Company Registration Number: 12856434

VFC FOODS LIMITED

UNAUDITED
FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR
FOR THE 15 MONTHS ENDED 31 DECEMBER 2024

ArmstrongWatson®
Accountants, Business & Financial Advisers

VFC FOODS LIMITED
REGISTERED NUMBER: 12856434

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2024

	Note		31 December 2024 £		*30 September 2023 £*
Fixed assets					
Intangible assets	4		**410,409**		*476,604*
Tangible assets	5		**94,782**		*152,622*
			505,191		*629,226*
Current assets					
Stocks		**906,695**		*1,578,061*	
Debtors	6	**6,793,355**		*1,519,977*	
Cash at bank and in hand	7	**1,117,035**		*227,869*	
		8,817,085		*3,325,907*	
Creditors: amounts falling due within one year	8	**(928,790)**		*(1,009,792)*	
Net current assets			**7,888,295**		*2,316,115*
Total assets less current liabilities			**8,393,486**		*2,945,341*
Creditors: amounts falling due after more than one year	9		**(19,120,431)**		*(6,750,000)*
Provisions for liabilities					
Deferred tax		**-**		*(38,000)*	
			-		*(38,000)*
Net liabilities			**(10,726,945)**		*(3,842,659)*
Capital and reserves					
Called up share capital			**125**		*125*
Share premium account			**3,141,099**		*3,141,099*
Capital contribution reserve			**5,116,368**		*5,116,368*
Profit and loss account			**(18,984,537)**		*(12,100,251)*
			(10,726,945)		*(3,842,659)*

STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 DECEMBER 2024

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the period in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

The Company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

Mr M D Glover
Director

Date: 22 December 2025

The notes on pages 4 to 16 form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 31 DECEMBER 2024

	Called up share capital £	Share premium account £	Capital contribution £	Profit and loss account £	Total equity £
At 1 October 2022	**125**	**3,141,099**	**5,116,368**	**(5,475,471)**	**2,782,121**
Comprehensive income for the year					
Loss for the year	-	-	-	**(6,624,780)**	**(6,624,780)**
At 1 October 2023	**125**	**3,141,099**	**5,116,368**	**(12,100,251)**	**(3,842,659)**
Comprehensive income for the period					
Loss for the period	-	-	-	**(6,884,286)**	**(6,884,286)**
At 31 December 2024	**125**	**3,141,099**	**5,116,368**	**(18,984,537)**	**(10,726,945)**

The notes on pages 4 to 16 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2024

1. General information

VFC Foods Limited is a private company limited by shares, incorporated in England and Wales. It's registered office is Unit 4 Opus Avenue, York Business Park, Nether Poppleton, York, YO26 6BL.

The company's functional and presentational currency is sterling.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland' and the requirements of the Companies Act 2006. The disclosure requirements of Section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The following principal accounting policies have been applied:

2.2 Going concern

The financial statements have been prepared on a going concern basis. In assessing the appropriateness of this basis, the directors have considered the company's financial position, cash flow forecasts, and funding requirements for a period of at least 12 months from the date of approval of the financial statements.

The company is part of the Vegan Food Group which has access to a funding facility provided by the group's owners. In assessing the going concern basis of preparation of the financial statements, the company's Directors have also considered the financial position and cash flow forecasts of the company's fellow group companies and the overall funding available to the group.

The Directors consider that the funding facilities available to the group should be adequate to enable the company to pay its debts as they fall due over the next twelve months. This assessment is based on assumptions made in relation to expected trading over this period.

A rigorous business review has been conducted which has incorporated a comprehensive review of SKUs produced and overheads incurred. As a result, the group moves into the new financial year with a reduced number of product lines, retaining those which allow better margin performance and opportunities for growth with retailers. A cultural shift into chasing opportunities for profit over sales will ensure the group moves towards cash break even.

Due to the shrinking vegan market, and the dramatic changes made, there is a risk that trading performance is different from that assumed in the forecasts produced. In the opinion of the directors, this risk is deemed a material uncertainty related to the company's ability to continue as a going concern. This uncertainty may cast significant doubt on the company's ability to continue as a going concern.

Nevertheless, having made appropriate enquiries and considering the mitigating actions available, the directors believe that it remains appropriate to prepare the financial statements on a going concern basis. The financial statements do not include the adjustments that would result if the company were unable to continue as a going concern.

2. Accounting policies (continued)

2.3 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of Comprehensive Income within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

2.4 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue 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 revenue is recognised:

Sale of goods

Revenue 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 revenue 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.

Rendering of services

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

2. Accounting policies (continued)

2.5 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight-line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.6 Research and development

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a straight-line basis over their useful economic lives, which range from 3 to 6 years.

If it is not possible to distinguish between the research phase and the development phase of an internal project, the expenditure is treated as if it were all incurred in the research phase only.

2.7 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.8 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.9 Pensions

Defined contribution pension plan

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

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

2. Accounting policies (continued)

2.10 Share-based payments

Where share options are awarded to employees, the fair value of the options at the date of grant is charged to profit or loss over the vesting period. Non-market vesting conditions are taken into account by adjusting the number of equity instruments expected to vest at each reporting date so that, ultimately, the cumulative amount recognised over the vesting period is based on the number of options that eventually vest. Market vesting conditions are factored into the fair value of the options granted. The cumulative expense is not adjusted for failure to achieve a market vesting condition.

The fair value of the award also takes into account non-vesting conditions. These are either factors beyond the control of either party (such as a target based on an index) or factors which are within the control of one or other of the parties (such as the Company keeping the scheme open or the employee maintaining any contributions required by the scheme).

Where the terms and conditions of options are modified before they vest, the increase in the fair value of the options, measured immediately before and after the modification, is also charged to profit or loss over the remaining vesting period.

Where equity instruments are granted to persons other than employees, profit or loss is charged with fair value of goods and services received.

2.11 Current and deferred taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the reporting date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

2.12 Exceptional items

Exceptional items are transactions that fall within the ordinary activities of the Company but are presented separately due to their size or incidence.

2. Accounting policies (continued)

2.13 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any 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.

The estimated useful lives range as follows:

Brands	-	10	years

2.14 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Plant and machinery	-	20%	Straight line
Motor vehicles	-	20%	Straight line
Fixtures and fittings	-	20%	Straight line
Computer equipment	-	33%	Straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2. Accounting policies (continued)

2.15 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).

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 assets is estimated to be less than its carrying amount, the carrying amount of the asset 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 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 he the asset in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

2.16 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.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

2.17 Debtors

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

2.18 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.19 Creditors

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

2. Accounting policies (continued)

2.20 Financial instruments

The Company has elected to apply the provisions of Section 11 "Basic Financial Instruments" 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 trade and other debtors, cash and bank balances, are initially measured at their transaction price (adjusted for transaction costs except in the initial measurement of financial assets that are subsequently measured at fair value through profit and loss) and are subsequently carried at their amortised cost using the effective interest method, less any provision for impairment, 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.

Discounting is omitted where the effect of discounting is immaterial. The Company's cash and cash equivalents, trade and most other debtors due with the operating cycle fall into this category of financial instruments.

Other financial assets

Other financial assets, which includes investments in equity instruments which are not classified as subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the recognised transaction price. Such assets are subsequently measured at fair value with the changes in fair value being recognised in the profit or loss. Where other financial assets are not publicly traded, hence their fair value cannot be measured reliably, they are measured at cost less impairment.

Impairment of financial assets

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. 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.

Financial assets are impaired when events, subsequent to their initial recognition, indicate the estimated future cash flows derived from the financial asset(s) have been adversely impacted. The impairment loss will be the difference between the current carrying amount and the present value of the future cash flows at the asset(s) original effective interest rate.

If there is a favourable change in relation to the events surrounding the impairment loss then the impairment can be reviewed for possible reversal. The reversal will not cause the current carrying amount to exceed the original carrying amount had the impairment not been recognised. The impairment reversal is recognised in the profit or loss.

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 the deduction of all its liabilities.

2. Accounting policies (continued)

2.20 Financial instruments (continued)

Basic financial liabilities, which include trade and other creditors, bank loans and other loans are initially measured at their transaction price (adjusting for transaction costs except in the initial measurement of financial liabilities that are subsequently measured at fair value through profit and loss). When this constitutes a financing transaction, whereby the debt instrument is measured at the present value of the future payments discounted at a market rate of interest, discounting is omitted where the effect of discounting is immaterial.

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

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

Other financial instruments

Derivatives, including forward exchange contracts, futures contracts and interest rate swaps, are not classified as basic financial instruments. These are initially recognised at fair value on the date the derivative contract is entered into, with costs being charged to the profit or loss. They are subsequently measured at fair value with changes in the profit or loss.

Debt instruments that do not meet the conditions as set out in FRS 102 paragraph 11.9 are subsequently measured at fair value through the profit or loss. This recognition and measurement would also apply to financial instruments where the performance is evaluated on a fair value basis as with a documented risk management or investment strategy.

Derecognition of financial instruments

Derecognition of financial assets

Financial assets are derecognised when their contractual right to future cash flow expire, or are settled, or when the Company transfers the asset and substantially all the risks and rewards of ownership to another party. If significant risks and rewards of ownership are retained after the transfer to another party, then the Company will continue to recognise the value of the portion of the risks and rewards retained.

Derecognition of financial liabilities

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

2.21 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.

3. Employees

The average monthly number of employees, including directors, during the period was 28 *(2023 - 25)*.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2024

4. Intangible assets

	Brands £
Cost	
At 1 October 2023	**529,560**
At 31 December 2024	**529,560**
Amortisation	
At 1 October 2023	**52,956**
Charge for the period on owned assets	**66,195**
At 31 December 2024	**119,151**
Net book value	
At 31 December 2024	**410,409**
At 30 September 2023	*476,604*

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2024

5. Tangible fixed assets

	Plant and machinery	Fixtures and fittings	IT equipment	Motor vehicles	Total
	£	£	£	£	£
Cost or valuation					
At 1 October 2023	**103,680**	**48,747**	**24,589**	**86,720**	**263,736**
Additions	**8,402**	**32,662**	**3,188**	**-**	**44,252**
Disposals	**-**	**(10,351)**	**-**	**(86,720)**	**(97,071)**
At 31 December 2024	**112,082**	**71,058**	**27,777**	**-**	**210,917**
Depreciation					
At 1 October 2023	**34,933**	**20,166**	**12,926**	**43,089**	**111,114**
Charge for the period on owned assets	**26,380**	**16,411**	**8,603**	**-**	**51,394**
Disposals	**-**	**(3,284)**	**-**	**(43,089)**	**(46,373)**
At 31 December 2024	**61,313**	**33,293**	**21,529**	**-**	**116,135**
Net book value					
At 31 December 2024	**50,769**	**37,765**	**6,248**	**-**	**94,782**
At 30 September 2023	*68,747*	*28,581*	*11,663*	*43,631*	*152,622*

6. Debtors

	31 December 2024	*30 September 2023*
	£	£
Due after more than one year		
Amounts owed by group undertakings	**5,855,152**	**-**
Other debtors	**-**	*355,000*
	5,855,152	*355,000*
Due within one year		
Trade debtors	**602,013**	*745,538*
Other debtors	**336,190**	*419,439*
	6,793,355	*1,519,977*

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2024

7. Cash and cash equivalents

	31 December 2024 £	*30 September 2023 £*
Cash at bank and in hand	**1,117,035**	*227,869*
Less: bank overdrafts	**-**	*(820)*
	1,117,035	*227,049*

8. Creditors: Amounts falling due within one year

	31 December 2024 £	*30 September 2023 £*
Bank overdrafts	**-**	*820*
Trade creditors	**588,012**	*539,804*
Other taxation and social security	**53,180**	*31,669*
Other creditors	**42,774**	-
Accruals and deferred income	**244,824**	*437,499*
	928,790	*1,009,792*

9. Creditors: Amounts falling due after more than one year

	31 December 2024 £	*30 September 2023 £*
Amounts owed to group undertakings	**19,120,431**	*6,750,000*
	19,120,431	*6,750,000*

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2024

10. Deferred taxation

	2024 £
At beginning of year	**317,000**
Utilised in year	**(317,000)**
At end of year	**-**

The deferred tax asset is made up as follows:

	31 December 2024 £	*30 September 2023* *£*
Losses	-	*355,000*
Accelerated capital allowances	-	*(38,000)*
	-	*317,000*

11. Pension commitments

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £73,810 (2023 - £32,554). Contributions totalling £61,069 (2023 - £10,789) were payable to the fund at the reporting date and are included in creditors.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 31 DECEMBER 2024

12. Related party transactions

During the year the company entered into the following transactions with related parties:

	Sales 2024 £	Sales 2023 £	Purchases 2024 £	Purchases 2023 £
Other related parties	**1,494**	**191,301**	**42,760**	**105,791**
	1,494	**191,301**	**42,760**	**105,791**

The following amounts were outstanding at the reporting date:

	31 December 2024 £	*30 September 2023 £*
Amounts due to related parties		
Entities with control, joint control or significant influence over the company	**19,120,431**	*6,750,000*
	19,120,431	*6,750,000*
Amounts due from related parties		
Entities with control, joint control or significant influence over the company	**5,849,570**	-
	5,849,570	-

13. Controlling party

The parent company is The Vegan Food Group Limited, a company registered in England and Wales.

The ultimate parent company is Veg Capital Ltd, a company registered in England and Wales.

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.