

**Company Registration No. 03826975 (England and Wales)**

**JDM Food Group Limited**

**Annual report and financial statements  
for the year ended 31 December 2022**

**JDM Food Group Limited**

**Company information**

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<b>Directors</b>	Michael Voice Hugues Marchand Aisling Kemp
<b>Secretary</b>	James Willows - Chamberlin
<b>Company number</b>	03826975
<b>Registered office</b>	Monument Road Bicker Boston PE20 3DJ
<b>Independent auditor</b>	Saffery LLP Westpoint Peterborough Business Park Lynch Wood Peterborough PE2 6FZ

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**JDM Food Group Limited**

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## **JDM Food Group Limited**

### **Strategic report**

**For the year ended 31 December 2022**

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The directors present the strategic report for the year ended 31 December 2022.

The principal activity of the Company is the manufacture and supply of food products.

#### **Business review**

2022 saw a year of stabilisation for the business being the first financial year of the last three not to be disrupted by pandemic-related lockdowns. For JDM this meant a small decrease in revenues with wholehead volumes into retail normalising post-pandemic, following a sustained period of consumers cooking and eating at home over the prior two financial periods. However, the directors are pleased to report underlying growth in each of our value-added channels which offset this and improved the business' position entering 2023. In Q4 2022 we entered the Food Service sector for the first time, opening a new avenue of growth and potential for the business, and we expect significant growth in this channel, alongside our existing portfolio, over the course of 2023.

Following the acquisition of the business in mid-2021, significant capex investment into our site continued in 2022, further enhancing our capacity and capabilities to drive the business' future growth.

In the second half of the year the Company was impacted by significant inflation in raw material and energy costs stemming from the conflict in Ukraine. Whilst the business took action to manage and mitigate input cost pressures to the extent possible, the sustained and significant nature of cost increases the business was subjected to resulted in selling price increases being passed onto our customers where essential to preserve the economic viability of lines supplied.

We enter 2023 on a strong financial footing and with positive momentum, having successfully navigated the macroeconomic challenges that 2022 presented. We expect to continue delivering sustained growth throughout 2023 and beyond by further developing existing and new customer relationships. We have built a talented commercial and culinary innovation team to collaborate with these customers, and have continued to make significant investment in building out additional manufacturing capacity and structure to underpin our growth.

## JDM Food Group Limited

### Strategic report (continued)

For the year ended 31 December 2022

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#### Principal risks and uncertainties

The principal risks facing the Company can broadly be classified as financial. The directors have measures in place in order to mitigate such risks, which have proven to be effective.

Credit risk – Tight credit control procedures have meant that bad debts are generally minimal. A credit insurance policy is in place to mitigate risk in this area.

Liquidity risk – Liquidity needs to be maintained in order to assist the Company's working capital. The time lag between the purchase of stock and the receipt of cash from customers could potentially pose a threat to the continued trade. A stock loan facility is in place from our bankers, in order to mitigate this area of risk.

Interest rate risk – The interest charged on the Company's banking facilities is monitored on a regular basis and the rate negotiated where necessary in order to minimise the interest payable.

Foreign exchange rate risk – The Company undertakes transactions in foreign currencies. With the recent volatility of the British Pound, there is a risk of incurring losses on exchange. Procedures are in place to try and minimise this risk which include hedging and matching the currency of receipts and payments.

Price risk – the Company continues to monitor and manage the impact from the current cost of living crisis within the economy. The Company has been successful in negotiating price increases with customers where required.

#### Financial key performance indicators

The financial statements reflect the performance for the year, showing the Key Performance Indicators 'KPIs' being; Turnover, Gross Profit margin and adjusted EBITDA margin.

The directors also reviewed gross and net profit as other Key Performance Indicators for the Company which is shown below:

	2022	2021
Turnover	£60,431,778	£62,119,860
Gross profit margin	23.0%	22.5%
Adjusted EBITDA margin (excluding exceptionals)	6.8%	7.8%

#### Other key performance indicators

The Company's primary non-financial key performance indicator is carbon emissions per delivery, with the former representing the total of scope 1 and scope 2 emissions of CO2 equivalents, as follows:

	2022	2021
Total energy usage (kWh)	8,881,086	8,880,373
Total scope 1 and 2 emissions (tCO2e)	1,655.9	1,567.5
Intensity metric (tCO2e)	0.059	0.059

#### **Section 172 statement**

Under the Companies Act 2006, directors have seven general duties to the Company. One of these duties, commonly referred to as the 's172 duty', is 'to promote the success of the company'. Part 1 of that duty requires directors to do so 'for the benefit of its members as a whole', and in doing so, to have regard to the following six factors:

#### **The likely consequences of any decisions in the long term**

We engage with our investors on a regular basis to share our vision and strategy. The Company is fortunate to be backed by investors with a deep understanding of the sector in which we operate and believe in building long-term, successful and innovative partnerships. As part of this we:

- Have regular ongoing dialogue between the CEO and Finance Director with our investors to update on developments, market conditions, growth opportunities and any other relevant factors
- Hold monthly review calls to review financial performance, address any questions or concerns raised, and discuss collaboratively opportunities to advance the business and drive sustainable, profitable growth
- Maintain and regularly update a long term financial planning model so the longer term impact of growth and changes in the business' cost base and/or revenue profile are understood

#### **The interests of the Company's employees**

Our people are the Company's greatest asset. We strive to be an employer of choice, and to support this over the last 12 months we have:

- Launched our 'EPIC' value set, which align Company goals across our workforce by integrating into objectives and annual appraisals. Individuals nominate colleagues for recognition as part of our quarterly EPIC awards and we celebrate the achievements of our people at an annual staff event
- Supported employees through the cost of living crisis with vouchers, recipe meal kit boxes, and bringing forward our annual pay review
- Made record investment into the training of our people to upskill our workforce and provide development and career progression opportunities
- Relunched our employee forum and held quarterly all-employee briefings to enhance lines of communication with our workforce, better understand key issues affecting our people and obtain feedback on proposed strategies to aid our decision-making and ensure that actions taken are done so in consultation with our people

#### **The need to foster the company's business relationships with suppliers, customers and others**

We believe in engaging and transacting with our customers and suppliers in a transparent and ethical manner. This is an ongoing process as part of which we have:

- Ensured technically-approved, high quality contingency suppliers are in place for continuity of supply to ensure a robust supply chain and maintain high service levels with our customers
- Continued investment in our factory to create additional capacity and capability, alongside significant investment in enhancing our commercial and NPD team to enhance our customers' experience and support them with product innovation
- Adopted a partnership approach to each business relationship, understanding our customer's needs intimately and aiming to develop a mutually beneficial, long-term relationship

**The impact of the Company's operations on the community and the environment**

We are mindful of the impact we make on the environment and our local community. In the last 12 months we have:

- Engaged with an emission data management company to accurately measure our carbon footprint baseline and set meaningful climate objectives
- Launched an electric car salary sacrifice scheme to support our grey fleet's transition to zero emissions vehicles
- Sponsored multiple grass roots sport teams and supported the 'Boston Beagle' Greenpower racing team at Boston High School – promoting female participation in STEM subjects
- Supported multiple community events/festivals in the local area
- Held a gift collection for Boston Women's Aid, ensuring a brighter Christmas for mothers and children fleeing domestic abuse

**The reputation for a high standard of business conduct**

JDM uphold the highest technical standards and refuse to compromise on quality. In the past 12 months we have:

- Maintained our AA+ BRC certification, demonstrating our commitment to quality
- Introduced daily taste panels to ensure consistency and quality of product
- Ensured that our EPIC values underpin and promote our strong quality and safety culture, and a commitment to doing things the right way
- Completed multiple customer audits and worked collaboratively with them to maximise quality standards

**The need to act fairly as between members of the Company**

We have identified the following member groups as relevant stakeholders of the Company: our people, our customers, our suppliers, our investors, and our local community. Positive engagement with all of these parties is key to our successful delivery of our strategy to be a trusted partner of choice, delivering the highest standards of service, innovation, quality and safety in an ethical, sustainable and profitable manner. We have set out above some of the ways in which we have and continue to engage with these stakeholders. We aim to ensure that their respective views are factored into our decision-making processes, seeking to balance interests, promote and maximise value for all parties in both the immediate and longer term.

On behalf of the board

Aisling Kemp

**Director**

26 September 2023

## **JDM Food Group Limited**

### **Directors' report**

**For the year ended 31 December 2022**

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The directors present their annual report and financial statements for the year ended 31 December 2022.

#### **Principal activities**

The principal activity of the Company continued to be that of the manufacture and supply of food products.

#### **Results and dividends**

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

No ordinary dividends were paid (2021: £nil). The directors do not recommend payment of a final dividend (2021: £nil).

#### **Directors**

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

Michael Voice  
Hugues Marchand  
Aisling Kemp

#### **Research and development**

As at 31 December 2022 the Company was engaged in research and development in the product development of exciting on-trend and new dishes to customer specifications.

#### **Disabled persons**

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

#### **Employee involvement**

The Company's policy is to consult and discuss with employees, through staff forums, briefings and at meetings, matters likely to affect employees' interests.

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

The Company values communication between management and employees on all matters affecting the welfare of the business. Regular management meetings are held between the local management and employees to allow a free flow of information and ideas.



## **JDM Food Group Limited**

### **Directors' report (continued) For the year ended 31 December 2022**

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#### **Business relationships**

The Company is committed to engaging with their principal stakeholders and views its suppliers, customers and employees as its principal stakeholders. All concerns or thoughts of our stakeholders are discussed at Board level and by direct engagement with stakeholders themselves. Every decision we make is taken with our stakeholders in mind and what is the best for the relationship in the long term. The customers' opinions and feedback are taken into consideration when discussing strategy and performance.

Relationships with suppliers are also maintained as a partnership in order to work effectively and efficiently.

#### **Events after the reporting date**

On 24 July 2023, the owners of the Sunridge JDM I Limited completed an acquisition and as a result, the Company's ultimate parent undertaking became Jardins and Broch Inc, a company incorporated in the USA.

#### **Future developments**

The Company continues to invest in both production capacity and capability, which is creating significant added value opportunities.

The Company has the full support of its investors, as well as bankers HSBC.

#### **Auditor**

Saffery LLP have expressed their willingness to continue in office.

#### **Statement of directors' responsibilities**

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

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

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

**JDM Food Group Limited**

**Directors' report (continued)**  
**For the year ended 31 December 2022**

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**Strategic report**

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

**Statement of disclosure to auditor**

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

On behalf of the board

Aisling Kemp  
**Director**

26 September 2023

## **JDM Food Group Limited**

### **Independent auditor's report**

**To the members of JDM Food Group Limited**

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#### **Opinion**

We have audited the financial statements of JDM Food Group Limited (the 'Company') for the year ended 31 December 2022 which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including 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 December 2022 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 Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Conclusions relating to going concern**

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

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

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

## **JDM Food Group Limited**

### **Independent auditor's report (continued)** **To the members of JDM Food Group Limited**

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#### **Other information**

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report 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.

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

We have nothing to report in this regard.

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

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

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

#### **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 and the directors' report.

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 remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

#### **Responsibilities of directors**

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

In preparing the financial statements, the directors are responsible for assessing the 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.

## **JDM Food Group Limited**

### **Independent auditor's report (continued)**

#### **To the members of JDM Food Group Limited**

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#### **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. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

#### **Identifying and assessing risks related to irregularities:**

We assessed the susceptibility of the Company's financial statements to material misstatement and how fraud might occur, including through discussions with the directors, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the company by discussions with directors and by updating our understanding of the sector in which the company operates.

Laws and regulations of direct significance in the context of the company include The Companies Act 2006 and UK Tax legislation.

#### **Audit response to risks identified:**

We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of financial statement disclosures. We reviewed the Company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the Company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non-compliance with laws and regulations and fraud.

**JDM Food Group Limited**

**Independent auditor's report (continued)**

**To the members of JDM Food Group Limited**

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

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

**Use of our report**

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

**Alistair Hunt**

**Senior Statutory Auditor**

**For and on behalf of Saffery LLP**

26 September 2023

**Chartered Accountants**

**Statutory Auditors**

Westpoint  
Peterborough Business Park  
Lynch Wood  
Peterborough  
PE2 6FZ

**JDM Food Group Limited**

**Statement of comprehensive income  
For the year ended 31 December 2022**

		<b>2022</b>	<b>2021</b>
	<b>Notes</b>	<b>£</b>	<b>£</b>
<b>Turnover</b>	<b>3</b>	60,431,778	62,119,850
Cost of sales		(46,562,226)	(48,125,825)
<b>Gross profit</b>		<b>13,869,552</b>	<b>13,994,035</b>
Administrative expenses - continuing		(11,655,342)	(10,731,134)
Administrative expenses - exceptional items	<b>4</b>	(1,029,207)	(2,070,013)
Administrative expenses		(12,684,549)	(12,801,147)
<b>Operating profit</b>	<b>5</b>	<b>1,185,003</b>	<b>1,192,888</b>
<b>Analysed as:</b>			
<b>Adjusted EBITDA pre exceptionals</b>		4,067,501	4,815,290
- Depreciation of tangible fixed assets		(1,878,890)	(1,563,260)
- Profit on disposal of tangible fixed assets	<b>5</b>	25,599	10,871
- Exceptional items	<b>4</b>	(1,029,207)	(2,070,013)
<b>Operating profit</b>		<b>1,185,003</b>	<b>1,192,888</b>
Interest receivable and similar income	<b>9</b>	-	13,514
Interest payable and similar expenses	<b>10</b>	(296,473)	(185,698)
<b>Profit before taxation</b>		<b>888,530</b>	<b>1,020,704</b>
Tax on profit	<b>11</b>	(194,380)	(469,125)
<b>Profit for the financial year</b>		<b>694,150</b>	<b>551,579</b>

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

There was no other comprehensive income for 2022 (2021: £nil).

**JDM Food Group Limited**

**Statement of financial position  
As at 31 December 2022**

			2022	2021
	Notes	£	£	£
<b>Fixed assets</b>				
Tangible assets	14		8,180,626	7,364,901
<b>Current assets</b>				
Stocks	15	8,151,380	6,496,417	
Debtors	16	9,188,674	8,270,720	
Cash at bank and in hand		2,061,736	7,708	
		<u>19,401,790</u>	<u>14,774,845</u>	
<b>Creditors: amounts falling due within one year</b>	17	<u>(17,396,739)</u>	<u>(13,224,796)</u>	
<b>Net current assets</b>			2,005,051	1,550,049
<b>Total assets less current liabilities</b>			<u>10,185,677</u>	<u>8,914,950</u>
<b>Creditors: amounts falling due after more than one year</b>	18		(631,172)	(934,326)
<b>Provisions for liabilities</b>				
Deferred tax liability	21		(822,269)	(745,063)
<b>Net assets</b>			<u>8,732,236</u>	<u>7,235,561</u>
<b>Capital and reserves</b>				
Called up share capital	23	852,525	50,000	
Profit and loss reserves	24	7,879,711	7,185,561	
<b>Total equity</b>			<u>8,732,236</u>	<u>7,235,561</u>

The financial statements were approved by the board of directors and authorised for issue on 26 September 2023 and are signed on its behalf by:

Aisling Kemp  
**Director**  
**Company Registration No. 03826975**



**JDM Food Group Limited**

**Statement of changes in equity  
For the year ended 31 December 2022**

		Share capital	Profit and loss reserves	Total
	Notes	£	£	£
<b>Balance at 1 January 2021</b>		50,000	6,633,982	6,683,982
<b>Year ended 31 December 2021:</b>				
Profit and total comprehensive income for the year		-	551,579	551,579
<b>Balance at 31 December 2021</b>		50,000	7,185,561	7,235,561
<b>Year ended 31 December 2022:</b>				
Profit and total comprehensive income for the year		-	694,150	694,150
Issue of share capital	23	802,525	-	802,525
<b>Balance at 31 December 2022</b>		852,525	7,879,711	8,732,236

**1 Accounting policies**

**Company information**

JDM Food Group Limited is a private company limited by shares incorporated in England and Wales. The registered office is Monument Road, Bicker, Boston, PE20 3DJ.

The principal activity is disclosed in the Directors' report.

**1.1 Accounting convention**

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

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

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

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

- Section 4 'Statement of Financial Position': Reconciliation of the opening and closing number of shares;
- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues': Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 26 'Share based Payment': Share-based payment expense charged to profit or loss, reconciliation of opening and closing number and weighted average exercise price of share options, how the fair value of options granted was measured, measurement and carrying amount of liabilities for cash-settled share-based payments, explanation of modifications to arrangements;
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

The financial statements of the Company are consolidated in the financial statements of Sunridge JDM I Limited. These consolidated financial statements are available from its registered office, Monument Road, Bicker, Boston, PE20 3DJ.

**1 Accounting policies (continued)**

**1.2 Going concern**

At the time of approving the financial statements, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. In forming this expectation, the directors have considered a period in excess of 12 months from the date of approval of the financial statements. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

**1.3 Turnover**

Turnover is recognised in respect of the supply of food products during the year, exclusive of value added tax and trade discounts.

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Company and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before turnover is recognised:

Turnover from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of turnover can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

**1.4 Intangible fixed assets - goodwill**

Goodwill represents the difference between amounts paid on the cost of a business combination and acquirer's interest in the fair value of the company's share of its identifiable assets and liabilities of the acquiree at the date of the acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated amortisation and the accumulated impairment losses. Goodwill is amortised on a straight line basis to the consolidated statement of comprehensive income over its useful economic life, being 10 years.

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

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

**1.5 Tangible fixed assets**

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

**1 Accounting policies (continued)**

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

Leasehold land and buildings	Over the life of the lease
Plant and equipment	20% straight line
Fixtures and fittings	33.3% straight line
Computers	33.3% straight line
Motor vehicles	30% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

**1.6 Impairment of fixed assets**

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

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

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

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

**1.7 Stocks**

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

**1 Accounting policies (continued)**

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 profit or loss.

**1.8 Cash and cash equivalents**

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

**1.9 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 statement of financial position 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, 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.

***Impairment of financial assets***

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

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

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

**1 Accounting policies (continued)**

***Derecognition of financial assets***

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

***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 and loans from fellow group undertakings, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

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

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

***Derecognition of financial liabilities***

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

**1.10 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.

**1.11 Taxation**

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

***Current tax***

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

**1 Accounting policies (continued)**

***Deferred tax***

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

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Where items recognised in other comprehensive income or equity are chargeable to or deductible for tax purposes, the resulting current or deferred tax expense or income is presented in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense or income. Deferred tax assets and liabilities are offset when the Company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

**1.12 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.

**1.13 Retirement benefits**

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

**1.14 Leases**

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to 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 statement of financial position 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.

**1 Accounting policies (continued)**

**1.15 Foreign exchange**

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

**1.16 Exceptional costs**

Exceptional items are transactions that the directors consider do not fall within the ordinary activities of the Company and are presented separately in the Statement of Comprehensive Income due to their nature or size.

**2 Critical accounting judgements and key sources of estimation uncertainty**

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

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

**Key sources of estimation uncertainty**

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

***Estimated useful lives and residual values of fixed assets***

Depreciation of tangible and intangible fixed assets has been based on estimated useful lives and residual values deemed appropriate by the Directors. Estimated useful lives and residual values are reviewed annually and will be revised as appropriate.

***Stock provision***

The Company calculates the impairment of the carrying value of stock by assessing the amount and value of obsolete and slow-moving stock, in addition to stock past its expiration date.



**JDM Food Group Limited**

**Notes to the financial statements (continued)**

**For the year ended 31 December 2022**

**3 Turnover and other revenue**

The whole of turnover is attributable to the supply of food products during the current and previous year.

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
<b>Turnover analysed by geographical market</b>		
United Kingdom	57,869,475	59,743,600
Rest of Europe	2,562,303	2,376,260
	<u>60,431,778</u>	<u>62,119,860</u>

**4 Exceptional items**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
<b>Expenditure</b>		
Cancelled acquisition costs	85,150	-
Costs associated with the acquisition of the Company	-	1,434,914
Restructuring costs	430,647	336,648
Impairment charges	-	298,451
Operational efficiency project costs	513,410	-
	<u>1,029,207</u>	<u>2,070,013</u>

Cancelled acquisition costs relate to a potential acquisition in the year that was subsequently terminated.

Costs associated with the acquisition of the Company included professional fees and settlement of employee-related liabilities, which were costs incurred as part of the Company's acquisition.

Restructuring costs relate to one-off costs relating to restructuring of the Company's senior management team post-acquisition and operational restructuring to deliver efficiencies in future periods.

Impairment charges related to tangible and intangible fixed assets.

Operational efficiency project costs relate to one-off costs relating to improving the Company's operational efficiency and business planning systems.

**JDM Food Group Limited****Notes to the financial statements (continued)****For the year ended 31 December 2022****5 Operating profit**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Operating profit for the year is stated after charging/(crediting):		
Depreciation of owned tangible fixed assets	1,495,237	1,181,225
Depreciation of tangible fixed assets held under finance leases	383,653	382,035
Impairment of owned tangible fixed assets	-	278,488
Profit on disposal of tangible fixed assets	(25,599)	(10,871)
Impairment of intangible assets	-	19,963
Operating lease charges	251,591	282,705
	<b>=====</b>	<b>=====</b>

**6 Auditor's remuneration**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Fees payable to the Company's auditor and associates:		
<b>For audit services</b>		
Audit of the financial statements of the Company	47,275	36,750
	<b>=====</b>	<b>=====</b>
<b>For other services</b>		
Taxation compliance services	4,200	4,000
	<b>=====</b>	<b>=====</b>

**7 Directors' remuneration**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Remuneration for qualifying services	-	275,614
Company pension contributions to defined contribution schemes	-	1,319
Sums paid to third parties for directors' services	588,408	-
	<b>=====</b>	<b>=====</b>
	588,408	276,933
	<b>=====</b>	<b>=====</b>

The directors remuneration was not borne by JDM Food Group Limited, instead being borne by JDM Food Holdings Limited, a fellow subsidiary of the company's ultimate parent.

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 0 (2021 - 2).

**JDM Food Group Limited****Notes to the financial statements (continued)****For the year ended 31 December 2022****7 Directors' remuneration (continued)**

Remuneration disclosed above include the following amounts paid to the highest paid director:

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Remuneration for qualifying services	-	275,614
Company pension contributions to defined contribution schemes	-	1,319
	<b>=====</b>	<b>=====</b>

**8 Employees**

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

	<b>2022</b>	<b>2021</b>
	<b>Number</b>	<b>Number</b>
Director and key management personnel	6	8
Management/clerical staff	78	59
Factory staff	307	322
	<b>=====</b>	<b>=====</b>
Total	391	389

Their aggregate remuneration comprised:

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Wages and salaries	13,735,742	14,131,171
Social security costs	1,191,531	1,096,282
Pension costs	529,882	620,331
	<b>=====</b>	<b>=====</b>
	15,072,657	15,847,784

**9 Interest receivable and similar income**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Interest income		
Interest on bank deposits	-	13,514
	<b>=====</b>	<b>=====</b>

**JDM Food Group Limited****Notes to the financial statements (continued)****For the year ended 31 December 2022****10 Interest payable and similar expenses**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Interest on bank overdrafts and loans	260,952	138,443
Other interest payable	-	129
Interest on finance leases and hire purchase contracts	35,521	47,126
	<u>296,473</u>	<u>185,698</u>

**11 Taxation**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
<b>Current tax</b>		
UK corporation tax on profits for the current period	117,174	-
	<u>117,174</u>	<u>-</u>
<b>Deferred tax</b>		
Origination and reversal of timing differences	77,206	469,125
	<u>77,206</u>	<u>469,125</u>
<b>Total tax charge</b>	<u>194,380</u>	<u>469,125</u>

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

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Profit before taxation	<u>888,530</u>	<u>1,020,704</u>
Expected tax charge based on the standard rate of corporation tax in the UK of 19.00% (2021: 19.00%)	168,821	193,934
Tax effect of expenses that are not deductible in determining taxable profit	21,635	94,590
Tax effect of income not taxable in determining taxable profit	(2,249)	-
Group relief	(76,602)	(5,194)
Permanent capital allowances in excess of depreciation	64,246	6,980
Effect of changes in tax rates	<u>18,529</u>	<u>178,815</u>
<b>Taxation charge for the year</b>	<u>194,380</u>	<u>469,125</u>

**JDM Food Group Limited****Notes to the financial statements (continued)**  
**For the year ended 31 December 2022****12 Impairments**

Impairment tests have been carried out where appropriate and the following impairment losses have been recognised in profit or loss:

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
In respect of:		
Goodwill	-	19,963
Property, plant and equipment	-	278,488
	<b>=====</b>	<b>=====</b>
Recognised in:		
Administrative expenses - exceptional items	-	298,451
	<b>=====</b>	<b>=====</b>

**13 Intangible fixed assets**

	<b>Goodwill</b>
	<b>£</b>
<b>Cost</b>	
At 1 January 2022 and 31 December 2022	50,000
	<b>-----</b>
<b>Amortisation and impairment</b>	
At 1 January 2022 and 31 December 2022	50,000
	<b>-----</b>
<b>Carrying amount</b>	
At 31 December 2022	-
	<b>=====</b>
At 31 December 2021	-
	<b>=====</b>

Amortisation is charged to administrative expenses.

**JDM Food Group Limited**

**Notes to the financial statements (continued)**

**For the year ended 31 December 2022**

**14 Tangible fixed assets**

	Leasehold land and buildings	Plant and equipment	Fixtures and fittings	Computers	Motor vehicles	Total
	£	£	£	£	£	£
<b>Cost</b>						
At 1 January 2022	6,227,759	6,250,817	1,135,479	219,124	146,259	13,979,438
Additions	1,464,223	768,099	291,137	171,152	-	2,694,611
Disposals	-	-	-	-	(30,777)	(30,777)
At 31 December 2022	7,691,982	7,018,916	1,426,616	390,276	115,482	16,643,272
<b>Depreciation and impairment</b>						
At 1 January 2022	1,921,442	3,644,308	810,135	141,211	97,441	6,614,537
Depreciation charged in the year	625,428	910,602	254,213	54,301	34,346	1,878,890
Eliminated in respect of disposals	-	-	-	-	(30,781)	(30,781)
At 31 December 2022	2,546,870	4,554,910	1,064,348	195,512	101,006	8,462,646
<b>Carrying amount</b>						
At 31 December 2022	5,145,112	2,464,006	362,268	194,764	14,476	8,180,626
At 31 December 2021	4,306,317	2,606,509	325,344	77,913	48,818	7,364,901

The net carrying value of tangible fixed assets includes the following in respect of assets held under finance leases or hire purchase contracts.

	2022 £	2021 £
Plant and equipment	885,400	1,129,263
Fixtures and fittings	-	18,715
Motor vehicles	14,476	45,454
Leasehold land and buildings	43,190	50,563
	943,066	1,243,995

**JDM Food Group Limited**

**Notes to the financial statements (continued)**  
**For the year ended 31 December 2022**

**15 Stocks**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Raw materials	5,750,881	5,214,239
Work in progress	78,002	209,544
Finished goods and goods for resale	2,322,497	1,072,634
	<u>8,151,380</u>	<u>6,496,417</u>

The difference between purchase price or production cost of stocks and their replacement cost is not material.

**16 Debtors**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
<b>Amounts falling due within one year:</b>		
Trade debtors	6,803,821	7,015,070
Amounts owed by group undertakings	1,519,088	-
Other debtors	529,545	1,038,606
Prepayments and accrued income	336,220	217,044
	<u>9,188,674</u>	<u>8,270,720</u>

**17 Creditors: amounts falling due within one year**

		<b>2022</b>	<b>2021</b>
	<b>Notes</b>	<b>£</b>	<b>£</b>
Bank loans and overdrafts	<b>19</b>	4,775,780	3,924,415
Other borrowings	<b>19</b>	5,138,973	3,677,235
Obligations under finance leases	<b>20</b>	436,668	429,585
Trade creditors		5,924,100	3,928,570
Amounts owed to group undertakings		-	229,787
Corporation tax		117,174	-
Other taxation and social security		271,463	271,200
Other creditors		48,449	-
Accruals and deferred income		684,132	764,004
		<u>17,396,739</u>	<u>13,224,796</u>

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

**JDM Food Group Limited**

**Notes to the financial statements (continued)**

**For the year ended 31 December 2022**

**18 Creditors: amounts falling due after more than one year**

	<b>Notes</b>	<b>2022</b> <b>£</b>	<b>2021</b> <b>£</b>
Obligations under finance leases	<b>20</b>	631,172	934,326

**19 Loans and overdrafts**

	<b>2022</b> <b>£</b>	<b>2021</b> <b>£</b>
Bank loans	4,775,780	3,916,869
Bank overdrafts	-	7,546
Other borrowings	5,138,973	3,677,235
	<u>9,914,753</u>	<u>7,601,650</u>
Payable within one year	<u>9,914,753</u>	<u>7,601,650</u>

Bank loans comprise stock loans with an outstanding balance at the year end of £4,775,780 (2021: £3,916,869).

Other loans comprise invoice financing with an outstanding balance at the year end amounting to £5,138,973 (2021: £3,677,235).

The stock loans and invoice financing attract interest at a rate of 2.20% over the Bank of England Base Rate.

All bank or loan facilities are secured by way of a debenture including a fixed charge over all present freehold and leasehold property, a first fixed charge over book and other debts, chattels, goodwill and uncalled capital, both present and a future and First Floating Charge over all assets and undertaking both present and future dated 1 July 2005.

Both fixed and a floating charge containing negative pledges are held by HSBC over all of the properties and undertakings of the Company.



**JDM Food Group Limited****Notes to the financial statements (continued)**  
**For the year ended 31 December 2022****20 Finance lease obligations**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Future minimum lease payments due under finance leases:		
Within one year	436,668	429,585
In two to five years	631,172	934,326
	<u>1,067,840</u>	<u>1,363,911</u>

Finance lease payments represent rentals payable by the Company for certain items of plant and machinery.

Finance lease obligations are secured on the assets to which they relate.

**21 Deferred taxation**

The following are the major deferred tax liabilities recognised by the Company and movements thereon:

	<b>Liabilities</b>	<b>Liabilities</b>
	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
<b>Balances:</b>		
Accelerated capital allowances	822,269	753,588
Retirement benefit obligations	-	(8,525)
	<u>822,269</u>	<u>745,063</u>
		<b>2022</b>
<b>Movements in the year:</b>		<b>£</b>
Liability at 1 January 2022		745,063
Charge to profit or loss		77,206
		<u>822,269</u>
Liability at 31 December 2022		<u>822,269</u>

The deferred tax liability set out above is expected to reverse in part within 12 months and relates to accelerated capital allowances that are expected to mature within the same period.

**JDM Food Group Limited****Notes to the financial statements (continued)****For the year ended 31 December 2022****22 Retirement benefit schemes**

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
<b>Defined contribution schemes</b>		
Charge to profit and loss in respect of defined contribution schemes	529,882	620,331

The Company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the Company in an independently administered fund.

At the balance sheet date, outstanding contributions amounted to £23,935 (2021: £20,556) and are included in creditors.

**23 Share capital**

	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
	<b>Number</b>	<b>Number</b>	<b>£</b>	<b>£</b>
<b>Ordinary share capital</b>				
<b>Issued and fully paid</b>				
Ordinary shares of £1 each	852,525	50,000	852,525	50,000

On 20 July 2022, the Company issued 802,525 Ordinary shares of £1 each at par.

**24 Profit and loss reserves**

This includes all retained profits and losses after the payment of dividends.

**25 Operating lease commitments****Lessee**

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

	<b>2022</b>	<b>2021</b>
	<b>£</b>	<b>£</b>
Within one year	97,110	329,048
Between two and five years	723,488	984,031
	820,598	1,313,079

**26 Related party transactions**

**Transactions with related parties**

In accordance with the available exemption under FRS 102, the Company has not disclosed transactions with other wholly owned members of the same group of undertakings.

**27 Ultimate controlling party**

The immediate parent undertaking is JDM 2010 Limited. The ultimate parent undertaking is Sunridge JDM I Limited.

The smallest and largest group of undertakings for which group financial statements have been drawn up including the Company is that headed by Sunridge JDM I Limited. Copies of group financial statements can be obtained from Companies House, Cardiff.

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

As disclosed in the Directors' Report, on 24 July 2023 the owners of the Sunridge JDM I Limited completed an acquisition and as a result the company's ultimate parent undertaking became Jardins and Broch Inc, a company incorporated in the USA. The Company's ultimate beneficial owners did not change as a result of this transaction.

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.