

Strategic Report, Report of the Director and
Audited Financial Statements For The Year Ended 31 March 2023
for
Grant Brothers (Meat Canners) Limited

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For The Year Ended 31 March 2023

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Grant Brothers (Meat Canners) Limited

Company Information
For The Year Ended 31 March 2023

DIRECTOR:

J Fallon

REGISTERED OFFICE:

Richmond Bridge
Galston
KA4 8JU

REGISTERED NUMBER:

SC020934 (Scotland)

INDEPENDENT AUDITORS:

Robb Ferguson
Chartered Accountants & Statutory Auditors
Regent Court
70 West Regent Street
Glasgow
G2 2QZ

Strategic Report
For The Year Ended 31 March 2023

The director presents his strategic report for the year ended 31 March 2023.

REVIEW OF BUSINESS

Last year I reported on the significant challenges which the food industry faced in the year to 31 March 2022.

The year to 31 March 2023 continued to be adversely affected by input inflation, labour shortages and the management of price movement delays within the customer base.

Mindful of the wider industry performance, I am reassured that our results to 31 March 2023 are broadly in line with expectations, exceed the sector norm, and whilst a slight decrease on our performance in 2022, demonstrate our ability to operate within what has been an extremely challenging environment.

It is testament to the senior leadership team and all staff at Grant Bros. that the company continued to meet and deal with these challenges and make to make progress despite the headwinds it has faced.

We predict that there will be some respite from these negative impacts during 2024 and look forward with optimism.

I would like to thank our suppliers , customers, and work force for their continued support.

ON BEHALF OF THE BOARD:

J Fallon - Director

22 December 2023

Report of the Director
For The Year Ended 31 March 2023

The director presents his report with the financial statements of the company for the year ended 31 March 2023.

DIVIDENDS

No interim dividend was paid during the year. The director recommends a final dividend of £4.00 per share.

The total distribution of dividends for the year ended 31 March 2023 will be £ 600,000 .

DIRECTOR

J Fallon held office during the whole of the period from 1 April 2022 to the date of this report.

STATEMENT OF DIRECTOR'S RESPONSIBILITIES

The director is responsible for preparing the Strategic Report, the Report of the Director and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the director must not approve the financial statements unless he is satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the director is required to:

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

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

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the director is aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and he has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

ON BEHALF OF THE BOARD:

J Fallon - Director

22 December 2023

Report of the Independent Auditors to the Members of
Grant Brothers (Meat Canners) Limited

Opinion

We have audited the financial statements of Grant Brothers (Meat Canners) Limited (the 'company') for the year ended 31 March 2023 which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, Statement of Cash Flows and Notes to the Statement of Cash Flows, 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 company's affairs as at 31 March 2023 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

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

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

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

Other information

The director is responsible for the other information. The other information comprises the information in the Strategic Report and the Report of the Director, but does not include the financial statements and our Report of the Auditors thereon.

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.

In connection with our audit of the financial statements, 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Strategic Report and the Report of the Director for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Director have been prepared in accordance with applicable legal requirements.

Report of the Independent Auditors to the Members of
Grant Brothers (Meat Canners) Limited

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Report of the Director.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of director

As explained more fully in the Statement of Director's Responsibilities set out on page three, the director is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the director determines necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the director is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the director either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Report of the Independent Auditors to the Members of
Grant Brothers (Meat Canners) Limited

Auditors' responsibilities for the audit of the financial statements

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

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

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- The engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- We identified the laws and regulations applicable to the company through discussions with directors and other management, and from our wider knowledge and experience;
- We focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006 and FRS 102.
- We assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- Identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- Making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- Considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations

Audit response to risks identified

To address the risk of fraud through management bias and override of controls, we:

- Performed analytical procedures to identify any unusual or unexpected relationships;
- Tested journal entries to identify unusual transactions;
- Assessed whether judgements and assumptions made in determining the accounting estimates set out were indicative of potential bias; and
- Investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- Agreeing financial statement disclosures to underlying supporting documentation;
- Reading the minutes of meetings of those charged with governance;
- Enquiring of management as to actual and potential litigation and claims; and
- Requesting correspondence with HMRC, Companies House and the company's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

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 Report of the Auditors.

Report of the Independent Auditors to the Members of
Grant Brothers (Meat Canners) Limited

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 a Report of the Auditors 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.

Graham Cantlay CA (Senior Statutory Auditor)
for and on behalf of Robb Ferguson
Chartered Accountants & Statutory Auditors
Regent Court
70 West Regent Street
Glasgow
G2 2QZ

22 December 2023

**Statement of Comprehensive
Income**
For The Year Ended 31 March 2023

	Notes	2023 £	£	2022 £	£
TURNOVER			10,914,041		11,124,345
Cost of sales			9,163,250		8,920,103
GROSS PROFIT			1,750,791		2,204,242
Distribution costs		270,017		250,587	
Administrative expenses		1,024,324		1,072,894	
			1,294,341		1,323,481
			456,450		880,761
Other operating income			49,629		-
OPERATING PROFIT	5		506,079		880,761
Interest receivable and similar income			1,468		-
			507,547		880,761
Interest payable and similar expenses	6		28,444		26,965
PROFIT BEFORE TAXATION			479,103		853,796
Tax on profit	7		99,079		204,816
PROFIT FOR THE FINANCIAL YEAR			380,024		648,980
OTHER COMPREHENSIVE INCOME			-		-
TOTAL COMPREHENSIVE INCOME					
FOR THE YEAR			380,024		648,980

The notes form part of these financial statements

Grant Brothers (Meat Canners) Limited (Registered number: SC020934)

Statement of Financial Position
31 March 2023

	Notes	2023 £	£	2022 £	£
FIXED ASSETS					
Intangible assets	9		22,934		23,765
Tangible assets	10		<u>1,183,002</u>		<u>1,148,674</u>
			1,205,936		1,172,439
CURRENT ASSETS					
Stocks	11	1,675,575		1,035,049	
Debtors	12	3,310,454		4,217,532	
Cash at bank and in hand		<u>798,782</u>		<u>1,191,405</u>	
		5,784,811		6,443,986	
CREDITORS					
Amounts falling due within one year	13	<u>3,051,687</u>		<u>3,419,620</u>	
NET CURRENT ASSETS			2,733,124		3,024,366
TOTAL ASSETS LESS CURRENT LIABILITIES			3,939,060		4,196,805
CREDITORS					
Amounts falling due after more than one year	14		(410,699)		(460,893)
PROVISIONS FOR LIABILITIES	18		<u>(136,997)</u>		<u>(124,572)</u>
NET ASSETS			3,391,364		3,611,340
CAPITAL AND RESERVES					
Called up share capital	19		150,000		150,000
Share premium	20		50,000		50,000
Revaluation reserve	20		31,827		31,827
Retained earnings	20		<u>3,159,537</u>		<u>3,379,513</u>
SHAREHOLDERS' FUNDS			3,391,364		3,611,340

The financial statements were approved by the director and authorised for issue on 22 December 2023 and were signed by:

J Fallon - Director

The notes form part of these financial statements

Statement of Changes in Equity
For The Year Ended 31 March 2023

	Called up share capital £	Retained earnings £	Share premium £	Revaluation reserve £	Total equity £
Balance at 1 April 2021	150,000	3,330,533	50,000	31,827	3,562,360
Changes in equity					
Dividends	-	(600,000)	-	-	(600,000)
Total comprehensive income	-	648,980	-	-	648,980
Balance at 31 March 2022	150,000	3,379,513	50,000	31,827	3,611,340
Changes in equity					
Dividends	-	(600,000)	-	-	(600,000)
Total comprehensive income	-	380,024	-	-	380,024
Balance at 31 March 2023	150,000	3,159,537	50,000	31,827	3,391,364

The notes form part of these financial statements

Statement of Cash Flows
For The Year Ended 31 March 2023

	Notes	2023 £	2022 £
Cash flows from operating activities			
Cash generated from operations	1	1,098,828	1,282,563
Interest paid		(26,410)	(11,023)
Interest element of finance lease payments paid		(2,034)	(15,942)
Tax paid		(649,524)	(145,885)
Net cash from operating activities		<u>420,860</u>	<u>1,109,713</u>
Cash flows from investing activities			
Purchase of intangible fixed assets		(6,584)	(2,068)
Purchase of tangible fixed assets		(90,471)	(44,677)
Sale of tangible fixed assets		9,774	-
Interest received		1,468	-
Net cash from investing activities		<u>(85,813)</u>	<u>(46,745)</u>
Cash flows from financing activities			
New loans in year		43,006	13,252
Loan repayments in year		(48,019)	(47,668)
Capital repayments in year		(31,469)	(54,357)
Amount withdrawn by directors		(91,188)	-
Equity dividends paid		(600,000)	(600,000)
Net cash from financing activities		<u>(727,670)</u>	<u>(688,773)</u>
(Decrease)/increase in cash and cash equivalents		<u>(392,623)</u>	<u>374,195</u>
Cash and cash equivalents at beginning of year	2	1,191,405	817,210
Cash and cash equivalents at end of year	2	<u>798,782</u>	<u>1,191,405</u>

The notes form part of these financial statements

Notes to the Statement of Cash Flows
For The Year Ended 31 March 2023

1. **RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS**

	2023	2022
	£	£
Profit before taxation	479,103	853,796
Depreciation charges	59,209	63,286
Loss on disposal of fixed assets	4,051	5,629
Government grants	(49,629)	-
Finance costs	28,444	26,965
Finance income	(1,468)	-
	<u>519,710</u>	<u>949,676</u>
(Increase)/decrease in stocks	(640,526)	132,619
Decrease/(increase) in trade and other debtors	998,266	(1,238,015)
Increase in trade and other creditors	<u>221,378</u>	<u>1,438,283</u>
Cash generated from operations	<u>1,098,828</u>	<u>1,282,563</u>

2. **CASH AND CASH EQUIVALENTS**

The amounts disclosed on the Statement of Cash Flows in respect of cash and cash equivalents are in respect of these Statement of Financial Position amounts:

Year ended 31 March 2023

	31.3.23	1.4.22
	£	£
Cash and cash equivalents	<u>798,782</u>	<u>1,191,405</u>

Year ended 31 March 2022

	31.3.22	1.4.21
	£	£
Cash and cash equivalents	<u>1,191,405</u>	<u>817,210</u>

Notes to the Statement of Cash Flows
For The Year Ended 31 March 2023

3. **ANALYSIS OF CHANGES IN NET FUNDS**

	At 1.4.22 £	Cash flow £	At 31.3.23 £
Net cash			
Cash at bank and in hand	<u>1,191,405</u>	<u>(392,623)</u>	<u>798,782</u>
	<u>1,191,405</u>	<u>(392,623)</u>	<u>798,782</u>
Debt			
Finance leases	(46,887)	31,469	(15,418)
Debts falling due within 1 year	(48,000)	8,000	(40,000)
Debts falling due after 1 year	<u>(436,606)</u>	<u>33,747</u>	<u>(402,859)</u>
	<u>(531,493)</u>	<u>73,216</u>	<u>(458,277)</u>
Total	<u>659,912</u>	<u>(319,407)</u>	<u>340,505</u>

The notes form part of these financial statements

Notes to the Financial Statements
For The Year Ended 31 March 2023

1. STATUTORY INFORMATION

Grant Brothers (Meat Canners) Limited is a private company, limited by shares, registered in Scotland. The company's registered number and registered office address can be found on the Company Information page.

The presentation currency of the financial statements is the Pound Sterling (£).

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Turnover

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

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

Intangible assets other than goodwill

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

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the bases of 25% reducing balance.

Notes to the Financial Statements - continued
For The Year Ended 31 March 2023

2. ACCOUNTING POLICIES - continued

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life or, if held under a finance lease, over the lease term, whichever is the shorter.

Freehold property	- 1% on cost
Fixed plant and equipment	- 15% on reducing balance
Fixtures and fittings	- 20% on cost
Motor vehicles	- 25% on reducing balance

Impairment of fixed assets

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

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

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

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

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

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

Cash and cash equivalents

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

Notes to the Financial Statements - continued
For The Year Ended 31 March 2023

2. ACCOUNTING POLICIES - continued

Financial instruments

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

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

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

Basic financial assets

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

Classification of financial liabilities

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

Basic financial liabilities

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

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

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

Equity instruments

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

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the statement of financial position date.

Notes to the Financial Statements - continued
For The Year Ended 31 March 2023

2. ACCOUNTING POLICIES - continued

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the statement of financial position date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Research and development

Research expenditure is written off against profits in the year in which it is incurred. Identifiable development expenditure is capitalised to the extent that the technical, commercial and financial feasibility can be demonstrated.

Foreign exchange

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

Hire purchase and leasing commitments

Leases are classified as finance leases whenever the term of the lease transfer substantially all the risks and rewards of ownership of the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

Employee benefits

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

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

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

Notes to the Financial Statements - continued
For The Year Ended 31 March 2023

3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the company's accounting policies, the director is required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The director is of the opinion there are no matters of significant judgement and estimation which are material to the financial statements.

4. EMPLOYEES AND DIRECTORS

	2023	2022
	£	£
Wages and salaries	1,010,701	1,073,437
Social security costs	10,692	11,955
Other pension costs	43,204	43,522
	<u>1,064,597</u>	<u>1,128,914</u>

The average number of employees during the year was as follows:

	2023	2022
Admin	<u>45</u>	<u>51</u>

	2023	2022
	£	£
Director's remuneration	<u>8,400</u>	<u>8,400</u>

5. OPERATING PROFIT

The operating profit is stated after charging:

	2023	2022
	£	£
Hire of plant and machinery	23,493	24,273
Other operating leases	91,367	63,439
Depreciation - owned assets	35,694	37,019
Depreciation - assets on finance leases	16,100	19,921
Loss on disposal of fixed assets	4,051	5,629
Brand costs amortisation	7,415	6,346
Auditors' remuneration	<u>11,200</u>	<u>10,500</u>

Notes to the Financial Statements - continued
For The Year Ended 31 March 2023

6. INTEREST PAYABLE AND SIMILAR EXPENSES

	2023	2022
	£	£
Bank loan interest	26,410	11,023
Hire purchase interest payable	2,034	15,942
	<u>28,444</u>	<u>26,965</u>

7. TAXATION

Analysis of the tax charge

The tax charge on the profit for the year was as follows:

	2023	2022
	£	£
Current tax:		
UK corporation tax	86,654	171,405
Deferred tax	12,425	33,411
Tax on profit	<u>99,079</u>	<u>204,816</u>

Reconciliation of total tax charge included in profit and loss

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below:

	2023	2022
	£	£
Profit before tax	<u>479,103</u>	<u>853,796</u>
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2022 - 19%)	91,030	162,221
Effects of:		
Expenses not deductible for tax purposes	4,139	3,336
Capital allowances in excess of depreciation	(8,515)	-
Depreciation in excess of capital allowances	-	5,848
Deferred tax movement	12,425	33,411
Total tax charge	<u>99,079</u>	<u>204,816</u>

8. DIVIDENDS

	2023	2022
	£	£
Ordinary shares of 1 each		
Final	<u>600,000</u>	<u>600,000</u>

Notes to the Financial Statements - continued
For The Year Ended 31 March 2023

9. INTANGIBLE FIXED ASSETS

	Brand costs £
COST	
At 1 April 2022	258,128
Additions	<u>6,584</u>
At 31 March 2023	<u>264,712</u>
AMORTISATION	
At 1 April 2022	234,363
Amortisation for year	<u>7,415</u>
At 31 March 2023	<u>241,778</u>
NET BOOK VALUE	
At 31 March 2023	<u>22,934</u>
At 31 March 2022	<u>23,765</u>

10. TANGIBLE FIXED ASSETS

	Freehold property £	Fixed plant and equipment £	Fixtures and fittings £	Motor vehicles £	Totals £
COST					
At 1 April 2022	1,088,864	1,054,589	181,294	52,005	2,376,752
Additions	36,582	52,511	1,378	-	90,471
Disposals	<u>-</u>	<u>(18,750)</u>	<u>-</u>	<u>-</u>	<u>(18,750)</u>
At 31 March 2023	<u>1,125,446</u>	<u>1,088,350</u>	<u>182,672</u>	<u>52,005</u>	<u>2,448,473</u>
DEPRECIATION					
At 1 April 2022	189,484	833,239	167,297	38,058	1,228,078
Charge for year	11,179	33,338	3,790	3,487	51,794
Eliminated on disposal	<u>-</u>	<u>(14,401)</u>	<u>-</u>	<u>-</u>	<u>(14,401)</u>
At 31 March 2023	<u>200,663</u>	<u>852,176</u>	<u>171,087</u>	<u>41,545</u>	<u>1,265,471</u>
NET BOOK VALUE					
At 31 March 2023	<u>924,783</u>	<u>236,174</u>	<u>11,585</u>	<u>10,460</u>	<u>1,183,002</u>
At 31 March 2022	<u>899,380</u>	<u>221,350</u>	<u>13,997</u>	<u>13,947</u>	<u>1,148,674</u>

Notes to the Financial Statements - continued
For The Year Ended 31 March 2023

10. TANGIBLE FIXED ASSETS - continued

Fixed assets, included in the above, which are held under finance leases are as follows:

	Fixed plant and equipment £	Motor vehicles £	Totals £
COST			
At 1 April 2022 and 31 March 2023	<u>151,402</u>	<u>14,995</u>	<u>166,397</u>
DEPRECIATION			
At 1 April 2022	66,560	1,498	68,058
Charge for year	<u>12,726</u>	<u>3,374</u>	<u>16,100</u>
At 31 March 2023	<u>79,286</u>	<u>4,872</u>	<u>84,158</u>
NET BOOK VALUE			
At 31 March 2023	<u>72,116</u>	<u>10,123</u>	<u>82,239</u>
At 31 March 2022	<u>84,842</u>	<u>13,497</u>	<u>98,339</u>

11. STOCKS

	2023 £	2022 £
Stocks	13,099	13,099
Raw materials	509,892	490,966
Finished goods	<u>1,152,584</u>	<u>530,984</u>
	<u>1,675,575</u>	<u>1,035,049</u>

12. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023 £	2022 £
Trade debtors	1,487,462	2,366,357
Amounts owed by group undertakings	1,637,951	1,800,755
Directors' current accounts	91,188	-
VAT	93,853	44,936
Prepayments and accrued income	<u>-</u>	<u>5,484</u>
	<u>3,310,454</u>	<u>4,217,532</u>

Notes to the Financial Statements - continued
For The Year Ended 31 March 2023

13. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2023	2022
	£	£
Bank loans and overdrafts (see note 15)	40,000	48,000
Finance leases (see note 16)	15,418	30,440
Trade creditors	1,748,574	1,176,914
Tax	86,138	649,008
Social security and other taxes	13,449	9,281
Invoice finance borrowings	1,037,298	1,243,720
Other creditors	31,229	226,950
Accruals and deferred income	78,629	34,355
Deferred government grants	952	952
	<u>3,051,687</u>	<u>3,419,620</u>

14. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2023	2022
	£	£
Bank loans and overdrafts (see note 15)	402,859	436,606
Finance leases (see note 16)	-	16,447
Deferred government grants	7,840	7,840
	<u>410,699</u>	<u>460,893</u>

15. LOANS

An analysis of the maturity of loans is given below:

	2023	2022
	£	£
Amounts falling due within one year or on demand:		
Bank loans	<u>40,000</u>	<u>48,000</u>
Amounts falling due between one and two years:		
Bank loans - 1-2 years	<u>402,859</u>	<u>436,606</u>

16. LEASING AGREEMENTS

Minimum lease payments fall due as follows:

	Finance leases	
	2023	2022
	£	£
Net obligations repayable:		
Within one year	15,418	30,440
Between one and five years	-	16,447
	<u>15,418</u>	<u>46,887</u>

Notes to the Financial Statements - continued
For The Year Ended 31 March 2023

16. LEASING AGREEMENTS - continued

	Non-cancellable operating leases	
	2023	2022
	£	£
Within one year	6,329	8,900
Between one and five years	-	6,329
	<u>6,329</u>	<u>15,229</u>

17. SECURED DEBTS

The following secured debts are included within creditors:

	2023	2022
	£	£
Bank loans and overdrafts	442,859	484,606
Invoice finance borrowings	1,037,298	1,243,720
	<u>1,480,157</u>	<u>1,728,326</u>

The Clydesdale bank holds a floating charge over the assets and undertakings of the company. They also hold a standard charge over the Freehold property as well as a charge over Policy and the debtor book.

18. PROVISIONS FOR LIABILITIES

	2023	2022
	£	£
Deferred tax	<u>136,997</u>	<u>124,572</u>
		Deferred tax
		£
Balance at 1 April 2022		124,572
Provided during year		<u>12,425</u>
Balance at 31 March 2023		<u>136,997</u>

19. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:			2023	2022
Number:	Class:	Nominal value:	£	£
150,000	Ordinary	1	<u>150,000</u>	<u>150,000</u>

Notes to the Financial Statements - continued
For The Year Ended 31 March 2023

20. RESERVES

	Retained earnings £	Share premium £	Revaluation reserve £	Totals £
At 1 April 2022	3,379,513	50,000	31,827	3,461,340
Profit for the year	380,024			380,024
Dividends	(600,000)			(600,000)
At 31 March 2023	<u>3,159,537</u>	<u>50,000</u>	<u>31,827</u>	<u>3,241,364</u>

21. DIRECTOR'S ADVANCES, CREDITS AND GUARANTEES

The following advances and credits to a director subsisted during the years ended 31 March 2023 and 31 March 2022:

	2023 £	2022 £
J Fallon		
Balance outstanding at start of year	-	-
Amounts advanced	91,188	-
Amounts repaid	-	-
Amounts written off	-	-
Amounts waived	-	-
Balance outstanding at end of year	<u>91,188</u>	<u>-</u>

22. RELATED PARTY TRANSACTIONS

During the year to 31st March 2023, Grant Brothers (Meat Canners) Limited paid Ardeer Research Marketing Limited dividends of £600,000 (2022: £600,000). Other costs of £31,200 (2022: £31,200) were also paid by Grant Brothers (Meat Canners) Limited to Ardeer Research and Marketing Limited.

At the year end, Ardeer Research and Marketing Limited owed the company £975,628 (2022: £1,139,216) in respect of loans outstanding.

At the year end, Fallco Limited owed the company £662,323 (2022: £661,539) in respect of loans outstanding. Mr J Fallon is also a director of this company.

During the year the company paid £24,000 to Inglis & Co Limited for marketing services. Mr J Fallon has a close family connection to the director of the company.

23. ULTIMATE CONTROLLING PARTY

The parent company of Grant Brothers (Meat Canners) Limited is Ardeer Research and Marketing Limited, and its registered office is 1 Cemetery Road, Galston, Scotland, KA4 8JU.

The ultimate controlling party is Mr J Fallon by virtue of his shareholding in Ardeer Research Marketing Limited.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.