

Smithers-Oasis Europe Limited
Annual report and financial statements
for the year ended 31 March 2023

Registered number: 05152689



Smithers-Oasis Europe Limited

Annual report and financial statements

for the year ended 31 March 2023

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Smithers-Oasis Europe Limited

Strategic report for the year ended 31 March 2023

The directors present their strategic report for the year ended 31 March 2023.

Review of the business

The consolidated group turnover for the year ended 31 March 2023 was £68,493,000 (2022: 66,852,000), returning a profit for the year of £203,000 (2022: £4,362,000). Full results of the financial year are set out in the consolidated profit and loss account on page 12.

The directors have reviewed the group's financial position as at 31 March 2023, as set out on page 16. The net assets as at 31 March 2023 were £17,137,000 (2022: £17,435,000).

The group continues to work closely with our customer base to support them with new products together with market and sector developments.

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 group:

- (1) The Group is focussed on ensuring the correct environment is present to facilitate an efficient supply and distribution network in Europe, to all of our customers and ultimate end users.
- (2) Succession planning remains an important issue for the group and management have continued to ensure a solid skills and experience base exists for the future.
- (3) Making the process of manufacturing and its related activities as efficient as possible continues to be at the forefront of our everyday thinking. This culture underpins the success of the group and will continue to ensure low cost manufacture in our operations.

Principal risks and uncertainties

The principal risk to the industry lies in the ability of the retail florist to adapt to the current business environment. The group has and will continue its work with the main industry bodies and advise these in as much as we are able, with the shared aim of promoting the floral industry.

Competition will continue to attack our market share, and the group through its field sales and industry activity will defend its position.

The group will continue to make all efforts to retain key staff and to plan for contingencies where this does occur.

Smithers-Oasis Europe Limited

Strategic report for the year ended 31 March 2023 (continued)

Statement by the directors relating to their statutory duties under Section 172(1) of The Companies Act 2006

The directors are bound by their duties under the Companies Act 2006 (the "Act") and understand each duty is in the interest of the overall success of the Group. This statement sets out how the directors have regard to the matters set out in Section 172 of the Act whilst undertaking their roles, including but not limited to the:

- (a) likely consequences of any decisions in the long-term;
- (b) interests of the Group's employees;
- (c) need to foster the Group's business relationships with suppliers, customers and others;
- (d) impact of the Group's operations on the community and environment;
- (e) desirability of the Group maintaining a reputation for high standards of business conduct;
- (f) need to act fairly as between members of the Group.

The Directors understand our business and the environment in which we operate. Based on our strategy we aim to strengthen our position as the leading floral foam provider while progressing our sustainability programme. Whilst day to day operational decisions are delegated to management teams, the Group has established clear reporting lines into the Directors, which has ultimate responsibility for any decisions of key importance with the likely long-term consequences of any decision in mind.

The Directors recognise that our employees are pivotal to our business. Our success depends on attracting, retaining and motivating employees. We are a responsible employer who offers additional benefits and proactively monitor health, safety and workplace environment. Employees are well informed by providing regular updates on matters of importance with monthly meetings attended by employees of a certain management level, with key messages filtered down by managers to their individual teams.

The Directors welcome and invite constructive challenge from employees throughout the Group and hope that they will influence the direction of the business by continuously developing their expertise, which in turn assists innovative solutions. This can only be done by having regard to employees' voices and ensuring employees are given the environment and opportunity to develop continuously. Employee's voices can be heard via a number of channels, including but not limited to, Employee Engagement Surveys, Suggestion Boxes and attendance at committee meetings with regards to Health and Safety and Sustainability.

Delivering our strategy requires strong mutually beneficial relationships with suppliers and customers. We actively engage with our key suppliers to ensure we understand their business operations and how they tie in with our own. The Group ensures that its approach to procuring goods and services delivers mutual benefit as well as impartiality. The Group's Procurement function provides support and strategic guidance to colleagues who work with suppliers, helping them to foster strong relationships and manage performance effectively.

With a continuous focus on processes and systems, the Group seeks to increase efficiency, minimise waste and make doing business with the Group a positive experience for suppliers. Engagement with customers takes many forms. Structured engagement includes customer feedback, key performance indicators and relationship management. In addition, less structured engagement takes place at various levels within the Group, including day to day engagement at operational level.

The product of this engagement provides the Directors with information on how our customers view the performance of the Group, enabling them to modify behaviours to promote the overall success of the Group.

Smithers-Oasis Europe Limited

Strategic report for the year ended 31 March 2023 (continued)

The Directors support the Group's goals and initiatives with regard to reducing adverse impacts on the environment and supporting the communities that it touches. Green behaviours are promoted and sustainability projects are being actively engaged by the Group. In addition, a green approach is adopted in the warehouses and offices by promoting recycling and reducing waste. The Group believes this also adds to our positive presence in local communities as an employer. Site level charity work/initiatives occur regularly, for example, collections for local and national charities.

The Directors wish at all times to maintain the Group's strong reputation, and to ensure that decisions are made with a high standard of business conduct in mind. Integrity is a key element of business behaviour throughout the Group and the Directors recognise that the culture and values of the Group are fundamental contributors to the overall success of the Group in the longer term. We have a risk and control framework to ensure that the Group complies with all legal and regulatory requirements relating to the provision of products and services to our clients.

Approved and signed by order of the Board



P Southwick
Company secretary
9 July 2024

Smithers-Oasis Europe Limited

Directors' report for the year ended 31 March 2023

The directors present their report and the audited consolidated financial statements of the group for the year ended 31 March 2023.

Principal activities

The group is the leading manufacturer of floral foam for professional florists and a supplier of general sundry products. The group operates through its principal subsidiaries in the UK, Belgium, Germany, France, Slovenia and Spain. The principal activity of the company is that of a holding company and management function. The review of the business are disclosed on page 1.

Engagement with stakeholders

Effective communication with stakeholders (employees, customers, suppliers and lenders) is very important in maintaining the Group's reputation and success. The company strives to communicate and engage with stakeholders on a regular basis, including through the company's website and internal intranet.

As per the principal decision made in the S172, principal decisions were made to ensure the company could operate as effectively as possible in an uncertain environment.

We have identified the following main engagement focus areas that are material to our business:

- Floriculture products – Be the leader in our methods and processes to deliver the highest quality product to our customers
- Business ethics – To ensure orderly and responsible business practices
- People and organisation – To have the development of our staff at the heart of all that we do
- Responsible operations – To have the health and safety of all of our staff as our top priority
- Sustainability – We are committed to contributing to the sustainability of the earth we live on and the people and communities we serve globally. We look for ways to be an increasingly sustainable company. We will continue to introduce innovative and environmentally friendly floriculture products and programs that increase the sustainability of our planet.

Employee involvement

The group places considerable value on the involvement of its employees and has continued to keep them informed on matters affecting them as employees and on the various factors affecting the performance of the company. This is achieved through formal and informal meetings and regularly published briefing documents. Employee representatives are consulted regularly on a wide range of matters effecting their current and future interests.

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 group 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.

Smithers-Oasis Europe Limited

Directors' report for the year ended 31 March 2023 (continued)

Interest rate risk

The company is exposed to interest rate risk on the Barclays loan. Interest is payable at 0.9% above base rate.

Foreign exchange risk

The group 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.

Going concern

The directors believe that preparing the financial statements on the going concern basis is appropriate due to the continued financial support of the ultimate parent company, Smithers Oasis Company. At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future, given the directors have received confirmation that Smithers Oasis Company intend to support the company for at least one year after these financial statements are signed.

Directors

The directors of the company who held office during the financial year and up to the date of signing the financial statements are shown below:

R M Kilbride

J Stull

S Short (Resigned 31st December 2022)

Employment policy

The group is committed to employment policies, which follow best practice, based on equal opportunities for all employees, irrespective of sex, race, colour, disability or marital status and offers appropriate training and career development for disabled staff. If members of staff become disabled the group continues employment wherever possible and arranges retraining. The group is also committed to providing employees with information on matters of concern to them on a regular basis, so that the views of employees can be taken into account when making decisions that are likely to affect their interests. In addition, the group encourages the involvement of employees in its operations.

Future outlook

Future outlook is detailed in the Strategic report.

Smithers-Oasis Europe Limited

Directors' report for the year ended 31 March 2023 (continued)

Streamlined energy and carbon reporting ('SECR')

For financial years beginning on or after 1 April 2019, large unquoted groups, of which Smithers-Oasis Europe Limited qualifies, had new environmental reporting requirements related to UK energy use. Whilst Smithers-Oasis Europe Limited company qualifies as the parent company heading up the group, it is exempt from disclosing its energy and carbon information as it is a low energy user (having consumed less than 40MWh in the UK in the year under question). All other subsidiaries consolidated within these group financial statements have been excluded for the following reasons: Smithers-Oasis UK does not hit the criteria for a large company and therefore is exempt. The remaining subsidiaries are incorporated outside of the UK and therefore fall outside these regulations. As such no streamlined energy and carbon reporting is required for the year ended 31 March 2023.

Dividends

In the prior year a dividend was paid to Smithers-Oasis Company from Smithers-Oasis Europe Limited for £879,000. This distribution was subsequently discovered to be unlawful due to historical impairment of investment assets that were not reflected in the trial balance at the time of the distribution, therefore affecting distributable reserves. The directors considered the Company Act and the remedy for this was for the company to give written approval for repayment of the amount in the year ended 31 March 2023 and this amount was repaid during the year. During the year, there was an additional dividend paid to Smithers-Oasis Company from Smithers-Oasis Europe of £325,000. Given this was made before the reserve restructuring, this was also deemed to be an unlawful dividend, however this position was rectified pre year-end, through share premium restructuring, creating sufficient distributable reserves.

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 group and the company 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 group and company and of the profit or loss of the group 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 group and company will continue in business.

The directors are 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.

Smithers-Oasis Europe Limited

Directors' report for the year ended 31 March 2023 (continued)

The directors are also 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.

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 group's and 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 group's and 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
9 July 2024

Smithers-Oasis Europe Limited

Independent auditors' report to the members of Smithers-Oasis Europe Limited

Report on the audit of the financial statements

Opinion

In our opinion, Smithers-Oasis Europe Limited's group financial statements and company financial statements (the "financial statements"):

- give a true and fair view of the state of the group's and of the company's affairs as at 31 March 2023 and of the group's profit and the group's cash flows 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: Consolidated and Company balance sheets as at 31 March 2023; Consolidated profit and loss account, Consolidated statement of comprehensive income, Consolidated and Company statements of changes in equity and Consolidated cash flow statement 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 group 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 group's and 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 group's and 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 Europe 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 2023 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 group and company and their 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.

In preparing the financial statements, the directors are responsible for assessing the group's and 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 group or the company or to cease operations, or have no realistic alternative but to do so.

Independent auditors' report to the members of Smithers-Oasis Europe Limited (continued)

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 group and industry, we identified that the principal risks of non-compliance with laws and regulations related to direct laws and regulations e.g. 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 carrying value of investments; and
- Reviewing financial statement disclosures and testing to supporting documentation, where appropriate, to assess compliance with applicable laws and regulations.

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. 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.

Smithers-Oasis Europe Limited

Independent auditors' report to the members of Smithers-Oasis Europe Limited (continued)

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 company 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
9 July 2024

Smithers-Oasis Europe Limited

Consolidated profit and loss account for the year ended 31 March 2023

	Note	2023 £'000	2022 £'000
Turnover	1	68,493	66,852
Cost of sales		(37,536)	(35,558)
Gross profit		30,957	31,294
Distribution costs		(9,485)	(8,641)
Administrative expenses		(20,772)	(17,618)
Operating profit	2	700	5,035
Interest payable and similar expenses	5	(66)	(115)
Profit before taxation		634	4,920
Tax on profit	6	(431)	(558)
Profit for the financial year		203	4,362

All of the results of the group relate to continuing operations.

Smithers-Oasis Europe Limited

Consolidated statement of comprehensive income for the year ended 31 March 2023

	2023	2022
	£'000	£'000
Profit for the financial year	203	4,362
Currency translation adjustments	386	(625)
Total comprehensive income for the year	589	3,737

Smithers-Oasis Europe Limited

Consolidated statement of changes in equity for the year ended 31 March 2023

	Called up share capital £'000	Share premium account £'000	Other reserves £'000	Capital reserves £'000	Profit and loss account £'000	Total shareholders' funds £'000
At 1 April 2021	26,939	30,858	(27,181)	1,123	(23,225)	8,514
Profit for the financial year	-	-	-	-	4,362	4,362
Currency translation adjustments	-	-	-	-	(625)	(625)
Total Comprehensive income for the year	-	-	-	-	3,737	3,737
Capital contribution	-	-	-	5,925	-	5,925
Dividends repaid	-	-	-	138	-	138
Dividends paid (note 7)	-	-	-	(879)	-	(879)
Total transactions with owners recognised directly in equity	-	-	-	5,184	-	5,184
At 31 March 2022	26,939	30,858	(27,181)	6,307	(19,488)	17,435
At 1 April 2022	26,939	30,858	(27,181)	6,307	(19,488)	17,435
Profit for the financial year	-	-	-	-	203	203
Currency translation adjustments	-	-	-	-	386	386
Total Comprehensive Income for the year	-	-	-	-	589	589
Dividends repaid	-	-	-	879	-	879
Dividends paid (note 7)	-	-	-	-	(1,766)	(1,766)
Reduction in Share Premium recognised directly in equity	-	(10,000)	-	-	10,000	-
At 31 March 2023	26,939	20,858	(27,181)	7,186	(10,665)	17,137

Smithers-Oasis Europe Limited

Company statement of changes in equity for the year ended 31 March 2023

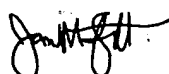
	Called up share capital	Share premium account	Capital reserves	Profit and loss account	Total shareholders' funds
	£'000	£'000	£'000	£'000	£'000
At 1 April 2021	26,939	30,858	1,123	(7,821)	51,099
Profit for the financial year	-	-	-	4,232	4,232
Capital contribution	-	-	5,925	-	5,925
Dividends repaid	-	-	138	-	138
Dividends paid (note 7)	-	-	(879)	-	(879)
Total transactions with owners recognised directly in equity	-	-	5,184	-	5,184
At 31 March 2022	26,939	30,858	6,307	(3,589)	60,515
At 1 April 2022	26,939	30,858	6,307	(3,589)	60,515
Loss for the financial year	-	-	-	(1,222)	(1,222)
Dividends repaid	-	-	879	-	879
Dividends paid (note 7)	-	-	-	(1,766)	(1,766)
Reduction in share premium recognised directly in equity	-	(10,000)	-	10,000	-
At 31 March 2023	26,939	20,858	7,186	3,423	58,406

Smithers-Oasis Europe Limited

Consolidated balance sheet as at 31 March 2023

	Note	2023 £'000	2023 £'000	2022 £'000	2022 £'000
Fixed assets					
Intangible assets	8		653		634
Tangible assets	9		8,369		7,411
Investments	10		36		36
			9,058		8,081
Current assets					
Stocks	11	8,928		8,856	
Debtors	12	8,512		8,758	
Cash at bank and in hand		3,635		3,136	
		21,075		20,750	
Creditors: amounts falling due within one year	13	(12,228)		(10,408)	
Net current assets			8,847		10,342
Total assets less current liabilities			17,905		18,423
Creditors: amounts falling due after more than one year	14		(768)		(988)
Net assets			17,137		17,435
Capital and reserves					
Called up share capital	17		26,939		26,939
Share premium account			20,858		30,858
Capital reserves			7,186		6,307
Other reserves			(27,181)		(27,181)
Profit and loss account			(10,665)		(19,488)
Total shareholders' funds			17,137		17,435

The financial statements on pages 12 to 39 were approved by the Board of directors on 9 July 2024 and were signed on its behalf by:



J Stull
Director

Registered number: 05152689

Smithers-Oasis Europe Limited

Company balance sheet as at 31 March 2023

	Note	2023	2023	2022	2022
		£'000	£'000	£'000	£'000
Fixed assets					
Investments	10		57,997		60,470
Current assets					
Debtors	12	662		231	
Cash at bank and in hand		100		181	
		762		412	
Creditors: amounts falling due within one year	13	(353)		(367)	
Net current assets			409		45
Total assets less current liabilities			58,406		60,515
Net assets			58,406		60,515
Capital and reserves					
Called up share capital	17		26,939		26,939
Share premium account			20,858		30,858
Capital reserves			7,186		6,307
Profit and loss account					
Opening balance			(3,589)		(7,821)
(Loss)/profit for the year			(1,222)		4,232
Dividend paid			(1,766)		-
Transfer to retained reserves on reduction in share premium			10,000		-
Closing balance			3,423		(3,589)
Total shareholders' funds			58,406		60,515

The financial statements on pages 12 to 39 were approved by the Board of directors on 9 July 2024 and were signed on its behalf by:



J Stull

Director

Registered number: 05152689

Smithers-Oasis Europe Limited

Consolidated cash flow statement for the year ended 31 March 2023

	Note	2023	2023	2022	2022
		£'000	£'000	£'000	£'000
Net cash from operating activities	19		3,641		3,095
Corporation tax paid			(391)		-
Net cash generated from operating activities			3,250		3,095
Cash flows from investing activities					
Purchase of tangible assets		(1,880)		(1,347)	
Proceeds from disposal of tangible assets		44		42	
Purchase of intangible assets		-		(7)	
Interest received		-		1	
Net cash used in investing activities			(1,836)		(1,312)
Cash flow from financing activities					
Capital contribution received		-		5,925	
Additional borrowings		-		(937)	
Repayment of borrowings		(96)		(6,178)	
Interest paid		(66)		(115)	
Dividends repaid		879		138	
Dividends paid		(1,766)		(879)	
Net cash used in financing activities			(1,049)		(2,046)
Net increase / (decrease) in cash	20		365		(263)
Exchange differences			134		(116)
Cash at beginning of the year			3,136		3,515
Cash at the end of the year			3,635		3,136

Smithers-Oasis Europe Limited

Statement of accounting policies

Company information

Smithers-Oasis Europe Limited is a private company, limited by shares and is incorporated in the United Kingdom and registered in England. The address of its registered office is Crowther Road, Crowther Industrial Estate, Washington, Tyne and Wear, NE38 0AQ. The principal activity of the company is that of a holding company and management function.

Statement of compliance

The Group and individual financial statements of Smithers-Oasis Europe 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.

Basis of preparation of financial statements

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 accounting policies have been applied consistently, other than where new policies have been adopted.

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

Exemptions for qualifying entities under FRS 102

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:

- 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
- from preparing a profit and loss account, on the basis that it is a qualifying entity and the consolidated profit and loss account, included in these financial statements, includes the company's profit and loss

Basis of consolidation

Smithers-Oasis Europe Limited is a holding company and is required to prepare audited consolidated financial statements which reflect the results and financial position of all its subsidiaries. Accordingly, the financial statements represent a consolidation of the company and its subsidiary undertakings (the "group") as at the balance sheet date. All intercompany transactions are eliminated, as are any intercompany profits included in the group which were not realised at the balance sheet date. The parent company has taken the exemption available under s408 of the Companies Act 2006 from disclosing its own profit and loss account.

Going concern

The directors believe that preparing the financial statements on the going concern basis is appropriate due to the continued financial support of the ultimate parent company, Smithers Oasis Company. At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future, given the directors have received confirmation that Smithers Oasis Company intend to support the company for at least one year after these financial statements are signed.

Smithers-Oasis Europe Limited

Statement of accounting policies (continued)

Stocks

Stocks are valued at the lower of cost and fair value less costs to sell 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.

Turnover

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

Foreign currencies

Profit and loss accounts of subsidiary undertakings which are denominated in foreign currencies are translated into sterling at average exchange rates for the relevant accounting periods. Monetary assets and liabilities are translated at exchange rates ruling at the balance sheet date. Exchange differences arising on the retranslation of the results and net investment in subsidiary undertakings are taken directly to reserves.

Exchange differences on all other transactions are included in the determination of profit or loss for the financial year.

Goodwill

Goodwill arising on consolidation represents the excess of the fair value of the consideration given over the fair value of the identifiable net assets acquired. Goodwill arising on acquisitions has been capitalised and is being amortised over a period not exceeding 20 years, being the period expected to benefit. When it is determined that the carrying value exceeds the recoverable amount, the excess is written off to the profit and loss account.

Other intangible fixed assets

Intangible fixed assets relating to purchased patents and trademarks are capitalised and amortised over the legal life of the patent or trademark on a straight-line basis.

Tangible fixed 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 land and 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.

Fixed asset investments

The fixed asset investments are stated at cost less provision for impairment if necessary. Impairment is assessed annually by group management.

Smithers-Oasis Europe Limited

Statement of accounting policies (continued)

Impairment of non-financial assets

At each balance sheet date non-financial assets not carried at fair value are assessed to determine whether there is an indication that the asset (or asset's cash generating unit) may be impaired. If there is such an indication the recoverable amount of the asset (or asset's cash generating unit) is compared to the carrying amount of the asset (or asset's cash generating unit).

The recoverable amount of the asset (or asset's cash generating unit) is the higher of the fair value less costs to sell and value in use. Value in use is defined as the present value of the future cash flows before interest and tax obtainable as a result of the asset's (or asset's cash generating unit's) continued use. These cash flows are discounted using a pre-tax discount rate that represents the current market risk-free rate and the risks inherent in the asset. If the recoverable amount of the asset (or asset's cash generating unit) is estimated to be lower than the carrying amount, the carrying amount is reduced to its recoverable amount.

An impairment loss is recognised in the profit and loss account, unless the asset has been revalued when the amount is recognised in other comprehensive income to the extent of any previously recognised revaluation. Thereafter any excess is recognised in profit or loss.

If an impairment loss is subsequently reversed, the carrying amount of the asset (or asset's cash generating unit) is increased to the revised estimate of its recoverable amount, but only to the extent that the revised carrying amount does not exceed the carrying amount that would have been determined (net of depreciation or amortisation) had no impairment loss been recognised in prior periods. A reversal of an impairment loss is recognised in the profit and loss account.

Goodwill is allocated on acquisition to the cash generating unit expected to benefit from the synergies of the combination. Goodwill is included in the carrying value of cash generating units for impairment testing.

Taxation

Taxation expense for the period comprises current and deferred tax recognised in the reporting period. Tax is recognised in the profit and loss account, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case tax is also recognised in other comprehensive income or directly in equity respectively.

Current or deferred taxation assets and liabilities are not discounted.

Current tax

Current tax is the amount of income tax payable in respect of the taxable profit for the year or prior years. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the period end.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Smithers-Oasis Europe 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 period in which timing differences reverse, based on taxation rates and law substantively enacted at the balance sheet date.

Financial instruments

The group has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

Basic financial assets, including trade and other receivables, cash and bank balances and investments in commercial paper, are initially recognised at transaction price, 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.

Such assets are subsequently carried at amortised cost using the effective interest method.

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.

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.

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.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled; or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party; or (c) despite having retained some significant risks and rewards of ownership, control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

Smithers-Oasis Europe Limited

Statement of accounting policies (continued)

Financial liabilities

Basic financial liabilities, including trade and other payables, 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 receipts discounted at a market rate of interest.

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

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts 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 payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method. Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

Operating leases

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

Employee benefits

The group provides a range of benefits to employees, including annual bonus arrangements, paid holiday arrangements and defined benefit and defined contribution pension plans.

i. **Short term benefits**

Short term benefits, including holiday pay and other similar non-monetary benefits, are recognised as an expense in the period in which the service is received.

ii. **Pensions**

The group participates in defined contribution pension schemes. Contributions to the schemes are made to separately administered funds and are charged to the profit and loss account as they become payable.

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 Europe Limited

Statement of accounting policies (continued)

Cash and cash equivalents

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

Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Distributions to equity holders

Dividends and other distributions to the group's shareholders are recognised as a liability in the financial statements in the period in which the dividends and other distributions are approved by the shareholders. These amounts are recognised in the statement of changes in equity.

Critical accounting estimates and judgements

Estimates

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions 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.

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.

Recoverability of investments

The directors make an assessment as to the appropriateness of the carrying value of investments based on the trading performance and underlying asset values and assesses at each reporting date whether an investment may be impaired. If any such indication exists, the Company estimates the recoverable amount of the investment. When determining the estimate, a number of assumptions are required including forecasts and expected cash flows. If the recoverable amount is below the value the investment is currently recorded, it is impaired and the charge is expensed through the statement of comprehensive income.

Impairment of trade receivables

The company makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other receivables, management considers factors including the credit rating of the receivable, the ageing profile of receivables and historical experience.

Judgements

Management deems there to be no material judgements.

Smithers-Oasis Europe Limited

Notes to the financial statements for the year ended 31 March 2023

1 Turnover

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

Turnover by geographical market is analysed below:

	2023	2022
	£'000	£'000
United Kingdom	13,884	16,833
Rest of Europe	52,715	48,791
Rest of World	1,894	1,228
	68,493	66,852

2 Operating profit

Operating profit is arrived at after charging / (crediting):

	2023	2022
	£'000	£'000
Amortisation of intangible fixed assets	3	11
Depreciation of tangible fixed assets	1,081	993
Profit on disposal of tangible fixed assets	(13)	(15)
Operating lease rentals for plant and machinery	98	166
Other operating lease rentals	464	538
Auditors' remuneration:		
- Audit services (including £34,000 in respect of the company) (2022: £5,000)	212	182
- Taxation compliance services	49	72

Smithers-Oasis Europe Limited

Notes to the financial statements for the year ended 31 March 2023 (continued)

3 Staff costs

Staff costs comprise:

	Company 2023 £'000	Company 2022 £'000	Group 2023 £'000	Group 2022 £'000
Wages and salaries	547	551	13,388	12,812
Social security costs	101	72	2,586	2,448
Other pension costs	48	34	665	624
	696	657	16,639	15,884

Average monthly number of full time employees including executive directors:

	Company 2023 Number	Company 2022 Number	Group 2023 Number	Group 2022 Number
Production	-	-	290	282
Sales and marketing	1	1	49	50
Administration	2	2	41	47
	3	3	380	379

4 Directors' emoluments

	2023 £'000	2022 £'000
Aggregate emoluments	289	307
Aggregate contributions paid to pension scheme in respect of money purchase benefits	20	22
	309	329

Smithers-Oasis Europe Limited

Notes to the financial statements for the year ended 31 March 2023 (continued)

4 Directors' emoluments (continued)

Retirement benefits are accruing under defined contribution pension schemes to one director (2022: one). Two of the Directors' remuneration was borne by another group entity (2022: two). 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. The table above includes details of the one director that is paid through this company hence the highest paid director. There are no additional key management compensation to disclose.

5 Interest payable and similar expenses

	2023	2022
	£'000	£'000
Bank interest payable	66	115

6 Tax on profit

(a) Analysis of charge in the year

	Group	
	2023	2022
	£'000	£'000
Current tax		
UK corporation tax on profit for the year	571	304
Foreign tax	-	374
Adjustments in respect of prior year	(68)	(168)
Total current tax	503	510
Deferred tax		
Origination and reversal of timing differences	(155)	24
Adjustments in respect of prior year	129	1
Effects of changes in tax rates	(46)	23
Total deferred tax (note 15)	(72)	48
Total tax on profit	431	558

Smithers-Oasis Europe Limited

Notes to the financial statements for the year ended 31 March 2023

Tax on profit (continued)

6 Tax on profit

(b) Factors affecting tax charge for the year

The tax assessed for the financial year is higher (2022: lower) than the standard rate of corporation tax in the UK. The differences are explained below:

	2023	2022
	£'000	£'000
Profit before taxation	634	4,920
Profit before taxation multiplied by standard rate of corporation tax in the UK of 19% (2022: 19%)	120	935
<i>Effects of:</i>		
Expenses not deductible for tax purposes	9	27
Income not taxable for tax purposes	(3)	(20)
Other	5	-
Adjustment in respect of foreign tax rates	121	270
Adjustments in respect of prior year	61	(167)
Tax rate changes	(46)	23
Reversal of unprovided tax	164	(510)
Total tax charge	431	558

(c) Factors that may affect future tax charges

On 14 October 2022, the Government announced that from 1 April 2023 the corporation tax rate will increase to 25%. Since the proposal to increase the rate to 25% had been enacted at the balance sheet date, the future effects are included in these financial statements.

Smithers-Oasis Europe Limited

Notes to the financial statements for the year ended 31 March 2023 (continued)

7 Dividends paid

	2023	2022
	£'000	£'000
Final dividend paid at £0.0655651 per share (2022: £0.03263 per share)	1,766	879

In the prior year a dividend was paid to Smithers-Oasis Company from Smithers-Oasis Europe Limited for £879,000. Part of this distribution was subsequently discovered to be unlawful due to historical impairment of investment assets that were not reflected in the trial balance at the time of the distribution, therefore affecting distributable reserves. The directors considered the Company Act and the remedy for this was for the company to give written approval for repayment of the amount in the year ended 31 March 2023 and this was repaid during the year. During the year, there was an additional dividend paid to Smithers-Oasis Company from Smithers-Oasis Europe of £325,000. Given this was made before the reserve restructuring, this was also deemed to be an unlawful dividend, however this position was rectified pre year-end, through share premium restructuring, creating sufficient distributable reserves.

8 Intangible assets

Group	Goodwill	Patents and trademarks	Total
	£'000	£'000	£'000
Cost			
At 1 April 2022	35,081	3,953	39,034
Additions	-	-	-
Currency translation adjustments	-	174	174
At 31 March 2023	35,081	4,127	39,208
Accumulated amortisation			
At 1 April 2022	35,081	3,319	38,400
Charge for year	-	3	3
Currency translation adjustments	-	152	152
At 31 March 2023	35,081	3,474	38,555
Net book amount			
At 31 March 2023	-	653	653
At 31 March 2022	-	634	634

No intangible assets were held by the company.

Smithers-Oasis Europe Limited

Notes to the financial statements for the year ended 31 March 2023 (continued)

9 Tangible assets

Group	Freehold land and buildings £'000	Plant and machinery £'000	Total £'000
Cost			
At 1 April 2022	10,794	18,629	29,423
Currency translation adjustments	593	326	919
Additions	49	1,831	1,880
Disposals	(68)	(1,885)	(1,953)
At 31 March 2023	11,368	18,901	30,269
Accumulated depreciation			
At 1 April 2022	7,556	14,456	22,012
Currency translation adjustments	112	528	640
Charge for the year	197	884	1,081
Disposals	(68)	(1,765)	(1,833)
At 31 March 2023	7,797	14,103	21,900
Net book amount			
At 31 March 2023	3,571	4,798	8,369
At 31 March 2022	3,238	4,173	7,411

No tangible fixed assets were held by the company.

Smithers-Oasis Europe Limited

Notes to the financial statements for the year ended 31 March 2023 (continued)

10 Investments

Group	Investments in subsidiary undertakings
	£'000
Cost and net book amount	
At 1 April 2022 and at 31 March 2023	36
<hr/>	
Company	Investments in subsidiary undertakings
	£'000
Cost	
At 1 April 2022	68,608
At 31 March 2022	68,608
Accumulated Impairment	
At 1 April 2022	8,138
Impairment charge	2,473
At 31 March 2023	10,611
Net book amount at 31 March 2023	57,997
Net book amount at 31 March 2022	60,470

Smithers-Oasis Europe Limited

Notes to the financial statements for the year ended 31 March 2023 (continued)

10 Investments (continued)

A list of subsidiary undertakings, all of which the company has an interest in 100% of the ordinary share capital in, is as follows:

Subsidiary	Country of incorporation and operation	Principal activity	Registered office
Smithers-Oasis UK Limited	United Kingdom	Manufacture and supply of floral foam and associated products.	Crowther Road, Crowther Industrial Estate, Washington, Tyne & Wear, UK, NE63 0AQ
Smithers-Oasis Ibérica SL	Spain	Manufacture and supply of floral foam and associated products.	Poligono Industrial SEPES, C/Galileo Galilei n 48, E-46520 Sagunto (Valencia), Spain
Oasis-Floralife Central Europe GmbH	Germany	Manufacture and supply of floral foam and associated products.	Salm-Refferscheidt-Allee 31, 41540 Dormagen, Germany
Smithers-Oasis Germany GmbH*	Germany	Manufacture and supply of floral foam and associated products.	Henrich-Bussing Strasse 5, D-67269 Grunstadt, Germany
Smithers-Oasis France Sro*	France	Manufacture and supply of floral foam and associated products.	Mondesir, 11400 St. Martin LaLande, France
Smithers-Oasis Belgium N. V.*	Belgium	Manufacture and supply of floral foam and associated products.	Supralon Building, Europak 2079, 3539 Houthalen, Belgium
Smithers-Oasis Adria d.o.o.	Slovenia	Manufacture and supply of floral foam and associated products.	Gradac 136, 8332 Gradac, Slovenia.

* These subsidiaries are held indirectly

The directors believe that the carrying value of the investments is supported by their underlying net assets, or expected future cash flows.

Smithers-Oasis Europe Limited

Notes to the financial statements for the year ended 31 March 2023 (continued)

11 Stocks

	Group 2023	Group 2022	Company 2023	Company 2022
	£'000	£'000	£'000	£'000
Raw materials and consumables	2,442	2,465	-	-
Work in progress	366	371	-	-
Finished goods and goods for resale	6,120	6,020	-	-
	8,928	8,856	-	-

The total amount of stock expensed in the profit and loss account as cost of sales is £30,653,000 (2022: £28,939,000). There is no significant difference between the replacement cost of inventories and their carrying amounts. Inventories are stated after provisions for impairment of £289,000 (2022: £448,000).

12 Debtors

	Group 2023	Group 2022	Company 2023	Company 2022
	£'000	£'000	£'000	£'000
Trade debtors	5,586	6,081	-	-
Amounts owed by group undertakings	1,168	1,060	662	231
Other debtors	33	133	-	-
Prepayments and accrued income	1,725	1,484	-	-
	8,512	8,758	662	231

Trading amounts owed by group undertakings are unsecured, interest free and have no set repayment date. Trade debtors are stated after provisions for impairment of £303,000 (2022: £301,000).

Smithers-Oasis Europe Limited

Notes to the financial statements for the year ended 31 March 2023 (continued)

13 Creditors: amounts falling due within one year

	Group 2023	Group 2022	Company 2023	Company 2022
	£'000	£'000	£'000	£'000
Bank loans and overdrafts	96	95	-	-
Trade creditors	4,124	4,463	51	23
Amounts owed to group undertakings	3,394	1,817	52	37
Other taxation and social security	154	107	11	17
Corporation tax	637	553	-	-
Accruals and deferred income	3,823	3,373	239	290
	12,228	10,408	353	367

The interest charge for the amounts shown in the bank loan and overdraft line are part of the same loan shown in note 14.

Amounts owed to group undertakings and related parties are unsecured, interest free and have no set repayment date.

14 Creditors: amounts falling due after more than one year

	Group 2023	Group 2022	Company 2023	Company 2022
	£'000	£'000	£'000	£'000
Bank loans and overdrafts	395	492	-	-
Other creditors	331	382	-	-
Deferred tax	42	114	-	-
	768	988	-	-

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

Smithers-Oasis Europe Limited

Notes to the financial statements for the year ended 31 March 2023 (continued)

14 Creditors: amounts falling due after more than one year (continued)

	2023	2022
	£'000	£'000
Maturity of financial liabilities – payable in instalments		
Less than one year	96	95
1 to 2 years	113	100
2 to 5 years	282	258
More than 5 years	-	134
	491	587

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

15 Deferred tax

The deferred tax liability recognised in the financial statements comprises:

	2023	2022
	£'000	£'000
Depreciation charged in excess of capital allowances	90	116
Other short term timing differences	(14)	(2)
Losses	(34)	-
	42	114
		£'000
At 1 April 2022		114
Deferred tax charged to the profit and loss account (note 6)		(72)
At 31 March 2023		42

Smithers-Oasis Europe Limited

Notes to the financial statements for the year ended 31 March 2023 (continued)

16 Financial instruments

Group

The Group has the following financial instruments:

	Note	2023 £'000	2022 £'000
Financial assets measured at amortised cost:			
Trade debtors	12	5,586	6,081
Amounts owed by group undertakings	12	1,168	1,060
Other debtors	12	33	133
		6,787	7,274
Financial liabilities measured at amortised cost:			
Bank loans and overdrafts	13,14	491	587
Amounts owed to group undertakings	13	3,394	1,817
Trade creditors	13	4,124	4,463
Accruals	13	3,823	3,373
		11,832	10,240

Company

The Company has the following financial instruments:

	Note	2023 £'000	2022 £'000
Financial assets measured at amortised cost:			
Amounts owed by group undertakings	12	662	231
Financial liabilities measured at amortised cost:			
Amounts owed to group companies	13	52	37
Trade creditors	13	51	23
Accruals	13	239	290
		342	350

Smithers-Oasis Europe Limited

Notes to the financial statements for the year ended 31 March 2023 (continued)

17 Called up share capital

	Group and company	
	2023	2022
	£'000	£'000
Authorised		
27,013,917 (2022: 27,013,917) ordinary shares of £1 each	27,014	27,014
Allotted, issued and fully paid		
26,938,919 (2022: 26,938,919) ordinary shares of £1 each	26,939	26,939

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

18 Financial commitments

At 31 March 2023, the group had the following future minimum lease payments under non-cancellable operating leases for each of the following periods:

Group	Land and buildings	Plant and machinery	Land and buildings	Plant and machinery
	2023	2023	2022	2022
	£'000	£'000	£'000	£'000
Within one year	438	122	290	117
Between one and two years	303	66	206	83
Between two and five years	412	91	136	22
After five years	1,277	-	-	-
Total	2,430	279	632	222

The company had no annual commitments under non-cancellable operating leases.

Smithers-Oasis Europe Limited

to the financial statements for the year ended 31 March 2023 (continued)

19 Net cash from operating activities

	2023	2022
	£'000	£'000
Profit before taxation	634	4,920
Interest payable and similar expenses	66	115
Operating profit	700	5,035
Depreciation and amortisation charges	1,084	1,004
Profit on disposal of tangible fixed assets	(13)	(15)
Decrease in debtors	246	524
Increase in stock	(73)	(2,568)
Increase / (decrease) in creditors	1,655	(471)
Foreign exchange movements	42	(414)
Total net cash inflow from operating activities	3,641	3,095

20 Reconciliation of net cash flow to movement in net debt

	2023	2022
	£'000	£'000
Increase / (decrease) in net cash	365	(263)
Additional funding received	-	937
Repayment of borrowings	96	6,178
Exchange movements	134	(115)
Other non-cash movements	(8)	-
Movement in net debt resulting in the year	587	6,737
Opening debt	2,557	(4,180)
Closing net debt (note 21)	3,144	2,557

Smithers-Oasis Europe Limited

Notes to the financial statements for the year ended 31 March 2023 (continued)

21 Analysis of changes in net debt

	At 1 April 2022 £'000	Cash flow £'000	Exchange differences £'000	Other non-cash movements £'000	At 31 March 2023
Cash at bank and in hand	3,136	365	134	-	3,635
Bank loans (due in less than one year)	(87)	-	-	(9)	(96)
Bank loans (due in more than one year)	(492)	96	-	1	(395)
Total	2,557	461	134	(8)	3,144

22 Related party transactions

The company has taken advantage of the exemption under paragraph 33.1A from the provisions of section 33 of FRS 102 'Related party disclosures' on the grounds that it is a wholly owned subsidiary of a group headed by Smithers-Oasis Company incorporated in the United States of America.

23 Ultimate parent undertaking and controlling party

Smithers-Oasis Europe Limited is a wholly owned subsidiary of Smithers-Oasis Company, its immediate parent company, registered Head Quarters at 295 South Water Street, Kent, OH, United States of America.

Smithers-Oasis Company is the company's ultimate parent undertaking and is the largest and smallest group to prepare consolidated financial statements including the financial information of the company.

The ultimate controlling party of Smithers-Oasis Company is R M Kilbride.