Company Registration No. 02268310 (England and Wales)

RALPH PETERS & SONS LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2021

RALPH PETERS & SONS LIMITED

COMPANY INFORMATION

Directors	M J Peters L R Peters
Company number	02268310
Registered office	Coronation Road Cressex Business Park High Wycombe Buckinghamshire HP12 3TA
Auditor	Buckle Barton Limited Sanderson House Station Road Horsforth Leeds LS18 5NT

RALPH PETERS & SONS LIMITED

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RALPH PETERS & SONS LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

The directors present the strategic report for the year ended 31 December 2021.

The business continued to be affected by pandemic restrictions in the early part of the year. As restrictions eased increased sales in all sectors gathered pace over the peak seasonal period. With the continued uncertainty, customers were still cautious in the purchase of product and machines. Against this context, the focus of the company continued to increase revenue and gross profit, whilst controlling and managing its overheads during this period to deliver net profitability. The directors are also aware of potential future impacts from other factors such as inflation, the war in Ukraine and the rising cost of energy and will monitor the situation closely.

The Directors believe that the company and the group has performed well during this difficult period.

Financial Key Performance Indicators
The management focus upon a range of key measures to monitor and manage the group. The main financial metrics are:

- Net Revenue – increased by 10.4% (2020: increase of 1.6%)
- Gross Profit % – increased to 41% (2020: 33%)
- Net Profit before tax of £2.2m (2020: £2.5m loss)
- Net Profit before tax and one-off investment write-off of £2.2m (2020: £2.1m loss)
- Net Assets of £5.6m (2020: £3.7m)
- Cash of £6.6m (2020: £6.7m)

Principal Risks and Uncertainties Business Risk

The Directors believe that the main business risks are identified below along with the mitigating actions which have been put in place:

- A change in the consumer preference, the economic environment or continued lock downs could reduce sales of our brands. This risk is partially mitigated because the business continues to diversify its portfolio and broaden the number of geographic markets as well as business channels operated in.

- Health and obesity debate could reduce sales of our products, as could the introduction of additional government taxes on the beverage industry. The business continually invests in research and design to ensure that innovative, efficient and a broader choice of products are launched into the market ahead of the competition to mitigate any changes in consumer preference.

- A termination or variation in arrangements with our brand partners could reduce our business. A major customer changes to a different supplier, enabling a competitor to gain a foothold in the market. These risks are partially mitigated because the company continually maintains strong relationships with brand partners, customers and suppliers, whilst it continues to grow its distribution base, both within existing markets and across Europe.

- A major competitor enters the market through price competition removing the available profit in the category. We continue to invest in system improvements to drive efficiencies to accommodate such an eventuality.

- Increasing commodity demand and pricing could impact our profitability, Any increase in input costs, especially as a consequence of Brexit would impact margins made by the business but would impact the broader market and conventional soft drinks players harder, forcing them to increase their prices proportionally more. It is believed that this dynamic would potentially allow more consumers to switch into our brands and product format mitigating some of the lost margin.

- A product quality issue leads to a recall and significant cost. The company continues to invest in systems to manage product quality and tracking. Further, a full product recall tracking procedure which would allow the business to closely define any impacted products is in place, minimising the amount of product which would need to be recalled and therefore protecting as far as is possible the brand equity and financial losses.

- Loss of the main site could reduce product availability and therefore sales. To mitigate this risk, the company has undertaken successful trials with third party product suppliers who could pack product in the event of a disaster impacting the facilities at the main site. The company is also confident that the original freezer manufacturers could supply spare parts in such an event. A secondary location will also be established to mitigate this risk.

- An IT systems issue could result in a significant disruption to the business over a prolonged period or permanent loss of records and data if the IT disaster recovery plans are not adequate. The major systems are hosted by major third parties with full disaster recovery back up. Further, the facilities are web based with data stored in the cloud and therefore activities could be resumed relatively quickly.

- Inadequate security over the IT network could result in data loss or corruption. As above, the major IT infrastructure is hosted by substantial third-party specialist IT companies who continue to monitor data security on a regular basis.

Liquidity Risk

Despite a broadening of the group's product offering into new products and channels, the ice drinks market remains highly seasonal with a peak in sales over the summer months. To mitigate as far as possible the cash flow issue this period presents, strong cash management practices are used in the business. The group also has access to overdraft facilities to manage this particular period.

Interest Rate Risk
A significant proportion of the long-term debt in the business is provided by Directors who are also owners of the business. They have the ability to set the interest rates which are not directly impacted by market driven criteria.

Credit Risk
The group has a significant number of customers across several different geographies. Further, our largest customers are large corporations. With this level of diversity in the customer base, and scale of the largest customers, the credit risk is thought to be relatively low.

Future Developments
The Directors will continue to focus on the strategy outlined above. Specifically, they have identified the following key priorities for the next two to three years:

- Growth by availability and rate of sale in selected channels. Tactics will include the introduction of different business models and increased marketing investment tuned for different types of customers.
- Growth via driving availability in selected International markets. Focus will be on frozen carbonated beverages and frozen uncarbonated beverages to provide an offering to a broad range of consumers and in each market.
- Continued innovation in all aspects of the business, including machine and product development, to provide differentiation from the competitive set.
- Development of employees and continuing to improve the working environment to optimise employee performance.

The Director's will also consider appropriately targeted acquisitions which can be efficiently leveraged as part of the group's established portfolio and through the group's infrastructure and systems.

On behalf of the board

L R Peters
Director

29 September 2022

RALPH PETERS & SONS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2021

The directors present their annual report and financial statements for the year ended 31 December 2021.

Principal activities
The principal activity of the company and group continued to be that of holding the shares of its subsidiaries,

The principal activity of the main subsidiary company, Frozen Brothers Limited, was the manufacturing, processing, and distribution of ice crystal drinks, fruit juices, squashes, and associated technical services.

Results and dividends
The results for the year are set out on page 9.

No ordinary dividends were paid. The directors do not recommend payment of a further dividend.

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

M J Peters	
L R Peters	
R P Peters	(Resigned 11 February 2021)
P H C Corstiaans	(Resigned 9 March 2021)

Auditor
In accordance with the company's articles, a resolution proposing that Buckle Barton Limited be reappointed as auditor of the group will be put at a General Meeting.

Strategic report
The group 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 Principal Risks and Uncertainties, Future Developments, and Financial Key Performance Indicators.

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 auditor of the company 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 auditor of the company is aware of that information.

On behalf of the board

L R Peters
Director

29 September 2022

RALPH PETERS & SONS LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2021

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 group and company, and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

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

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

RALPH PETERS & SONS LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF RALPH PETERS & SONS LIMITED

Opinion

We have audited the financial statements of Ralph Peters and Sons Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 December 2021 which comprise the group profit and loss account, the group statement of comprehensive income, the group balance sheet, the company balance sheet, the group statement of changes in equity, the company statement of changes in equity, the group statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent company's affairs as at 31 December 2021 and of the group's 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 group's and parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the 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 our 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 group and the parent 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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, 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 parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

- We obtained an understanding of laws and regulations that affect the company, focusing on those that had a direct effect on the financial statements or that had a fundamental effect on its operations. Key laws and regulations that we identified included the UK Companies Act, tax legislation and occupational health and employment legislation.

- We enquired of the directors for evidence of non compliance with relevant laws and regulations. We also reviewed controls the directors have in place to ensure compliance.

- We gained an understanding of the controls that the directors have in place to prevent and detect fraud. We enquired of the directors about any instances of fraud that had taken place during the accounting period.

- The risk of fraud and non-compliance with laws and regulations and fraud was discussed within the audit team and tests were planned and performed to address these risks.

- We reviewed financial statements disclosures and tested to supporting documentation to assess compliance with relevant laws and regulations discussed above.

- We enquired of the directors about actual and potential litigation and claims.

- We performed analytical procedures to identify any unusual or unexpected relationships that might indicate risks of material misstatement due to fraud.

- In addressing the risk of fraud due to management override of internal controls we tested the appropriateness of journal entries and assessed whether the judgements made in making accounting estimates were indicative of a potential bias.

Due to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, as with any audit, there remained a higher risk of non detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing fraud or non compliance with laws and regulations and cannot be expected to detect all fraud and non compliance with laws and regulations.

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.

George Goodman ACA FCCA (Senior Statutory Auditor)
For and on behalf of Buckle Barton Limited
Chartered Accountants
Statutory Auditor

29 September 2022

Sanderson House
22 Station Road
Horsforth
West Yorkshire
LS18 5NT

RALPH PETERS & SONS LIMITED

GROUP PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	2021 £	2020 £
Turnover	**3**	46,943,347	42,503,418
Cost of sales		(27,656,105)	(28,521,341)
Gross profit		19,287,242	13,982,077
Administrative expenses		(17,102,524)	(16,721,227)
Other operating income		415,988	730,064
Operating profit/(loss)	**4**	2,600,706	(2,009,086)
Interest receivable and similar income	**7**	23,480	5,616
Interest payable and similar expenses	**8**	(468,789)	(85,579)
Amounts written off investments	**9**	-	(434,865)
Profit/(loss) before taxation		2,155,397	(2,523,914)
Tax on profit/(loss)	**10**	(445,202)	175,840
Profit/(loss) for the financial year		1,710,195	(2,348,074)
Profit/(loss) for the financial year is attributable to:			
- Owners of the parent company		1,710,195	(2,153,367)
- Non-controlling interests		-	(194,707)
		1,710,195	(2,348,074)

The profit and loss account has been prepared on the basis that all operations are continuing operations.

RALPH PETERS & SONS LIMITED

GROUP STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2021

	2021 £	2020 £
Profit/(loss) for the year	1,710,195	(2,348,074)
Other comprehensive income		
Currency translation differences	(19,153)	60,431
Total comprehensive income for the year	1,691,042	(2,287,643)
Total comprehensive income for the year is attributable to:		
- Owners of the parent company	1,691,042	(2,092,936)
- Non-controlling interests	-	(194,707)
	1,691,042	(2,287,643)

RALPH PETERS & SONS LIMITED

GROUP BALANCE SHEET

AS AT 31 DECEMBER 2021

	Notes	2021 £	2021 £	2020 as restated £	2020 as restated £
Fixed assets					
Goodwill	**11**		141,420		177,784
Tangible assets	**12**		7,485,683		7,260,609
Investments	**13**		58,450		175,351
			7,685,553		7,613,744
Current assets					
Stocks	**15**	5,899,823		4,855,390	
Debtors	**16**	8,848,984		4,805,692	
Cash at bank and in hand		6,575,778		6,749,331	
		21,324,585		16,410,413	
Creditors: amounts falling due within one year	**17**	(20,119,325)		(14,738,008)	
Net current assets			1,205,260		1,672,405
Total assets less current liabilities			8,890,813		9,286,149
Creditors: amounts falling due after more than one year	**18**		(2,719,862)		(5,027,552)
Provisions for liabilities					
Provisions	**21**	566,863		543,036	
			(566,863)		(543,036)
Net assets			5,604,088		3,715,561
Capital and reserves					
Called up share capital	**23**		50,002		50,002
Profit and loss reserves			5,554,086		3,863,044
Equity attributable to owners of the parent company			5,604,088		3,913,046
Non-controlling interests			-		(197,485)
			5,604,088		3,715,561

GROUP BALANCE SHEET (CONTINUED)

AS AT 31 DECEMBER 2021

The financial statements were approved by the board of directors and authorised for issue on 29 September 2022 and are signed on its behalf by:

L R Peters
Director

RALPH PETERS & SONS LIMITED

COMPANY BALANCE SHEET

AS AT 31 DECEMBER 2021

	Notes	2021 £	2021 £	2020 £	2020 £
Fixed assets					
Investments	**13**		626,561		466,561
Current assets					
Debtors	**16**	7,884		7,884	
Creditors: amounts falling due within one year	**17**	(574,939)		(414,939)	
Net current liabilities			(567,055)		(407,055)
Net assets			59,506		59,506
Capital and reserves					
Called up share capital	**23**		50,002		50,002
Profit and loss reserves			9,504		9,504
Total equity			59,506		59,506

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's profit for the year was £0 (2020 - £0 profit).

The financial statements were approved by the board of directors and authorised for issue on 29 September 2022 and are signed on its behalf by:

L R Peters
Director

Company Registration No. 02268310

RALPH PETERS & SONS LIMITED

GROUP STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2021

	Share capital	Profit and loss reserves	Total controlling interest	Non-controlling interest	Total
	£	£	£	£	£
As restated for the period ended 31 December 2020:					
Balance at 1 January 2020	50,002	5,955,980	6,005,982	(2,778)	6,003,204
Year ended 31 December 2020:					
Loss for the year	-	(2,153,367)	(2,153,367)	(194,707)	(2,348,074)
Other comprehensive income:					
Currency translation differences	-	60,431	60,431	-	60,431
Total comprehensive income for the year	-	(2,092,936)	(2,092,936)	(194,707)	(2,287,643)
Balance at 31 December 2020	50,002	3,863,044	3,913,046	(197,485)	3,715,561
Year ended 31 December 2021:					
Profit for the year	-	1,710,195	1,710,195	-	1,710,195
Other comprehensive income:					
Currency translation differences	-	(19,153)	(19,153)	-	(19,153)
Total comprehensive income for the year	-	1,691,042	1,691,042	-	1,691,042
Disposal of non-controlling interests	-	-	-	197,485	197,485
Balance at 31 December 2021	50,002	5,554,086	5,604,088	-	5,604,088

RALPH PETERS & SONS LIMITED

COMPANY STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2021

	Share capital	Profit and loss reserves	Total
	£	£	£
As restated for the period ended 31 December 2020:			
Balance at 1 January 2020	50,002	9,504	59,506
Year ended 31 December 2020:			
Profit and total comprehensive income for the year	-	-	-
Balance at 31 December 2020	50,002	9,504	59,506
Year ended 31 December 2021:			
Profit and total comprehensive income for the year	-	-	-
Balance at 31 December 2021	50,002	9,504	59,506

RALPH PETERS & SONS LIMITED

GROUP STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2021

	Notes	2021 £	2021 £	2020 £	2020 £
Cash flows from operating activities					
Cash generated from operations	**26**		6,882,004		2,816,934
Interest paid			(465,738)		(85,579)
Income taxes paid			(69,314)		(39,094)
Net cash inflow from operating activities			6,346,952		2,692,261
Investing activities					
Purchase of tangible fixed assets		(3,543,117)		(1,990,103)	
Proceeds on disposal of tangible fixed assets		64,142		85,757	
Purchase of investments		(160,000)		-	
Loans made		(889,453)		-	
Receipts arising from loans made		123,746		-	
Interest received		23,480		5,616	
Net cash used in investing activities			(4,381,202)		(1,898,730)
Financing activities					
Proceeds from borrowings		333,263		-	
Repayment of borrowings		(882,260)		-	
Proceeds of new bank loans		141,792		3,560,830	
Repayment of bank loans		(320,000)		-	
Payment of finance leases obligations		(1,409,612)		(766,114)	
Net cash (used in)/generated from financing activities			(2,136,817)		2,794,716
Net (decrease)/increase in cash and cash equivalents			(171,067)		3,588,247
Cash and cash equivalents at beginning of year			6,749,331		3,100,653
Effect of foreign exchange rates			(2,486)		60,431
Cash and cash equivalents at end of year			6,575,778		6,749,331

1 Accounting policies

Company information

Ralph Peters and Sons Limited ("the company") is a private limited company domiciled and incorporated in the United Kingdom and registered in England and Wales. The registered office is Coronation Road, Cressex Business Park, High Wycombe, Buckinghamshire, HP12 3TA.

The group consists of Ralph Peters and Sons Limited and all of its subsidiaries.

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 a mounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Business combinations

In the parent company financial statements, the cost of a business combination is the fair value at the acquisition date of the assets given, equity instruments issued and liabilities incurred or assumed, plus costs directly attributable to the business combination. The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill. The cost of the combination includes the estimated amount of contingent consideration that is probable and can be measured reliably, and is adjusted for changes in contingent consideration after the acquisition date. Provisional fair values recognised for business combinations in previous periods are adjusted retrospectively for final fair values determined in the 12 months following the acquisition date. Investments in subsidiaries, joint ventures and associates are accounted for at cost less impairment.

Deferred tax is recognised on differences between the value of assets (other than goodwill) and liabilities recognised in a business combination accounted for using the purchase method and the amounts that can be deducted or assessed for tax, considering the manner in which the carrying amount of the asset or liability is expected to be recovered or settled. The deferred tax recognised is adjusted against goodwill or negative goodwill.

1.3 Basis of consolidation

The consolidated group financial statements consist of the financial statements of the parent company Ralph Peters and Sons Limited together with all entities controlled by the parent company (its subsidiaries) and the group's share of its interests in joint ventures and associates.

All financial statements are made up to 31 December 2021. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Subsidiaries are consolidated in the group's financial statements from the date that control commences until the date that control ceases.

1 Accounting policies **(Continued)**

Entities in which the group holds an interest and which are jointly controlled by the group and one or more other venturers under a contractual arrangement are treated as joint ventures. Entities other than subsidiary undertakings or joint ventures, in which the group has a participating interest and over whose operating and financial policies the group exercises a significant influence, are treated as associates.

Investments in joint ventures and associates are carried in the group balance sheet at cost plus post-acquisition changes in the group's share of the net assets of the entity, less any impairment in value. The carrying values of investments in joint ventures and associates include acquired goodwill.

If the group's share of losses in a joint venture or associate equals or exceeds its investment in the joint venture or associate, the group does not recognise further losses unless it has incurred obligations to do so or has made payments on behalf of the joint venture or associate.

Unrealised gains arising from transactions with joint ventures and associates are eliminated to the extent of the group's interest in the entity.

1.4 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.5 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.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Revenue from the sale 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.

1.6 Research and development expenditure

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.

1.7 Intangible fixed assets - goodwill

Goodwill represents the excess of the cost of acquisition of a business over the fair value of net assets acquired. It is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is considered to have a finite useful life and is amortised on a systematic basis over its expected life, which is 5 years.

For the purposes of impairment testing, goodwill is allocated to the cash-generating units expected to benefit from the acquisition. Cash-generating units to which goodwill has been allocated are tested for impairment at least annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying amount of the unit, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in the unit.

1 Accounting policies **(Continued)**

1.8 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.

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 period of the lease
Plant and equipment	20% - 33.3% per annum on cost
Fixtures and fittings	25% per annum on reducing balance
Computers	25% per annum on reducing balance
Motor vehicles	25% per annum on reducing balance

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 recognised in the profit and loss account.

1.9 Fixed asset investments

Equity investments are measured at fair value through profit or loss, except for those equity investments that are not publicly traded and whose fair value cannot otherwise be measured reliably, which are recognised at cost less impairment until a reliable measure of fair value becomes available.

In the parent company financial statements, investments in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

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

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The group considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Investments in associates are initially recognised at the transaction price (including transaction costs) and are subsequently adjusted to reflect the group's share of the profit or loss, other comprehensive income and equity of the associate using the equity method. Any difference between the cost of acquisition and the share of the fair value of the net identifiable assets of the associate on acquisition is recognised as goodwill. Any unamortised balance of goodwill is included in the carrying value of the investment in associates.

Losses in excess of the carrying amount of an investment in an associate are recorded as a provision only when the company has incurred legal or constructive obligations or has made payments on behalf of the associate.

In the parent company financial statements, investments in associates are accounted for at cost less impairment.

Entities in which the group has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

1 Accounting policies **(Continued)**

1.10 Impairment of fixed assets

At each reporting period end date, the group 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.

The carrying amount of the investments accounted for using the equity method is tested for impairment as a single asset. Any goodwill included in the carrying amount of the investment is not tested separately for impairment.

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.

1.11 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 profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.12 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 Accounting policies **(Continued)**

1.13 Financial instruments

The group 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 group's balance sheet when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and 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.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

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.

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 group 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 group after deducting all of its liabilities.

1 **Accounting policies** **(Continued)**

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 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.

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

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

1.14 Equity instruments

Equity instruments issued by the group 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 group.

1.15 Derivatives

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to fair value at each reporting end date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset, whereas a derivative with a negative fair value is recognised as a financial liability.

1.16 Taxation

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

1 **Accounting policies** **(Continued)**

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account 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 group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

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. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset if, and only if, there is 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.

1.17 Provisions

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

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

1.18 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.

1.19 Retirement benefits

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

1 Accounting policies **(Continued)**

1.20 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 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 leased asset are consumed.

1.21 Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

1.22 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.

2 Judgements and key sources of estimation uncertainty

In the application of the group'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.

3 Turnover and other revenue

	2021	2020
	£	£
Other significant revenue		
Interest income	23,480	5,616
Grants received	176,560	630,617

3 Turnover and other revenue (Continued)

	2021	2020
	£	£
Turnover analysed by geographical market		
UK	26,894,216	17,763,731
Rest of the EU	20,025,665	24,718,252
Rest of the World	23,466	21,435
	46,943,347	42,503,418

4 Operating profit/(loss)

	2021	2020
	£	£
Operating profit/(loss) for the year is stated after charging/(crediting):		
Exchange differences apart from those arising on financial instruments measured at fair value through profit or loss	131,152	(11,577)
Research and development costs	34,638	76,768
Government grants	(176,560)	(630,617)
Depreciation of owned tangible fixed assets	3,157,296	3,462,067
Loss on disposal of tangible fixed assets	196,839	89,857
Amortisation of intangible assets	36,364	89,764
Operating lease charges	100,632	106,819

5 Auditor's remuneration

	2021	2020
Fees payable to the company's auditor and associates:	£	£
For audit services		
Audit of the financial statements of the group and company	5,000	5,000
Audit of the financial statements of the company's subsidiaries	59,872	48,776
	64,872	53,776
For other services		
All other non-audit services	38,964	12,050

6 Employees

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

	Group		Company	
	2021	2020	2021	2020
	Number	Number	Number	Number
Administration	30	35	-	-
Selling and distribution	42	49	-	-
Production	23	22	-	-
Service technicians	61	61	-	-
Total	156	167	-	-

Their aggregate remuneration comprised:

	Group		Company	
	2021	2020	2021	2020
	£	£	£	£
Wages and salaries	6,180,605	7,304,734	-	-
Social security costs	457,666	420,480	-	-
Pension costs	120,530	107,430	-	-
	6,758,801	7,832,644	-	-

7 Interest receivable and similar income

	2021	2020
	£	£
Interest income		
Interest on bank deposits	23,318	5,338
Other interest income	162	278
Total income	23,480	5,616

Investment income includes the following:

Interest on financial assets not measured at fair value through profit or loss	23,318	5,338

8 Interest payable and similar expenses

	2021	2020
	£	£
Interest on financial liabilities measured at amortised cost:		
Interest on bank overdrafts and loans	89,588	46,209
Other interest on financial liabilities	191,898	14,977
	281,486	61,186
Other finance costs:		
Interest on finance leases and hire purchase contracts	183,979	21,904
Other interest	3,324	2,489
Total finance costs	468,789	85,579

9 Amounts written off investments

	2021	2020
	£	£
Amounts written back to/(written off) financial liabilities	-	(91,722)
Other gains and losses	-	(343,143)
	-	(434,865)

10 Taxation

	2021	2020
	£	£
Current tax		
UK corporation tax on profits for the current period	363,000	(126,840)
Adjustments in respect of prior periods	563	(16,160)
Other taxes	123,639	40,160
Total current tax	445,202	(102,840)
Deferred tax		
Origination and reversal of timing differences	-	(73,000)
Total tax charge/(credit)	445,202	(175,840)

10 Taxation **(Continued)**

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

	2021	2020
	£	£
Profit/(loss) before taxation	2,155,397	(2,523,914)
Expected tax charge/(credit) based on the standard rate of corporation tax in the UK of 19.00% (2020: 19.00%)	409,525	(479,544)
Tax effect of expenses that are not deductible in determining taxable profit	33,436	5,977
Depreciation on assets not qualifying for tax allowances	6,813	2,896
Effect of overseas tax rates	(89,368)	108,721
Adjustments to tax charge in respect of previous periods	563	(16,160)
Other differences and tax roundings	(101,739)	(17,941)
Deferred tax asset not provided	185,972	89,732
Tax effect of provision against fixed asset investments	-	130,479
Taxation charge/(credit)	445,202	(175,840)

11 Intangible fixed assets

Group	Goodwill
	£
Cost	
At 1 January 2021 and 31 December 2021	6,191,453
Amortisation and impairment	
At 1 January 2021	6,013,669
Amortisation charged for the year	36,364
At 31 December 2021	6,050,033
Carrying amount	
At 31 December 2021	141,420
At 31 December 2020	177,784

The company had no intangible fixed assets at 31 December 2021 or 31 December 2020.

12 Tangible fixed assets

Group	Leasehold land and buildings	Plant and equipment	Fixtures and fittings	Computers	Motor vehicles	Total
	£	£	£	£	£	£
Cost						
At 1 January 2021	422,865	18,201,725	938,282	6,093	448,320	20,017,285
Additions	-	3,480,547	19,513	1,537	41,520	3,543,117
Disposals	-	(646,127)	(84,044)	-	(56,248)	(786,419)
Transfers	8,642	236,190	(247,389)	-	2,557	-
Exchange adjustments	-	(6,613)	(31,918)	(300)	(27,709)	(66,540)
At 31 December 2021	431,507	21,265,722	594,444	7,330	408,440	22,707,443
Depreciation and impairment						
At 1 January 2021	216,353	11,764,666	525,426	3,431	246,800	12,756,676
Depreciation charged in the year	35,787	2,964,246	91,761	1,343	64,159	3,157,296
Eliminated in respect of disposals	-	(517,962)	(84,044)	-	(40,333)	(642,339)
Transfers	8,642	69,043	(80,273)	-	2,588	-
Exchange adjustments	-	(1,721)	(25,512)	-	(22,640)	(49,873)
At 31 December 2021	260,782	14,278,272	427,358	4,774	250,574	15,221,760
Carrying amount						
At 31 December 2021	170,725	6,987,450	167,086	2,556	157,866	7,485,683
At 31 December 2020	206,512	6,437,059	412,856	2,662	201,520	7,260,609

The company had no tangible fixed assets at 31 December 2021 or 31 December 2020.

13 Fixed asset investments

		Group		Company	
		2021	2020	2021	2020
	Notes	£	£	£	£
Investments in subsidiaries	14	-	-	626,561	466,561
Investments in associates		-	175,351	-	-
Unlisted investments		58,450	-	-	-
		58,450	175,351	626,561	466,561

13 Fixed asset investments (Continued)

Movements in fixed asset investments

Company	Shares in subsidiaries £
Cost or valuation	
At 1 January 2021	466,561
Additions	160,000
At 31 December 2021	626,561
Carrying amount	
At 31 December 2021	626,561
At 31 December 2020	466,561

14 Subsidiaries

Details of the company's subsidiaries at 31 December 2021 are as follows:

Name of undertaking	Registered office	Class of shares held	% Held Direct	% Held Indirect
Frozen Drinks Norge A/S	Straumsfjellvegen 1, 5353 Straume, Norway	Ordinary shares	0	100.00
Frutina Limited	Coronation Road, Cressex Business Park, High Wycombe, Buckinghamshire, HP12 3TA, UK	Ordinary shares	0	100.00
Quench Dispensers Limited	Coronation Road, Cressex Business Park, High Wycombe, Buckinghamshire, HP12 3TA, UK	Ordinary shares	0	100.00
Quench Limited	Coronation Road, Cressex Business Park, High Wycombe, Buckinghamshire, HP12 3TA, UK	Ordinary shares	0	100.00
SARL Frozen Brothers	31 Route du Pont aux Pins, 91310 Montlhery, France	Ordinary shares	0	100.00
Frozen Brothers GmbH	Alt-Heerdt 104, 40549 Düsseldorf, Germany	Ordinary shares	0	100.00
Frozen Brothers UK Retail Two Limited	Coronation Road, Cressex Business Park, High Wycombe, Buckinghamshire, HP12 3TA, UK	Ordinary shares	0	75.00
Frozen Brothers Limited	Coronation Road, Cressex Business Park, High Wycombe, Buckinghamshire, HP12 3TA, UK	Ordinary shares	100.00	-
Frozen Brothers Switzerland AG	Kaegerstrasse 21, 4153 Reinach BL, Switzerland	Ordinary shares	100.00	-
Frozen Brothers B.V.	Eikenbos 6, 5531 MZ Bladel, Netherlands	Ordinary shares	100.00	-
FBSI Limited	77 Merrion Square, South Dublin, D02 DH22, Ireland	Ordinary shares	100.00	-

15 Stocks

	Group 2021 £	Group 2020 £	Company 2021 £	Company 2020 £
Raw materials and consumables	637,183	160,092	-	-
Finished goods and goods for resale	5,262,640	4,695,298	-	-
	5,899,823	4,855,390	-	-

16 Debtors

	Group		Company	
	2021	2020	2021	2020
Amounts falling due within one year:	£	£	£	£
Trade debtors	4,222,679	2,386,770	-	-
Corporation tax recoverable	-	192,667	-	-
Other debtors	4,204,676	2,118,376	7,884	7,884
Prepayments and accrued income	421,629	107,879	-	-
	8,848,984	4,805,692	7,884	7,884

17 Creditors: amounts falling due within one year

		Group		Company	
		2021	2020 as restated	2021	2020
	Notes	£	£	£	£
Bank loans	19	640,000	320,000	-	-
Obligations under finance leases	20	940,515	1,373,304	-	-
Trade creditors		4,279,440	3,233,391	-	-
Amounts owed to group undertakings		-	-	446,939	414,939
Corporation tax payable		189,854	3,674	-	-
Other taxation and social security		981,146	533,819	-	-
Other creditors		9,125,573	6,866,802	-	-
Accruals and deferred income		3,962,797	2,407,018	128,000	-
		20,119,325	14,738,008	574,939	414,939

Included within creditors at year end are secured bank loans of £2,880,000 (Amount due > 1 year = £640,000, amount due < 1 year = £2,240,000).

18 Creditors: amounts falling due after more than one year

		Group		Company	
		2021	2020	2021	2020
	Notes	£	£	£	£
Bank loans and overdrafts	19	2,381,792	2,880,000	-	-
Obligations under finance leases	20	139,005	1,431,697	-	-
Other creditors		199,065	715,855	-	-
		2,719,862	5,027,552	-	-

Included within creditors at year end are secured bank loans of £2,880,000 (Amount due > 1 year = £640,000, amount due < 1 year = £2,240,000).

19 Loans and overdrafts

	Group		Company	
	2021	2020	2021	2020
	£	£	£	£
Bank loans	3,021,792	3,200,000	-	-
Payable within one year	640,000	320,000	-	-
Payable after one year	2,381,792	2,880,000	-	-

The interest rate attached to the bank loan within a subsidiary is 2.24% over Base Rate. In respect of the first 12 months, the annual interest rate applicable during that period is effectively nil%. The substance of the transaction is that the Government have funded this interest-free period and this grant receivable has been disclosed separately within other operating income. The term of the loan is 72 months. The loan is secured via a debenture dated 6 April 2011 in favour of National Westminster Bank Plc and an unlimited guarantee from company Ralph Peters Limited & Sons.

20 Finance lease obligations

	Group		Company	
	2021	2020	2021	2020
	£	£	£	£
Future minimum lease payments due under finance leases:				
Within one year	940,515	1,373,304	-	-
In two to five years	139,005	1,431,697	-	-
	1,079,520	2,805,001	-	-

Finance lease payments represent rentals payable by the company or group for certain items of plant and machinery. Leases include purchase options at the end of the lease period, and no restrictions are placed on the use of the assets. The average lease term is 3 years. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

21 Provisions for liabilities

	Group		Company	
	2021	2020 as restated	2021	2020
	£	£	£	£
Provisions	566,863	543,036	-	-

22 Retirement benefit schemes

	2021	2020
Defined contribution schemes	£	£
Charge to profit or loss in respect of defined contribution schemes	120,530	107,430

22 Retirement benefit schemes **(Continued)**

A defined contribution pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

23 Share capital

	2021	2020	2021	2020
Ordinary share capital	**Number**	**Number**	**£**	**£**
Issued and fully paid				
Ordinary shares of £1 each	50,002	50,002	50,002	50,002

24 **Related party transactions**

During the year, the group incurred consultancy costs of £1,107,000 (2020: £686,750) for services provided by Eskimo Joe's Limited, a company controlled by M J Peters, a director, and registered in the Isle of Man.

At 1 January 2021, there was an opening balance in other debtors of £26,546 in respect of a loan from the company to one of the directors. This loan was repaid in full during the year. Further advances were made to the director during the year and the maximum amount outstanding during the year was £471,454. The loan from the company to the director at the balance sheet date was £28,877.

At 31 December 2021, there was an amount due to the company from E A Peters was £413,720 (2020: £314,894).The maximum amount outstanding during the year was £423,720 (2020: £317,322). This loan was interest-free with no fixed terms for repayment. E A Peters is related to one of the directors.

At 31 December 2021, the from R P Peters was £312,546 (2020: 233,953). The maximum amount outstanding during the year was £312,546 (2020: £235,953). This loan was interest-free with no fixed terms for repayment. R P Peters is related to one of the directors.

Included in other creditors at 31 December 2021 was an amount of £915,185 (2020: £1,344,245) due to Eskimo Joe's Limited, a company incorporated in the Isle of Man and controlled by M J Peters, a director. The loan carries interest at 9% and has no fixed term for repayment.

Included in other debtors at 31 December 2021 was an amount of £659,907 (2020: £700,426) due from Eskimo Joe's Limited, a company incorporated in the UK and controlled by L R Peters, a director. This loan was interest-free with no fixed terms for repayment.

Included in other debtors at 31 December 2021 was an amount of £1,794,950 (2020: nil) due to Frozen Brothers Investments Limited, a company controlled by L R Peters and M J Peters, both directors. The loan was interest-free with no fixed terms for repayment.

The company has taken advantage of the exemption under paragraph 33.1A of FRS 102 Related Party Disclosures not to disclose details of any transactions or balances between the group that have been eliminated on consolidation.

25 **Controlling party**

The company's ultimate controlling party is M J Peters, by virtue of his majority shareholding in the company

26 Cash generated from group operations

	2021	2020 as restated
	£	£
Profit/(loss) for the year after tax	1,710,195	(2,324,243)
Adjustments for:		
Taxation charged/(credited)	445,202	(175,840)
Finance costs	468,789	85,579
Investment income	(23,480)	(5,616)
Loss on disposal of tangible fixed assets	196,839	89,857
Amortisation and impairment of intangible assets	36,364	41,632
Depreciation and impairment of tangible fixed assets	3,157,296	3,442,615
Other gains and losses	-	338,034
Increase in provisions	23,827	543,036
Movements in working capital:		
Increase in stocks	(1,044,433)	(359,732)
(Increase)/decrease in debtors	(3,061,380)	3,520,402
Increase/(decrease) in creditors	4,972,785	(2,378,790)
Cash generated from operations	6,882,004	2,816,934

27 Prior period adjustment

The prior period adjustment do not give rise to any effect upon equity.

The adjustment was within a wholly owned subsidiary to restate accrued expenses previously held in accruals within provisions, in line with a change in accounting policy.

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