

Smithers-Oasis U.K. Limited
Annual report and financial statements
for the year ended 31 March 2022

Registered number: 01542218

Smithers-Oasis U.K. Limited
Annual report and financial statements
for the year ended 31 March 2022

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Smithers-Oasis U.K. Limited

Strategic report for the year ended 31 March 2022

The directors present their strategic report for the year ended 31 March 2022

Review of the business

The results for the company show a profit before taxation of £1,720,000 (2021: profit £929,000) for the year and dividends paid of £nil (2021: £nil).

The directors consider the company's financial performance and position as at 31 March 2022, as set out on page 10-11, to be ahead of budget. The COVID-19 pandemic led to an increase in funeral tributes which offset the decline in events.

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 (Society of Floristry, British Florist Association, Floral Colleges) and advise 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, and the company through its field sales and industry activity 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 make all efforts to retain key staff and to plan for contingencies where this does occur.

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

Strategic report for the year ended 31 March 2022 (continued)

Approved and signed by order of the Board



P Southwick
Company secretary
22 December 2022

Smithers-Oasis U.K. Limited

Directors' report for the year ended 31 March 2022

The directors present their report and the audited financial statements of the company for the year ended 31 March 2022.

The Directors do not recommend payment of a final dividend for the financial year ended 31 March 2022 (2021: £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 webshops. 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.

Smithers-Oasis U.K. Limited

Directors' report for the year ended 31 March 2022 (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

S K Short

J Stull

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 for the year ended 31 March 2022 (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
22 December 2022

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 2022 and of its profit for the year then ended;
- have been properly prepared 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); 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: Balance sheet as at 31 March 2022; Statement of income and 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 2022 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.

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.

Independent auditors' report to the members of Smithers-Oasis U.K. 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 company and industry, we identified that the principal risks of non-compliance with laws and regulations related to 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.

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.

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

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 (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Newcastle upon Tyne
22 December 2022

Smithers-Oasis U.K. Limited

Statement of income for the year ended 31 March 2022

	Note	2022 £'000	2021 £'000
Turnover	1	22,595	18,537
Cost of sales		(13,867)	(11,785)
Gross profit		8,728	6,752
Administrative expenses		(6,987)	(5,793)
Operating profit	3	1,741	959
Interest payable and similar expenses	4	(21)	(30)
Profit before taxation		1,720	929
Tax on profit	5	(254)	(140)
Profit for the financial year		1,466	789

All results derive from continuing operations.

Smithers-Oasis U.K. Limited

Statement of changes in equity for the year ended 31 March 2022

	Called up share capital £'000	Capital reserves £'000	Profit and loss account £'000	Total shareholders' funds £'000
At 1 April 2020	100	-	2,202	2,302
Profit for the financial year	-	-	789	789
At 31 March 2021	100	-	2,991	3,091
At 1 April 2021	100	-	2,991	3,091
Profit for the financial year	-	-	1,466	1,466
Capital contribution	-	1,403	-	1,403
At 31 March 2022	100	1,403	4,457	5,960

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Balance sheet as at 31 March 2022

	Note	2022	2022	2021	2021
		£'000	£'000	£'000	£'000
Fixed assets					
Intangible assets	6	-	-	-	-
Tangible assets	7	2,065	2,065	1,907	1,907
Current assets					
Stocks	8	4,126		2,678	
Debtors	9	3,714		4,120	
Cash at bank and in hand		273		905	
		8,113		7,703	
Creditors: amounts falling due within one year	10	(3,604)		(5,800)	
Net current assets			4,509		1,903
Total assets less current liabilities			6,574		3,810
Creditors: amounts falling due after more than one year	11		(526)		(626)
Deferred tax	13		(88)		(93)
Net assets			5,960		3,091
Capital and reserves					
Called up share capital	14		100		100
Capital reserves			1,403		-
Profit and loss account			4,457		2,991
Total shareholders' funds			5,960		3,091

The financial statements on pages 10 to 24 were approved by the Board of directors on 22 December 2022 and were signed on its behalf by:



S K Short
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.

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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.

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Notes to the financial statements for the year ended 31 March 2022

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:

	2022	2021
	£'000	£'000
United Kingdom	16,439	13,082
Rest of Europe	6,032	5,338
Rest of World	124	117
	22,595	18,537

2 Staff costs

	2022	2021
	£'000	£'000
Wages and salaries	3,182	2,544
Social security costs	295	230
Other pension costs (note 16)	177	97
	3,654	2,871

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

	2022	2021
	Number	Number
Production	91	80
Sales and marketing	13	14
Administration	19	18
	123	112

Smithers-Oasis U.K. Limited

Notes to the financial statements for the year ended 31 March 2022 (continued)

2 Staff costs (continued)

Directors' remuneration

The Directors' remuneration was borne by another group entity (2021: £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 profit

Operating profit is stated after charging/(crediting):

	2022	2021
	£'000	£'000
Depreciation of tangible assets	316	370
Amortisation of grant income	(5)	(5)
Royalties	1,031	823
Operating leases - plant and machinery	167	112
Auditors' remuneration - audit services	46	44
- Taxation compliance services	8	5
Gain on foreign currency translation	(15)	(20)

4 Interest payable and similar expenses

	2022	2021
	£'000	£'000
Interest payable on bank loans	21	30

Smithers-Oasis U.K. Limited

Notes to the financial statements for the year ended 31 March 2022 (continued)

5 Tax on profit

(a) Analysis of charge in the year

	2022	2021
	£'000	£'000
Current tax:		
UK corporation tax on profit for the year	303	137
Adjustments in respect of previous years	(44)	-
Total current tax	260	137
Deferred tax:		
Origination and reversal of timing differences	(29)	3
Adjustments in respect of previous years	1	-
Effect of changes in tax rates	23	-
Total deferred tax (note 13)	(5)	3
Total tax on profit	254	140

(b) Factors affecting the tax charge for the year

The tax assessed for the financial year is lower than (2021: lower than) the standard rate of corporation tax in the UK of 19% (2021: 19%). The differences are explained below:

	2022	2021
	£'000	£'000
Profit before taxation	1,720	929
Profit multiplied by the standard rate of corporation tax in the UK of 19% (2021: 19%)	327	177
Effects of:		
Expenses not deductible for tax purposes	-	12
Effects of group relief/ other reliefs	(53)	(48)
Adjustments in respect of previous years	(43)	-
Effect of changes in tax rates	23	-
Total current tax charge	254	140

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Notes to the financial statements for the year ended 31 March 2022 (continued)

5 Tax on profit (continued)

(c) Factors that may affect future tax charges

In the Spring Budget 2021, 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 substantively enacted at the balance sheet date, its effects are included in these financial statements.

6 Intangible assets

	Goodwill
	£'000
Cost	
At 1 April 2021 and at 31 March 2022	157
Accumulated amortisation	
At 1 April 2021 and at 31 March 2022	157
Net book amount	
At 31 March 2022	-
At 31 March 2021	-

Smithers-Oasis U.K. Limited

Notes to the financial statements for the year ended 31 March 2022 (continued)

7 Tangible assets

	Freehold land and buildings	Plant and machinery	Total
	£'000	£'000	£'000
Cost			
At 1 April 2021	3,338	4,990	8,328
Additions	7	467	474
Disposals	-	(14)	(14)
At 31 March 2022	3,345	5,443	8,788
Accumulated depreciation			
At 1 April 2021	2,171	4,250	6,421
Charge for the year	64	252	316
Disposals	-	(14)	(14)
At 31 March 2022	2,235	4,488	6,723
Net book amount			
At 31 March 2022	1,110	955	2,065
At 31 March 2021	1,167	740	1,907

8 Stocks

	2022	2021
	£'000	£'000
Raw materials	601	664
Work in progress	111	119
Finished goods and goods for resale	3,414	1,895
	4,126	2,678

The total amount of stock expensed in the profit and loss account as cost of sales is £10,939,000 (2021: £9,212,000). There is no significant difference between the replacement cost of inventories and their carrying amounts. Inventories are stated after provisions for impairment of £207,000 (2021: £53,000)

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9 Debtors

	2022	2021
	£'000	£'000
Trade debtors	2,565	2,928
Amounts owed by group undertakings	564	452
Other debtors	35	54
Prepayments and accrued income	550	686
	3,714	4,120

Trade debtors are stated after provisions for impairment of £52,000 (2021: £77,000). There is no interest receivable on trading amounts owed by group undertakings. All group undertakings are unsecured, interest free and are repayable upon demand.

10 Creditors: amounts falling due within one year

	2022	2021
	£'000	£'000
Bank loans (note 12)	86	1,489
Trade creditors	1,817	2,613
Amounts owed to group undertakings	664	836
Other taxation and social security	208	448
Other creditors	-	77
Corporation tax	397	124
Accruals and deferred income	432	213
	3,604	5,800

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 2022 (continued)

11 Creditors: amounts falling due after more than one year

	2022	2021
	£'000	£'000
Bank loans (note 12)	471	564
Accruals and deferred income	55	62
	526	626

12 Bank loans

	2022	2021
	£'000	£'000
Maturity of financial liabilities – payable in instalments		
Less than one year	86	1,489
1 to 2 years	86	86
2 to 5 years	258	256
More than 5 years	127	222
	557	2,053

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. On 22nd December 2021, Smithers-Oasis UK Ltd repaid the Wells Fargo loan of £1,403,500.

All debt due after 5 years is repayable in instalments.

Smithers-Oasis U.K. Limited

Notes to the financial statements for the year ended 31 March 2022 (continued)

13 Deferred tax

The deferred tax recognised in the financial statements comprises:

	2022	2021
	£'000	£'000
Accelerated capital allowances	(117)	(116)
Short term timing differences	29	23
(Liability)/asset	(88)	(93)

	£'000
At 1 April 2021	(93)
Charged to the profit and loss account (note 5)	5
At 31 March 2022	(88)

14 Called up share capital

	2022	2021
	£'000	£'000
Authorised, allotted and fully paid:		
100,000 (2021: 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 2022 (continued)

15 Financial commitments

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

	2022	2021
	£'000	£'000
Expiring within one year	123	112
Expiring between one and two years	114	103
Expiring between two and five years	33	73
	270	288

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 £177,000 (2021: £97,000). At the year end pension contributions of £35,000 (2021: £24,000) 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 2022 are shown in notes 9 and 10 to the financial statements, respectively.

18 Ultimate parent undertaking and controlling party

As at 31 March 2022, 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.