax purposes	(769)	(339)
Amounts (charged)/credited to STRGL or otherwise transferred	(156)	591
Other tax adjustments, reliefs and transfers	(2,660)	-
Deferred tax not recognised	5,429	1,564
Prior period adjustment	(300)	-
Changes to deferred tax rate	(1,741)	(1,702)
	<u>1,456</u>	<u>1,128</u>
Tax results on ordinary activities	<u>(2,067)</u>	<u>(553)</u>

Factors that may affect future tax charges

Increase in the UK Corporation tax rate from 19% to 25% (effective from 1 April 2023) has been substantively enacted. This will impact the company's future tax charge accordingly. The value of the deferred tax balance at the statement of financial position date has been calculated using the applicable rate when the balance is expected to be realised.

WELLBEING TOPCO LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For the period ended 01 April 2023

10 INTANGIBLE FIXED ASSETS
THE GROUP

	Trademarks & IP £'000	Website Development & Other £'000	Customer Contracts £'000	Goodwill Positive £'000	Goodwill Negative £'000	Total £'000
Cost						
At 27 March 2022	36	77	7,480	17,383	(10,437)	14,539
Adjustment to acquisition cost				(65)	(57)	(122)
Additions	-	10	-	-	-	10
At 01 April 2023	36	87	7,480	17,318	(10,494)	14,427
Amortisation						
At 27 March 2022	12	25	2,957	1,354	(216)	4,132
Charge for the year	22	47	4,523	2,100	(634)	6,058
At 01 April 2023	34	72	7,480	3,454	(850)	10,190
Net book amount						
At 01 April 2023	2	15	-	13,864	(9,644)	4,237
Net book amount At 26 March 2022	24	52	4,523	16,029	(10,221)	10,407

Amortisation of intangible fixed assets is included in administrative expenses. The company did not have any intangible assets. The positive goodwill has a remaining amortisation period of 8.3 years, the negative goodwill has a remaining amortisation period of 4.1 years.

11 INVESTMENTS
THE COMPANY

2023
£

Cost and net book value at 27 March 2022 and 01 April 2023

-

In the opinion of the directors, the aggregate value of the company's investment in the subsidiary is not less than the amount included in the balance sheet. The investments are as follows;

Company: subsidiary undertaking	Registered office	Class	Shares Held in Direct ownership	Shares Held in Indirect ownership	Principal activity
Wellbeing Midco Limited	Tyn-Y-Llidiart Industrial Estate, Corwen, UK	Ordinary	100%		Holding Company
Wellbeing Bidco Limited	Tyn-Y-Llidiart Industrial Estate, Corwen, UK	Ordinary		100%	Holding Company

WELLBEING TOPCO LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For the period ended 01 April 2023

**11 INVESTMENTS
(CONTINUED)**

Company: subsidiary undertaking	Country of registration of incorporation & registered office	Class	Shares Held in Direct ownership	Shares Held in Indirect ownership	Nature of business
Healthfull Holdings Group Limited	Tyn-Y-Llidiart Industrial Estate, Corwen, UK	Ordinary		100%	Holding Company
Deeside Cereals I Ltd	Deeside Industrial Park, Deeside, UK	Ordinary		100%	Food Manufacturing
Deeside Cereals I DB Pension Limited	Deeside Industrial Park, Deeside, UK	Ordinary		100%	Defined Benefit Pension Scheme
Healthfull Holdings Limited	Tyn-Y-Llidiart Industrial Estate, Corwen, UK	Ordinary		100%	Holding Company
Wholebake (Topco) Limited	Tyn-Y-Llidiart Industrial Estate, Corwen, UK	Ordinary		100%	Holding Company
Wholebake Limited	Tyn-Y-Llidiart Industrial Estate, Corwen, UK	Ordinary		100%	Food Manufacturing
9Brand Foods Limited	Tyn-Y-Llidiart Industrial Estate, Corwen, UK	Ordinary		100%	Branded Food Retail
Bounce Brands Limited Company number 12029803*	Tyn-Y-Llidiart Industrial Estate, Corwen, UK	Ordinary		100%	Branded Food Retail

* Bounce Brands Limited, Company number 12029803, has taken advantage of the parental guarantee audit exemption under section 479A of the Companies act 2006 in financial year ending 01 April 2023 and that guarantee has been given by Wellbeing Topco Limited.

The aggregate of the share capital and reserves as at 01 April 2023 and the profit or loss for the period ended on that date for the subsidiary undertakings were as follows:

Name	Aggregate of share capital and reserves	Profit / (loss)
	£'000	£'000
Wellbeing Midco Limited	41	57
Wellbeing Bidco Limited	778	(143)
Healthfull Holdings Group Limited	84	-
Deeside Cereals I Ltd	11,206	(6,050)
Healthfull Holdings Limited	18,984	146
Deeside Cereals I DB Pension Limited	-	-
Wholebake (Topco) Limited	613	-
Wholebake Limited	(2,947)	(5,808)
9Brand Foods Limited	(2,302)	454
Bounce Brands Limited	(163)	(7)

WELLBEING TOPCO LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For the period ended 01 April 2023

12 TANGIBLE FIXED ASSETS
THE GROUP

	Freehold Land and buildings £'000	Leasehold buildings £'000	Plant and machinery £'000	Leased Plant and machinery £'000	Fixtures, fittings & equipment £'000	Total £'000
Cost						
At 27 March 2022	5,128	43	9,313	899	178	15,561
Additions	-	-	2,594	-	53	2,647
Disposals	(294)	-	-	-	-	(294)
At 01 April 2023	4,834	43	11,907	899	231	17,914
Depreciation						
At 27 March 2022	50	6	956	64	34	1,110
Charge for the year	84	8	1,647	110	92	1,941
At 01 April 2023	134	14	2,603	174	126	3,051
Net book amount						
At 01 April 2023	4,700	29	9,304	725	105	14,863
At 26 March 2022	5,078	37	8,357	835	144	14,451

The company did not have any tangible fixed assets.

During the year one of the group's subsidiaries Wholebake Limited sold a parcel of land adjacent to the production facility in Corwen, Denbighshire for £294,000 net of fees.

Freehold land and buildings in one of the group's subsidiaries Deeside Cereals I Ltd were revalued as at 1 April 2013 by Savills using market based evidence for similar properties sold in the area.

Deeside Cereals I Ltd has applied the transitional arrangements of section 35 of FRS102 and under this valuation as the deemed cost for its freehold property. The property is being depreciated from the valuation date. As the assets are depreciated or sold an appropriate transfer is made from the revaluation reserve to retained earnings.

13 STOCKS

	Group 2023 £'000	Group 2022 £'000	Company 2023 £'000	Company 2022 £'000
Raw materials and consumables	4,157	4,400	-	-
Work in progress	133	61	-	-
Finished goods	2,048	1,600	-	-
	6,338	6,061	-	-

A provision of £1,644,000 (2022: £380,000) was recognised in cost of sales against stock during the period due to slow moving stock.

WELLBEING TOPCO LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For the period ended 01 April 2023

14 DEBTORS

	Group 2023 £'000	Group 2022 £'000	Company 2023 £'000	Company 2022 £'000
Due after more than one year				
Deferred Tax (see note 19)	1,083	-	32	-
	1,083	-	32	-
Due within one year				
Trade Debtors	12,288	11,034	-	-
Amounts owed by group undertakings	-	-	19,981	18,236
Corporation Tax	60	60	-	-
Prepayments and accrued income	1,403	729	-	-
	13,751	11,823	19,981	18,236

Trade debtors are subject to an invoice discounting facility. An impairment loss of £170,000 (2022: £186,000) was recognised against trade debtors.

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

15 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group 2023 £'000	Group 2022 £'000	Company 2023 £'000	Company 2022 £'000
Invoice Discounting & asset based lending facilities	8,118	4,136	-	-
Bank loans	7,788	220	-	-
Trade creditors	9,110	7,446	-	-
Amounts owed to group undertakings	-	-	455	516
Corporation tax	-	-	-	-
Other taxes and social security costs	353	544	-	-
Obligations under finance lease and hire purchase agreements	164	131	-	-
Other creditors	-	-	-	-
Accruals and deferred income	2,981	2,615	1	1
	28,514	15,092	456	517

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

WELLBEING TOPCO LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For the period ended 01 April 2023

15 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR (CONTINUED)

Due to the Company's banking covenants not being formally waived until post year-end, all bank loans are shown as due within one year as required by FRS102, in reality these loans have reverted back to the original terms, details of which can be found in the post balance sheet events note 29.

16 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group 2023 £'000	Group 2022 £'000	Company 2023 £'000	Company 2022 £'000
Bank loans	-	-	-	-
Net obligations under finance lease and hire purchase agreements	82	281	-	-
Preferred shares	19,473	17,668	19,473	17,668
Interest bearing loan notes	25,764	28,196	-	-
	45,319	46,145	19,473	17,668

Bank loans are repayable as follows:	Group 2023 £'000	Group 2022 £'000	Company 2023 £'000	Company 2022 £'000
Amounts falling due within one year				
Bank Loans	7,788	220	-	-
Invoice Discounting & asset based lending facilities	8,118	4,136	-	-
Bank Loans				
Between one to two years	-	-	-	-
Between two to five years	-	-	-	-
Over five years	-	-	-	-
	15,906	4,356	-	-

Bank Loans and Invoice discounting facilities

Due to the Company's banking covenants not being formally waived until post year-end, all bank loans are shown as due within one year as required by FRS102, in reality these loans have reverted back to the original terms, details of which can be found in the post balance sheet events note 29.

WELLBEING TOPCO LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For the period ended 01 April 2023

16 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR (CONTINUED)

Bank Loans and Invoice discounting facilities (continued)

During July-22 the Wellbeing group was re-financed by Shawbrook Bank with Confidential Invoice Discounting, Real Property, Plant & Machinery and Cashflow facilities. The invoice discounting facility replaced the Barclays Bank facility at Wholebake Limited and 9Brand Foods Limited and continues at Deeside Cereals I Ltd removing the asset based lending facility. The Real property loan is for £3m, has a 25 year term with straight-line payments following an initial 12 month capital repayment holiday. The Plant & Machinery loan is for £2.24m, has a 5 year term with straight-line payments following an initial 6 month capital repayment holiday. The Cashflow loan is for £3m, has a 4 year term with straight-line payments following an initial 6 month capital repayment holiday. The invoice discounting facilities have no fixed maturity date but are repayable subject to a notice period.

The Shawbrook bank invoice discounting facility and loans include fixed and floating charge security over trade debtor receivables, owned property and plant and machinery.

In November 2020 a £300,000 term loan was taken out to assist in the purchase of the Corwen factory. The terms of the loan were for 5 years with monthly payments of £5,000. This loan was settled by Wholebake Limited on the 8th July 2022.

There is a cross guarantee and debenture between Wellbeing Bidco Limited, Healthfull Holdings Group Limited, Healthfull Holdings Limited, Wholebake (Topco) Limited, Wholebake Limited, 9Brand Foods Limited, Bounce Brands Limited and Deeside Cereals I Ltd on the Bank's standard form with supporting security on the Bank's standard forms. The total value of the bank debt in the above companies is £15,906,000.

Loan notes	2023	2022
	£'000	£'000
22,951,077 Fixed rate unsecured investor loan notes	22,951	16,751
10,000,000 Variable rate unsecured Bridge loan notes	-	10,000
448,924 Fixed rate unsecured management loan notes	449	449
	23,400	27,200

WELLBEING TOPCO LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For the period ended 01 April 2023

16 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR (CONTINUED)

Loan notes (continued)

The Investor, Bridge and management loan notes are redeemable in 2031 and incur 9% loan note interest annually. The costs relating to the setup of the loan notes have been matched against the outstanding liability and are being amortised over the life of the loan notes. A further 6,200,000 of investor loan notes were issued during the year under the same loan note agreement. The £10,000,000 Bridge Loan notes and accrued interest were fully redeemed in July 2022. An analysis of the outstanding balance is as follows:

	Loan Notes	Interest	Set up costs	Total net Loan notes
	£'000	£'000	£'000	£'000
At 27 March 2022	27,200	1,542	(546)	28,196
Adjustment to set up costs	-	-	90	90
Issued in year	6,200	-	-	6,200
Interest accrued	-	2,023	-	2,023
Paid in year	(10,000)	(861)	-	(10,861)
Amortised in year	-	-	116	116
At 01 April 2023	23,400	2,704	(340)	25,764

Preferred shares

The group and company has preferred ordinary shares of £17,199,199 which are redeemable in 2031. The preferred ordinary shares accrue 9% dividends compounded per annum. Total dividends accrued in the period amounted to £1,662,000 (2022: £953,000) and the outstanding balance is £2,615,000 (2022: £953,000). The costs relating to the set up of the preferred shares have been matched against the outstanding liability and are being amortised over the life of the preferred shares. An analysis of the outstanding balance is as follows:

	Preferred Shares	Interest	Set up costs	Total net Loan notes
	£'000	£'000	£'000	£'000
At 27 March 2022	17,200	953	(485)	17,668
Adjustment to set up costs	-	-	90	90
Interest accrued	-	1,662	-	1,662
Amortised in year	-	-	53	53
At 01 April 2023	17,200	2,615	(342)	19,473

WELLBEING TOPCO LIMITED
 NOTES TO THE FINANCIAL STATEMENTS
 For the period ended 01 April 2023

17 HIRE PURCHASE AND FINANCE LEASES

The group's future minimum hire purchase payments are as follows:

	Group	Group	Company	Company
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Within one year	163	131	-	-
Between one and five years	82	281	-	-
	245	412	-	-

18 FINANCIAL INSTRUMENTS

THE GROUP

	2023	2022
	£'000	£'000
Financial assets measured at amortised cost	12,815	13,999
	12,815	13,999

Financial assets measured at amortised cost comprise cash at bank and in hand and trade debtors.

	2023	2022
	£'000	£'000
Financial liabilities measured at amortised cost	28,243	14,829
	28,243	14,829

Financial liabilities measured at amortised cost comprise the asset-based lending facilities, bank loans & overdrafts, trade creditors, other creditors, accruals, amounts owed by group undertakings, obligations under finance leases and hire purchase contracts.

WELLBEING TOPCO LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For the period ended 01 April 2023

19 DEFERRED TAX

Deferred taxation provided for at 25% (2022: 25%) in the financial statements is set out below:

	Group	Group	Company	Company
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
At 27 March 2022	(4,377)	(4,700)	-	-
Income Statement	2,316	323	32	-
At 01 April 2023	(2,061)	(4,377)	32	-

The deferred tax balance is included in the consolidated statement of financial position as below;

	Group	Group	Company	Company
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Included in provisions for liabilities and charges	(3,144)	(4,377)	-	-
Included in debtors	1,083	-	32	-
At 01 April 2023	(2,061)	(4,377)	32	-

The differences are explained as follows:

	Group	Group	Company	Company
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Accelerated capital allowances	-	-	-	-
Losses and other deductions	1,007	265	-	-
Short term timing differences	158	-	32	-
Timing differences on tangible and intangible fixed assets	(306)	(1,473)	-	-
On DB Pension scheme surplus	(2,920)	(3,169)	-	-
At 01 April 2023	(2,061)	(4,377)	32	-

20 PENSION COMMITMENTS

The group operates a defined contribution pension scheme for the benefit of all of its employees. The assets of the scheme are administered by an independent pension provider. Pension payments recognised as an expense during the year amount to £452,000 (2022: £338,000), contributions totalling £63,000 (2022: £47,000) were payable to the fund at the Statement of Financial Position date and are included in creditors.

WELLBEING TOPCO LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For the period ended 01 April 2023

20 PENSION COMMITMENTS (CONTINUED)

The group via one of its subsidiaries Deeside Cereals I Ltd operates a Defined Benefit Pension Scheme, assets of the scheme are held separately from those of the Company in an independently administered fund.

The scheme provides retirement benefits on the basis of members final salary. The plan is administered by an independent trustee, who is responsible for ensuring that the plan is sufficiently funded to meet current and future obligations.

On 31 March 2013; the Company confirmed the closure of the defined benefit scheme to future accrual.

The scheme funding valuation as at 5 April 2019 eliminated the requirement to make any deficit recovery payments from April 2019 until the next tri-annual valuation.

Reconciliation of present value of plan liabilities:

	Group	Group	Company	Company
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
At the beginning of the period	37,504	40,528	-	-
Interest cost	970	798	-	-
Actuarial (gains)/losses	(11,259)	(2,513)	-	-
Benefits paid	(1,809)	(1,309)	-	-
At the end of the period	25,406	37,504	-	-

Reconciliation of present value of plan assets:

	Group	Group	Company	Company
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
At the beginning of the period	49,781	48,623	-	-
Interest income	1,292	959	-	-
Actuarial gains/(losses)	(11,909)	1,508	-	-
Expenses paid	(269)	-	-	-
Benefits paid	(1,809)	(1,309)	-	-
At the end of the period	37,086	49,781	-	-

WELLBEING TOPCO LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For the period ended 01 April 2023

20 PENSION COMMITMENTS (CONTINUED)

Composition of plan assets:

	Group	Group	Company	Company
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Equities	-	-	-	-
Diversified growth	-	29,166	-	-
Multi asset credit	13,318	9,887	-	-
Equities linked LDI	-	3,396	-	-
LDI	11,509	7,149	-	-
Cash	12,259	183	-	-
Total plan assets	37,086	49,781	-	-

	Group	Group	Company	Company
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Fair value of plan assets	37,086	49,781	-	-
Present value of plan liabilities	(25,406)	(37,504)	-	-
Net pension scheme asset	11,680	12,277	-	-

The amounts recognised in profit or loss are as follows

	Group	Group	Company	Company
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Interest on obligation	322	161	-	-
Scheme admin expenses	(269)	-	-	-
Total	53	161	-	-
Actual return on scheme assets	-	-	-	-

WELLBEING TOPCO LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For the period ended 01 April 2023

20 PENSION COMMITMENTS (CONTINUED)

The amounts recognised in other comprehensive income for the year:

	Group	Group	Company	Company
	2023	2022	2023	2022
	£'000	£'000	£'000	£'000
Actuarial gains / (losses) arising from changes in demographic or financial assumptions	11,915	2,513	-	-
(Loss)/return on plan assets on experience adjustment	(656)	-	-	-
Fair value adjustment for gain pre-deal	-	(3,205)	-	-
Included in interest income or expense	(11,909)	1,508	-	-
Total plan assets	(650)	816	-	-

Principal actuarial assumptions at the Statement of Financial Position date (expressed as weighted averages):

	Group	Group	Company	Company
	2023	2022	2023	2022
	%	%	%	%
Discount rate	4.70	2.65	-	-
Future salary increases	2.80	3.25	-	-
Future pension increases	3.30	3.75	-	-
Mortality rates				
- for a male aged 65 now	20.2	20.7	-	-
- at 65 for a male over 45 now	21.2	22.0	-	-
- for a female aged 65 now	22.6	22.7	-	-
- at 65 for a female over 45 now	23.8	24.3	-	-

21 CALLED UP SHARE CAPITAL

	2023	2022
	£	£
Authorised, allotted and fully paid:		
80,347 Ordinary A shares of 10p each	803	803
2,153 Ordinary C shares of 10p each	22	22
15,000 Ordinary D shares of 10p each	150	120
16,751,075 Preferred Ordinary A shares of 0.0001p each	17	17
448,924 Preferred Ordinary C shares of 0.0001p each	-	-
	992	962

WELLBEING TOPCO LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For the period ended 01 April 2023

21 CALLED UP SHARE CAPITAL (CONTINUED)

Ordinary Shares	2023	2022
	£	£
At 1 April 2022	962	-
Share Issue	30	962
At 01 April 2023	992	962

All shares rank pari passu in all respects.

During the year 3,000 ordinary D shares of 1p each were issued and allotted to management, consideration received for the allotment of the shares was £3,000.

The group and company have preferred ordinary shares of £17,199,199 which are redeemable in 2031. The preferred ordinary shares accrue 9% dividends compounded per annum. Total dividends accrued in the period amounted to £1,662,000 (2022: £953,000) and the outstanding balance is £2,615,000 (2022: £953,000). The costs relating to the set up of the preferred shares have been matched against the outstanding liability and are being amortised over the life of the preferred shares. The preferred ordinary shares are included in long term liabilities.

22 RESERVES

The share premium account includes the market value differential of the 0.001p preferred ordinary A and C shares issued.

The revaluation reserve represents the difference between the historic cost of revalued assets and their depreciated revalued amount, net of deferred taxation in Deeside Cereals I Ltd.

Profit and loss account – includes all current and prior period retained profits and losses.

23 CAPITAL COMMITMENTS

The group has capital commitments for £209,000 (2022: £104,000) at 01 April 2023.

24 LEASING COMMITMENTS

Operating Leases

The group's future minimum operating lease payments are as follows:

	Group	Group	Company	Company
	2023	2022	2022	2022
	£'000	£'000	£'000	£'000
Within one year	400	253	-	-
Between one and five years	427	465	-	-
Over five years	-	-	-	-
	827	718	-	-

The amount of lease payments recognised as an expense in the period was £434,000 (2022: £301,000).

WELLBEING TOPCO LIMITED
NOTES TO THE FINANCIAL STATEMENTS
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25 RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemption available under FRS 102 section 33 "Related party disclosures" whereby it has not disclosed transactions with the ultimate parent company or any wholly owned subsidiary undertaking of the group.

Guarantees

At 01 April 2023, there is a cross guarantee and debenture between Wellbeing Bidco Limited, Healthfull Holdings Group Limited, Healthfull Holdings Limited, Wholebake (Topco) Limited, Wholebake Limited, 9Brand Foods Limited, Bounce Brands Limited and Deeside Cereals I Ltd on the Bank's standard form with supporting security on the Bank's standard forms. The total value of the bank debt in the above companies is £15,906,000.

Key management

The key management of the group are considered to be the directors. The total directors remuneration for the period, including employers NI and Employers pension, was £485,000 (2022:£182,000) of which the amount relating to the highest paid director is £223,000 (2022:£132,000).

Directors' interests

The following directors held fixed rate unsecured loan notes in the wholly owned subsidiary Wellbeing Midco Limited;

	S N Faithfull	P D Unsworth	Total
Loan notes in Wellbeing Midco Limited			
At 01 April 2023 and 26 March 2022	199,521	249,402	448,923
Loan note interest in Wellbeing Midco Limited			
At 27 March 2022	11,758	14,698	26,456
Interest accrued in year	19,340	24,175	43,515
At 01 April 2023	31,098	38,873	69,971
Combined total at 01 April 2023	230,619	288,275	518,894

26 ULTIMATE CONTROLLING PARTY

On 31st July 2021, 100% of the issued share capital of Healthfull Holdings Group Limited was acquired by Wellbeing Bidco Limited. On the 10th September 2021, 100% of the issued share capital of the Deeside Cereals I Ltd was acquired by Wellbeing Bidco Limited.

The Directors consider the ultimate controlling party is considered to be Elysian Capital III LP (Company number LP021071), a Limited partnership company registered in England and Wales.

WELLBEING TOPCO LIMITED
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27 CONTINGENT LIABILITIES

The company had no contingent liabilities at 01 April 2023 or 26 March 2022.

As per Note 25 there are bank guarantees in place, and the total value of the bank debt in the companies under guarantee is £15,906,000.

28 CONSOLIDATED ANALYSIS OF CHANGES IN NET DEBT

		27 March		Other non-cash	01 April
	Notes	2022	Cash flow	movements	2023
		£000	£000	£000	£000
Cash in bank and in hand		(2,965)	2,438	-	(527)
Bank loans	15	220	7,568	-	7,788
Finance lease & hire purchase	15	131	33	-	164
Invoice discounting	15	4,136	3,982	-	8,118
Debt due within 1 year	15	4,487	11,583	-	16,070
Bank loans	16	-	-	-	-
Finance lease & Hire purchase	16	281	(199)	-	82
Interest bearing loan notes	16	28,196	(4,661)	2,229	25,764
Preferred shares	16	17,668	-	1,805	19,473
Debt due after 1 year	16	46,145	(4,860)	4,034	45,319
Total net debt		47,667	9,161	4,034	60,862

Due to the Company's banking covenants not being formally waived until post year-end, all bank loans are shown as due within one year as required by FRS102, in reality these loans have reverted back to the original terms, details of which can be found in the post balance sheet events note 29.

WELLBEING TOPCO LIMITED
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29 POST BALANCE SHEET EVENTS

During April 2023, a further £1,000,000 of investor loan notes were issued to Wellbeing Midco Limited, a subsidiary of Wellbeing Topco Limited under the existing loan note agreement.

Following the Shawbrook bank credit committee meeting during August 2023, the committee agreed to ongoing support of the group and to waive existing covenant breaches seen to date on the FCC covenant and stop testing this covenant until March 2024. A new performance covenant is to be introduced to monitor forecast to plan on a Group Level – monitored monthly and tested on rolling basis.

As mentioned in the Going concern note, due to the Company's banking covenants not being formally waived until post year-end, all bank loans are shown as due within one year as required by FRS102, in reality these loans have reverted back to the original terms, details of which can be found below.

Bank loans are repayable as follows:	Group 2023 £'000	Group 2022 £'000	Company 2023 £'000	Company 2022 £'000
Amounts falling due within one year				
Bank Loans	1,457	220	-	-
Invoice Discounting & asset based lending facilities	8,118	4,136	-	-
Bank Loans				
Between one to two years	1,478	-	-	-
Between two to five years	2,475	-	-	-
Over five years	2,378	-	-	-
	15,906	4,356	-	-

30 RESTATEMENT OF 2022

Following a review of the prior year accounts it has been noted that the treatment of trade discounts, rebates and sale of waste within cost of sales and administrative expenses rather than turnover is incorrect, these have been re-stated in the statement of comprehensive income. This adjustment is a reclassification adjustment only and has no impact on previously reported result for the year or net assets / (liabilities) of the Group.