

**Smithers-Oasis U.K. Limited**  
**Annual report and financial statements**  
**for the year ended 31 March 2024**

**Registered number: 01542218**

**Smithers-Oasis U.K. Limited**  
**Annual report and financial statements**  
**for the year ended 31 March 2024**

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# Smithers-Oasis U.K. Limited

## Strategic report

The directors present their strategic report for the year ended 31 March 2024

### Review of the business

The results for the company show a loss before taxation of £347,000 (2023: loss of £759,000) for the year and dividends paid of £nil (2023: £nil).

The directors consider the company's financial performance and position as at 31 March 2024, as set out on page 10-12, to be below that of budget and expectations. The challenging macroeconomic headwinds have continued to adversely impact the market, particularly in the UK. We continue to progress toward returning to the financial performance of that in 2022.

### Key performance indicators (KPIs)

Given the straightforward nature of the business, the company's directors are of the opinion that analysis using KPIs is not necessary for an understanding of the development, performance or position of the business.

### Future outlook

Objectives are in place that will ensure the continued success of the company:

- (1) Capital investment projects – The company continues to invest in new equipment to ensure that the business can continue to provide excellent product and service.
- (2) The company have been pursuing an innovation culture to assist the business with growth in the future. Whilst in its early stages this culture is now growing to be part of the everyday thinking and is generating additional business opportunities and process improvements.
- (3) Lean manufacturing – continued efforts to promote a continuous development philosophy and culture across all sites are progressing and will continue to ensure low-cost manufacturing.

### Principal risks and uncertainties

The principal risks to the industry lie in the ability of the Retail Florist to adapt to the current business environment. The company has and will continue its work with the main industry bodies (British Florist Association, Floral Colleges) and support these in as much as we are able, with the shared aim of promoting the UK Floral Industry.

Competition will continue to attack our market share, but the company through its field sales, brand position, quality of products, heritage and industry engagement will defend its position.

Through duplication of process with our sister companies worldwide, relatively few issues exist in relation to business interruption through plant loss.

The company will continue to invest in its people and cultural improvements to retain key staff and to plan for contingencies where this does occur.

# Smithers-Oasis U.K. Limited

## Strategic report (continued)

Approved and signed by order of the Board



P Southwick  
Company secretary  
24 October 2024

# Smithers-Oasis U.K. Limited

## Directors' report

The directors present their report and the audited financial statements of the company for the year ended 31 March 2024.

The Directors do not recommend payment of a final dividend for the financial year ended 31 March 2024 (2023: £nil).

### **Principal activities and review of the business**

Smithers-Oasis U.K. Limited is the UK's leading manufacturer of floral foam for professional florists, together with being a supplier of general sundry products. Distribution of its products is through floral wholesalers and through both B2B and B2C web shops. A review of the business is set out in the Strategic report.

### **Financial risk management**

The company's approach to risk is to follow an approved risk policy, which effectively manages exposures related to the achievement of business objectives. The key risks which the business faces are detailed as follows:

#### *Credit risk*

The company is exposed to credit risk on its trade debtor balances but mitigates credit risk by the implementation of credit checks on potential customers before sales commence.

#### *Interest rate risk*

Interest is payable at 0.9% above base rate for the Barclays loan.

#### *Foreign exchange risk*

The company undertakes transactions denominated in foreign currencies and is therefore exposed to exchange rate fluctuations. The directors do not consider this risk to be significant enough to warrant hedging against.

#### *Price Risk*

Variations in the cost of raw materials and other supplies would have an impact on profitability. Where possible the company seeks to mitigate such risks by competitive sourcing.

#### *Liquidity Risk*

The company's liquidity risk is managed through regular monitoring and forecasting of cash generated from operations, required cash levels and the utilisation of bank facilities.

#### *Cash flow Risk*

Cash flow risk is managed through cash flow forecasting, credit control and authorisation of payments.

#### *Price risk (inflation)*

The company is exposed to inflationary cost pressures (materials, energy, wages). These pressures are mitigated using a range of measures, including forward purchasing to cover energy requirements, and efficiency / process improvement projects.

# Smithers-Oasis U.K. Limited

## Directors' report (continued)

### Going concern

The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The directors have also been provided with a letter of support by their ultimate parent undertaking Smithers-Oasis Company. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

### Directors

The directors of the company who served during the financial year and up to the date of signing the financial statements were as follows:

R M Kilbride  
J Stull  
J Brinc

### Future outlook

The future outlook of the company is included within the Strategic report.

### Statement of directors' responsibilities in respect of the financial statements

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law).

Under company law, directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are also responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006.

# Smithers-Oasis U.K. Limited

## Directors' report (continued)

### Directors' confirmations

In the case of each director in office at the date the directors' report is approved:

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

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Approved and signed by order of the Board



P Southwick

**Company secretary**

24 October 2024

# Independent auditors' report to the members of Smithers-Oasis U.K. Limited

## Report on the audit of the financial statements

### **Opinion**

In our opinion, Smithers-Oasis U.K. Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2024 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual report and financial statements (the "Annual Report"), which comprise: the Balance sheet as at 31 March 2024; the Statement of comprehensive income and the Statement of changes in equity for the year then ended; the Statement of accounting policies; and the notes to the financial statements.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Independence**

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

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

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

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.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the company's ability to continue as a going concern.

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

# Independent auditors' report to the members of Smithers-Oasis U.K. Limited (continued)

## **Reporting on other information**

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. 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 based on these responsibilities.

With respect to the Strategic report and Directors' report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

## **Strategic report and Directors' report**

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' report for the year ended 31 March 2024 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' report.

## **Responsibilities for the financial statements and the audit**

### **Responsibilities of the directors for the financial statements**

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

# Independent auditors' report to the members of Smithers-Oasis U.K. Limited (continued)

## **Responsibilities of the directors for the financial statements (continued)**

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

## **Auditors' responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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.

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to direct laws and regulations, for example the Companies Act 2006 and tax legislation, and we considered the extent to which non-compliance might have a material effect on the financial statements. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to improve the financial results and management bias in significant judgements and accounting estimates. Audit procedures performed by the engagement team included:

- Discussions with management, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- Review of legal expenditure in the year to identify potential non-compliance with laws and regulations;
- Evaluation of management's controls designed to prevent and detect irregularities;
- Review of minutes;
- Identifying and testing journal entries, in particular, any journal entries posted with unusual account combinations;
- Challenging assumptions and judgements made by management in their significant accounting estimates, including in relation to debtor impairment; and
- Reviewing financial statement disclosures and testing to supporting documentation, where appropriate, to assess compliance with applicable laws and regulations.

# Independent auditors' report to the members of Smithers-Oasis U.K. Limited (continued)

## **Auditors' responsibilities for the audit of the financial statements**

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

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.

## **Use of this report**

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

## **Other required reporting**

### **Companies Act 2006 exception reporting**

Under the Companies Act 2006 we are required to report to you if, in our opinion:

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

We have no exceptions to report arising from this responsibility.

*Toni Alderson*

Toni Alderson (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Newcastle upon Tyne  
24 October 2024

## Smithers-Oasis U.K. Limited

### Statement of comprehensive income for the year ended 31 March 2024

	Note	2024 £'000	2023 £'000
<b>Turnover</b>	1	<b>18,003</b>	19,083
Cost of sales		<b>(11,269)</b>	(12,102)
<b>Gross profit</b>		<b>6,734</b>	6,981
Administrative expenses		<b>(7,032)</b>	(7,713)
<b>Operating loss</b>	3	<b>(298)</b>	(732)
Interest payable and similar expenses	4	<b>(49)</b>	(27)
<b>Loss before taxation</b>		<b>(347)</b>	(759)
Tax on loss	5	<b>345</b>	129
<b>Loss for the financial year</b>		<b>(2)</b>	(630)

All results derive from continuing operations.

## Smithers-Oasis U.K. Limited

### Statement of changes in equity for the year ended 31 March 2024

	Called up share capital £'000	Capital reserves £'000	Profit and loss account £'000	Total shareholders' funds £'000
At 1 April 2022	100	1,403	4,457	5,960
Loss for the financial year	-	-	(630)	(630)
<b>At 31 March 2023</b>	<b>100</b>	<b>1,403</b>	<b>3,827</b>	<b>5,330</b>
At 1 April 2023	100	1,403	3,827	5,330
Loss for the financial year	-	-	(2)	(2)
<b>At 31 March 2024</b>	<b>100</b>	<b>1,403</b>	<b>3,825</b>	<b>5,328</b>

# Smithers-Oasis U.K. Limited

## Balance sheet as at 31 March 2024

	Note	2024	2024	2023	2023
		£'000	£'000	£'000	£'000
<b>Fixed assets</b>					
Intangible assets	6		-		-
Tangible assets	7		2,687		2,328
Deferred tax asset	13		168		-
			<b>2,855</b>		<b>2,328</b>
<b>Current assets</b>					
Stocks	8	3,376		3,840	
Debtors	9	3,004		3,505	
Cash at bank and in hand		418		393	
		<b>6,798</b>		<b>7,738</b>	
<b>Creditors: amounts falling due within one year</b>	10	<b>(3,996)</b>		<b>(4,270)</b>	
<b>Net current assets</b>			<b>2,802</b>		<b>3,468</b>
<b>Total assets less current liabilities</b>			<b>5,657</b>		<b>5,796</b>
<b>Creditors: amounts falling due after more than one year</b>	11		<b>(329)</b>		<b>(430)</b>
<b>Deferred tax liability</b>	13		<b>-</b>		<b>(36)</b>
<b>Net assets</b>			<b>5,328</b>		<b>5,330</b>
<b>Capital and reserves</b>					
Called up share capital	14		100		100
Capital reserves			1,403		1,403
Profit and loss account			3,825		3,827
<b>Total shareholders' funds</b>			<b>5,328</b>		<b>5,330</b>

The financial statements on pages 10 to 24 were approved by the Board of directors on 24 October 2024 and were signed on its behalf by:

J Brinc  
Director

Registered number: 01542218

# Smithers-Oasis U.K. Limited

## Statement of accounting policies

### Company information

Smithers-Oasis U.K. Limited is a private company, limited by shares and is registered in England and incorporated in the United Kingdom. The address of its registered office is Crowther Road, Crowther Industrial Estate, Washington, Tyne and Wear, NE38 0AQ. Smithers-Oasis U.K. Limited is the UK's leading manufacturer of floral foam for professional florists, together with being a supplier of general sundry products. Distribution of its products is through floral wholesalers.

### Statement of compliance

The financial statements of Smithers-Oasis U.K. Limited have been prepared in compliance with the applicable United Kingdom Accounting Standards including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and the Companies Act 2006.

### Accounting convention

The financial statements have been prepared on a going concern basis under the historical cost convention and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom.

The principal accounting policies, which have been consistently applied and are uniformly applied across the group, are set out below. Figures have been rounded to the nearest £'000.

### Going concern

The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The directors have also been provided with a letter of support by their ultimate parent undertaking Smithers-Oasis Company. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

### Tangible assets and depreciation

Land is not depreciated. Depreciation on other assets is calculated, using the straight-line method, to allocate the depreciable amount to their residual values over their estimated useful lives, as follows:

Freehold buildings - 25 years

Plant and machinery - 2 - 10 years

The assets' residual values and useful lives are reviewed, and adjusted, if appropriate, at the end of each reporting period. The effect of any change is accounted for prospectively.

### Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for any obsolete or slow moving items. In the case of finished goods and work in progress, cost comprises direct materials, direct labour and an appropriate proportion of manufacturing fixed and variable overheads. The allocation of manufacturing fixed overheads has regard to budgeted normal levels of production.

# Smithers-Oasis U.K. Limited

## Statement of accounting policies (continued)

### Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet.

A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred taxation is measured on a non-discounted basis at the tax rates that are expected to apply in the year in which timing differences reverse, based on taxation rates and law enacted or substantively enacted at the balance sheet date.

### Royalties

Royalties are accrued and charged to the profit and loss account based on the relevant percentage of turnover.

### Foreign currencies

Transactions in the profit and loss account are translated into sterling at a fixed rate of exchange set by the holding company as an approximation to the exchange rate ruling at the date of the transaction. Monetary assets and liabilities in the balance sheet are translated into sterling at the exchange rate ruling at the balance sheet date.

All exchange gains or losses in settlement or translation of monetary assets and liabilities are included in the determination of profit for the financial year.

### Leased assets

Operating lease rentals are charged to the profit and loss account on a straight-line basis over the term of the lease.

### Pensions

The company participates in a defined contribution pension scheme. Contributions to the scheme are made to a separately administered fund and are charged to the profit and loss account as they become payable.

### Turnover

Turnover comprises the sales value of goods supplied by the company exclusive of value added tax. Sales are recognised when goods are invoiced and delivered to customers.

### Dividends

Dividends are only recognised when the liability is irrevocable, for example when approved by the shareholders or when paid.

### Grant income

Government grants relating to the purchase of property, plant and equipment are included in liabilities as deferred income and they are credited to profit or loss on a straight-line basis over the expected lives of the related assets.

# Smithers-Oasis U.K. Limited

## Statement of accounting policies (continued)

### Cash flow statement

The company has taken advantage of the exemption, under FRS 102 paragraph 1.12(b), from preparing a statement of cash flows, on the basis that it is a qualifying entity and its ultimate parent company Smithers-Oasis Europe Limited includes the company's cash flow in its own consolidated financial statements.

### Exemptions for qualifying entities under FRS 102

1.11 FRS 102 allows a qualifying entity certain disclosure exemptions, subject to conditions. The company has taken advantage of the following exemptions in its individual financial statements:

1.12(b) • from preparing a statement of cash flows, on the basis that it is a qualifying entity and the consolidated statement of cash flows, included in these financial statements, includes the company's cash flows;

1.12(c) • from the financial instrument disclosures, required under FRS 102 paragraphs, 11.42, 11.44, 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b), 11.48(c), 12.26, 12.27, 12.29(a), 12.29(b) and 12.29A, as the information is provided in the consolidated financial statement disclosures;

### Critical accounting estimates and judgements

We consider that there are no significant judgements. Estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The estimates that have a risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

#### (i) Stock provisioning

It is necessary to consider the recoverability of the cost of stock and the associated provisioning required. When calculating the stock provision, management considers the nature and condition of the stock, as well as applying assumptions around anticipated saleability of finished goods and future usage of raw materials.

#### (ii) Provisions for impairment of debtors

Debtor balances are reviewed for impairment on an annual basis. In considering the need for a provision, management determines their best estimate of the expected future cash flows.

As this estimate relies on a certain number of assumptions about future events which may differ from actual outcomes, including the borrower's ability to repay amounts owed, this gives rise to estimation as to whether there is a shortfall between the carrying value and the fair value of the debtor balance.

# Smithers-Oasis U.K. Limited

## Notes to the financial statements for the year ended 31 March 2024

### 1 Turnover

The company's turnover arose entirely from the manufacture and supply of floral foam and associated products.

Turnover by geographical market is analysed below:

	2024	2023
	£'000	£'000
United Kingdom	11,047	13,251
Rest of Europe	6,781	5,450
Rest of World	175	382
	<b>18,003</b>	<b>19,083</b>

### 2 Staff costs

	2024	2023
	£'000	£'000
Wages and salaries	3,219	3,390
Social security costs	290	317
Other pension costs (note 16)	126	126
	<b>3,635</b>	<b>3,833</b>

The average monthly number of persons employed by the company by activity, including executive directors, during the financial year was:

	2024	2023
	Number	Number
Production	78	92
Sales and marketing	9	9
Administration	18	19
	<b>105</b>	<b>120</b>

# Smithers-Oasis U.K. Limited

## Notes to the financial statements for the year ended 31 March 2024 (continued)

### 2 Staff costs (continued)

#### Directors' remuneration

The Directors' remuneration was borne by another group entity (2023: £nil). Their services to this Company and to a number of fellow subsidiaries are of a nonexecutive nature and their remuneration is deemed to be wholly attributable to their services to the parent company. Accordingly, the above details include no remuneration in respect of the Directors.

### 3 Operating loss

Operating loss is stated after charging/(crediting):

	2024	2023
	£'000	£'000
Depreciation of tangible assets	431	402
Amortisation of grant income	(5)	(5)
Royalties	950	877
Operating leases - plant and machinery	190	172
Auditors' remuneration - audit services	58	64
- Taxation compliance services	13	13
Loss on foreign currency translation	12	7

### 4 Interest payable and similar expenses

	2024	2023
	£'000	£'000
Interest payable on bank loans	26	16
Other interest payable	12	-
Interest payable on finance agreement	11	11
	49	27

# Smithers-Oasis U.K. Limited

## Notes to the financial statements for the year ended 31 March 2024 (continued)

### 5 Tax on loss

#### (a) Analysis of credit in the year

	2024	2023
	£'000	£'000
<b>Current tax:</b>		
Adjustments in respect of previous years	(141)	(77)
<b>Total current tax</b>	<b>(141)</b>	<b>(77)</b>
<b>Deferred tax:</b>		
Origination and reversal of timing differences	(68)	(179)
Adjustments in respect of previous years	(136)	129
Effect of changes in tax rates	-	(2)
<b>Total deferred tax (note 13)</b>	<b>(204)</b>	<b>(52)</b>
<b>Total tax credit</b>	<b>(345)</b>	<b>(129)</b>

#### (b) Factors affecting the tax credit for the year

The tax assessed for the financial year is lower than (2023: higher than) the standard rate of corporation tax in the UK of 25% (2023: 25%). The differences are explained below:

	2024	2023
	£'000	£'000
Loss before taxation	(347)	(759)
Loss before taxation multiplied by the standard rate of corporation tax in the UK of 25% (2023: 25%)	(87)	(190)
Effects of:		
Expenses not deductible for tax purposes	3	1
Adjustments in respect of previous years	(277)	52
Depreciation on ineligible assets	16	10
Effect of changes in tax rates	-	(2)
<b>Total current tax credit</b>	<b>(345)</b>	<b>(129)</b>

# Smithers-Oasis U.K. Limited

## Notes to the financial statements for the year ended 31 March 2024 (continued)

### 5 Tax on loss (continued)

#### (c) Factors that may affect future tax charges

Effective from 1 April 2023, the UK corporate tax rate increased from 19% to 25%.

### 6 Intangible assets

	Goodwill £'000
<b>Cost</b>	
At 1 April 2023 and at 31 March 2024	157
<b>Accumulated amortisation</b>	
At 1 April 2023 and at 31 March 2024	157
<b>Net book amount</b>	
At 31 March 2024	-
At 31 March 2023	-

# Smithers-Oasis U.K. Limited

## Notes to the financial statements for the year ended 31 March 2024 (continued)

### 7 Tangible assets

	Freehold land and buildings £'000	Plant and machinery £'000	Total £'000
<b>Cost</b>			
At 1 April 2023	3,345	5,856	9,201
Additions	-	790	790
Disposals	-	(41)	(41)
<b>At 31 March 2024</b>	<b>3,345</b>	<b>6,605</b>	<b>9,950</b>
<b>Accumulated depreciation</b>			
At 1 April 2023	2,299	4,574	6,873
Charge for the year	64	367	431
Disposals	-	(41)	(41)
<b>At 31 March 2024</b>	<b>2,363</b>	<b>4,900</b>	<b>7,263</b>
<b>Net book amount</b>			
<b>At 31 March 2024</b>	<b>982</b>	<b>1,705</b>	<b>2,687</b>
At 31 March 2023	1,046	1,282	2,328

Tangible asset additions includes £132,000 (2023: £548,000) of assets under construction.

### 8 Stocks

	2024 £'000	2023 £'000
Raw materials	505	539
Work in progress	98	95
Finished goods and goods for resale	2,773	3,206
	<b>3,376</b>	<b>3,840</b>

# Smithers-Oasis U.K. Limited

## Notes to the financial statements for the year ended 31 March 2024 (continued)

### 8 Stocks (continued)

The total amount of stock expensed in the profit and loss account as cost of sales is £8,738,000 (2023: £9,496,000). There is no significant difference between the replacement cost of inventories and their carrying amounts. Inventories are stated after provisions for impairment of £107,000 (2023: £78,000).

### 9 Debtors

	2024	2023
	£'000	£'000
Trade debtors	2,110	2,158
Amounts owed by group undertakings	478	911
Other debtors	20	18
Corporation tax	144	-
Prepayments and accrued income	252	418
	<b>3,004</b>	<b>3,505</b>

Trade debtors are stated after provisions for impairment of £1,000 (2023: £53,000). Amounts owed by group undertakings are unsecured, interest free and are repayable upon demand.

### 10 Creditors: amounts falling due within one year

	2024	2023
	£'000	£'000
Bank loans and overdrafts (note 12)	119	98
Trade creditors	1,504	1,647
Amounts owed to group undertakings	1,887	1,803
Other taxation and social security	163	178
Corporation tax	-	225
Accruals and deferred income	323	319
	<b>3,996</b>	<b>4,270</b>

Amounts owed to group undertakings and related parties are unsecured, interest free and are repayable upon demand.

## Smithers-Oasis U.K. Limited

### Notes to the financial statements for the year ended 31 March 2024 (continued)

#### 11 Creditors: amounts falling due after more than one year

	2024	2023
	£'000	£'000
Bank loans and overdrafts (note 12)	282	378
Accruals and deferred income	47	52
	<b>329</b>	<b>430</b>

#### 12 Bank loans and overdrafts

	2024	2023
	£'000	£'000
Maturity of financial liabilities – payable in instalments		
Less than one year	119	98
1 to 2 years	119	98
2 to 5 years	163	280
	<b>401</b>	<b>476</b>

The bank loan is repayable in instalments. Interest is payable at 0.9% above base rate for the Barclays loan. There is a loan in existence with Barclays bank and this loan is secured by a charge over the land and buildings at Crowther.

# Smithers-Oasis U.K. Limited

## Notes to the financial statements for the year ended 31 March 2024 (continued)

### 13 Deferred tax

The deferred tax recognised in the financial statements comprises:

	2024	2023
	£'000	£'000
Accelerated capital allowances	64	(153)
Short term timing differences	9	20
Losses	95	97
<b>Deferred tax asset/(liability)</b>	<b>168</b>	<b>(36)</b>

  

	£'000
At 1 April 2023	(36)
Credited to the profit and loss account (note 5)	204
<b>At 31 March 2024</b>	<b>168</b>

### 14 Called up share capital

	2024	2023
	£'000	£'000
<b>Authorised, allotted and fully paid:</b>		
100,000 (2023: 100,000) ordinary shares of £1 each	100	100

There is a single class of ordinary shares. There are no restrictions on the distribution of dividends and the repayment of capital.

# Smithers-Oasis U.K. Limited

## Notes to the financial statements for the year ended 31 March 2024 (continued)

### 15 Financial commitments

At the year end the company was committed to the following annual obligations under operating leases on plant and machinery:

	2024	2023
	£'000	£'000
Expiring within one year	94	146
Expiring between one and two years	53	57
Expiring between two and five years	37	53
	<b>184</b>	<b>256</b>

### 16 Pension costs

The company participates in a defined contribution pension scheme. The assets of the scheme are held in a separately administered fund. The total pension cost for the financial year was £126,000 (2023: £126,000). At the year end pension contributions of £12,000 (2023: £17,000) were due to the scheme.

### 17 Related party transactions

The company has taken advantage of the exemption under Section 33.1A of FRS 102 from disclosing transactions with companies in the group headed by Smithers-Oasis Europe Limited on the grounds that it is a wholly owned subsidiary and the financial statements of Smithers-Oasis Europe Limited are publicly available. Amounts owed by and to these companies at 31 March 2024 are shown in notes 9 and 10 to the financial statements, respectively.

### 18 Ultimate parent undertaking and controlling party

As at 31 March 2024, Smithers-Oasis U.K. Limited was a subsidiary of Smithers-Oasis Europe Limited which is the smallest group to prepare consolidated financial statements which include the results of Smithers-Oasis U.K. Limited. The company's ultimate and immediate parent undertaking and largest group to prepare consolidated financial statements is Smithers-Oasis Company, registered Head Quarters at 295 South Water Street, Kent, OH, United States of America.

The ultimate controlling party of Smithers-Oasis Company is considered to be R M Kilbride by virtue of her controlling interest in the company.