Annual Report and Financial Statements 2021

Roebuck Food Group Plc (formerly Norish Plc)

For the financial year ended 31 December 2021

ANNUAL REPORT 2021

FINANCIAL CALENDAR 2022

Announcement of preliminary results	28 March 2022
Annual Report posted to shareholders	30 April 2022
Annual General Meeting	To be arranged
Announcement of interim results	To be advised

CORPORATE PROFILE

Background

Roebuck Food Group plc (formerly Norish plc) ("Roebuck") is a leading business in both product sourcing (Meat, Dairy and Fish) and a dairy business based in Ireland.

The product sourcing business is made up of mainly Townview Foods Limited ("Townview Food") based in Newry and Foro International Connections Limited ("Foro") based in Dublin. It is a protein sourcing business with a sales footprint across Ireland, UK, and mainland Europe, expanding into other geographical markets.

The dairy business is made up of Cantwellscourt Farm, which is a large A2 milking farm based in Kilkenny, Ireland and Grass 2 Milk which is a value-add functional nutrition business focused on A2 dairy protein with global market potential, based in Naas, Co. Kildare, Ireland.

During the year, Roebuck sold its cold storage business to Nichirei Holding Holland B.V, a wholly owned subsidiary of Nichirei Logistics Group Inc.

Following the sale of the cold storage business, Kieran Mahon, Torgeir Mantor and Willie McCarter resigned from the board of Directors and the following new appointments were made Declan Morrissey as Chief Executive Officer and Gerard Murphy as Finance Director.

Roebuck was founded in 1975 and became a public company in 1986. Its shares are listed on the Alternative Investment Market (AIM) of the London Stock Exchange.

Group Operations

Declan Morrissey – Group Managing Director

- Declan.Morrissey@roebuckfoodgroup.com
- 6th Floor
  South Bank House
  Barrow Street, Dublin 2
  D04 TR29
  Ireland
- Tel: 02830 257760
- Mob: 00 353 87 942 5631

Locations and Segments

Product Sourcing

- Newry, Northern Ireland (Townview Foods Limited offices)
- Dublin, Ireland (Foro International Connections Limited offices)

Dairy Farming

- Kilkenny, Ireland (Cantwellscourt Farm)
- Naas, Ireland (Grass 2 Milk)

Discontinued Operations

- Dublin, Ireland (FMCG business based at Foro International Connections Limited offices)
- UK, Temperature controlled Business based across 6 sites (Norish NI Limited and Norish Limited)

FINANCIAL HIGHLIGHTS

	2021 £'000	Restated 2020 £'000
Revenue - continuing operations (note 1)	24,452	18,756
Operating loss - continuing (note 1)	(2,610)	(727)
Loss before tax - continuing (note 1)	(2,672)	(789)
Basic loss per share – continuing (pence) (note 1)	(8.8)p	(2.8)p
Diluted earnings per share – continuing (pence) (note 1)	(8.8)p	(2.8)p
Net (cash)/debt to EBITDA (times) (note 1)	(77.7)	2.2
Dividend paid per share		
- interim for current year	Nil	Nil
- final for previous year	2.0c	Nil
	2.0c	Nil

Capital employed	**£'000**	£'000
Shareholders' funds	6,779	18,852
Net (cash)/ borrowings	(1,398)	8,705
	5,381	27,557
Gearing – excluding goodwill (see Note 2 below)	(31)%	53%

Note 1
The 2020 comparatives have been restated to remove discontinued operations.

Note 2
The above gearing figures are expressed as net borrowings (total borrowings less cash) divided by net assets (excluding goodwill).

CHAIRMAN'S STATEMENT

Roebuck Food Group plc (AIM: RFG) is pleased to announce its results for the year ended 31 December 2021.

Group Financial Highlights (Continuing Operations)

- Group revenue increased by 30% to £24.5m (2020: £18.8m)
- Cold store business sold for £55.2m. Profit on sale £40m
- Capital return delivered to Shareholders of £49.9m (£1.66 per share)
- Net debt of £8.7m was eliminated in October 2021. Net cash at year end £1.4m.
- EBITDA of £0.2m at the Dairy business (2020: £Nil)
- Group costs reduced to £0.5m for the year (2020: £0.86m)

Diluted adjusted EPS is calculated using loss for the financial year from continuing operations as the measure of earnings. Financial information above, including comparative information, is from continuing operations only.

Business Highlights

£'m	Sourcing		Dairy	
	2021	2020	**2021**	2020
Revenue	**23.3**	17.8	**1.2**	1.0
EBITDA	**0.3**	0.3	**0.2**	0.0
Operating Profit/(loss)	**0.3**	0.3	**(2.4)**	(0.1)
Operating Margin	**1.3%**	1.8%	**(200%)**	(10%)

Sourcing Business

Sales at our sourcing business increased by 31% in 2021, compared with the same period in 2020, from £17.8m to £23.3m. Operating profit remained unchanged at £0.3m.

The sourcing business has commenced its strategy in diversifying into sourcing and suppling proteins in new markets outside of the UK and Ireland. South Africa and South America have become significant emerging markets for Townview Foods ("TVF") whilst also introducing TVF to new sourcing capabilities on a global scale. The integration and growth within these markets has initially come at lower margins but will allow the business to push on in 2022 into further international markets with increased margins. Our product sales at TVF increased by 47% to 15,600 tons compared to 10,600 in 2020.

The Group's original investment in the main Sourcing subsidiary, Townview Foods Limited, has been fully recouped and the structures are in place to continue development of this business.

Dairy Business

Our subsidiary, Grass to Milk Company Ltd (G2M), continues to make progress; commercialising A2 protein, grass-fed, dairy products. Notwithstanding supply chain delays, we launched two new premium, A2-protein, grass-fed products in China in the second half of 2021. We also commenced work on A2-protein based nutrition ingredients which we hope to launch in the second half of 2022. We continue to work on building a high standard supply chain and quality system which will underpin our future growth. Our Commercial Strategy focuses on Business to Business (B2B) customers in China, leveraging partnerships with established players in-market. We had also carried out some Business to consumer (B2C) trials to better understand consumer preferences and market dynamics.

We currently source all of our A2-protein milk from Cantwellscourt Farm Ltd which continues to outperform across key operating KPI's around pasture production, milk quality and animal welfare. Milk production was 15% ahead year on year; milk solids per cow improved by 6% and pasture grown per hectare improved 12% versus 2020. EBITDA improved from Nil to £0.2m at the dairy business.

Discontinued

In the second half of the year we sold the Cold Store business, resulting in a profit of £40m. Following the sale, we made a capital return to Shareholders of £1.66 per share totalling £49.9m in November 2021.

During 2020, the group decided to discontinue the ambient warehousing in Ireland. A loss in the current year of £0.6m was incurred, compared to £0.07m last year.

Outlook

Following the successful sale of its Cold Stores business, the Group, returned £49.9m to shareholders at the end of 2021. The group is now seeking to develop a diversified nutrition business spanning multiple ingredients, technologies, and end- markets. To that end, the Group is currently mapping out its growth strategy; leveraging a highly experienced and capable team and its financial flexibility to create shareholder value in the coming years.

The Group's existing business comprises two complementary business units; A2 dairy protein (G2M) and protein sourcing (TVF). G2M is a value-add functional nutrition business focused on A2 dairy protein with global market potential. TVF is a protein sourcing business with a sales footprint across Ireland, UK, and increasingly into Emerging Markets; expanding its geographic reach and product portfolio.

In order to reflect the strategic shift in the underlying business and future growth strategy, including a move to B2B and away from B2C, the board believes it is appropriate time to impair £1.5m of development expenditure to profit or loss in the current year, related to the initial development phase of G2M which included the establishment of Ireland's first certified A2 herd and the initial NPD phase of A2 dairy products at G2M. The board expects the remaining assets of £665k to provide a solid foundation for future development of the dairy business, through the B2B commercialisation of A2 protein and functional nutrition products.

CHAIRMAN'S STATEMENT *(CONTINUED)*

Directors

As we embark on a new journey, following the sale of the Cold Stores business, we have appointed two new Executive Directors with effect from 1 January 2022.

Declan Morrissey who has previously headed up the Dairy Business is appointed Group Managing Director. He previously worked as an equity analyst in Davy, covering the European food sector with a particular focus on dairy, ingredients and supply chain.

Gerard Murphy as Finance Director who has held the role of Company Secretary since 2018. He has worked for the Group since 2012 as Financial Controller for the Sourcing and Dairy business.

Dividend

The board does not recommend the payment of a dividend.

On behalf of the board, I would like to thank the management team and staff for their commitment and contribution in 2021.

Ted O'Neill
25 March 2022

FINANCIAL REVIEW

Sales

Total Group revenue from continuing operations increased by 30% to £24.5m (2019: £18.8m). Revenues in the sourcing business increased by 31% to £23.3m (2020: £17.8m). Revenues in the dairy business increased by 20% to £1.2m (2020: £1m).

Gross profit

Gross profit from continuing activities increased to £110k (2020: loss of £44k).

Operating loss

Operating loss from continuing activities increased to £2.6m (2020: loss £0.7m), after an impairment charge on intangible assets of £1.5m (2020: £Nil) and £0.9m (2020: £Nil) of an impairment charge relating to fixed assets.

Finance expense (net)

Finance expense remained unchanged at £0.06m (2020: £0.06m).

Profit from discontinued operations

On 28 October 2021, we sold the Cold Stores business, resulting in a profit of £40m. Following the sale, we made a capital return to Shareholders of £1.66 per share totalling £49.9m in November 2021.

During 2020, the group decided to discontinue the ambient warehousing in Ireland. A loss in the current year of £0.6m was incurred, compared to £0.07m last year.

Earnings per share

The basic adjusted loss per share from continuing operations increased by 314% to 8.8p (2020: 2.8p).

Capital

During the period we invested £2.8m (2020: £2.2m). £1.7m was invested in plant and equipment in the cold storage business (discontinued) which was sold in October 2021.We also invested £986k in respect of the commercialisation of our A2 protein milk business.

Cash Position

During the year we sold the Cold Stores business and made a Capital Return to shareholders. At December 2021 Net cash was £1.4m (2020: net debt £8.7m).

FINANCIAL REVIEW *(CONTINUED)*

Dividend

The board does not recommend a payment of a dividend.

Treasury policy and management

The treasury function, which is managed centrally, handles all Group funding, debt, cash, working capital and foreign exchange exposures. Group treasury policy concentrates on the minimisation of risk in all of the above areas and is overseen and approved by the Board. Speculative positions are not taken.

Financial risk management

The Group's financial instruments comprise borrowings, cash, and various items, such as trade receivables, trade payables etc., that arise directly from its operations. The main purposes of the financial instruments not arising directly from operations is to raise finance for the Group's operations.

The Group may enter into derivative transactions such as interest rate swaps, caps or forward foreign currency transactions in order to minimise its risks. The purpose of such transactions is to manage the interest rate and currency risks arising from the Group's operations and its sources of finance.

The main risks arising from the Group's financial instruments are interest rate risk, liquidity risk, credit risk and foreign exchange risk. The Group's policies for managing each of these risks are summarised below.

Interest rate risk

The Group finances its operations through a mixture of retained profits, bank and other borrowings at both fixed and floating rates of interest and working capital. The Group determines the level of borrowings at fixed rates of interest having regard to current market rates and future trends. At the year-end there are £0.13m are at a floating rate of 3.75%.

Liquidity risk

Following the sale of the Cold Store business, and the capital return to shareholders, the Group is in a net cash position of £1.4m. This is made up of cash of £4.5m, Invoice financing of £2.1m, term loans of £0.2m and leases of £0.8m.

Credit risk

The Group's policy is to minimise exposure to credit risk by performing the appropriate customer due diligence and monitoring the exposure to credit risk.

Foreign exchange risk

The Group's policy is to manage foreign exchange risk which arises principally in the product sourcing business. The Group does this by mainly purchasing euros at a fixed rate forward and using this rate in establishing a selling price for its goods in order to maintain an acceptable margin.

Gerard Murphy
Finance Director
25 March 2022

SHAREHOLDERS INFORMATION

Shareholder analysis at 25 March 2022

Number of shares	Number of accounts	Percentage of accounts	Number of shares (000)	Percentage of shares
1 – 1,000	93	54	38	0
1,001 – 10,000	56	33	214	1
10,001 – 100,000	16	9	348	1
Over 100,000	6	4	29,471	98
Total	**171**	**100**	**30,070**	**100**

The largest account is Euroclear Nominees Limited which holds 26.6m shares representing an unknown number of accounts.

Share price data (€)

	High	Low	31 December
Year ended 31 December 2021	175p (€2.08)	10p (€0.12)	20p (€0.24)
Year ended 31 December 2020	112.5p (€1.25)	57.5p (€0.65)	112.5p (€1.25)

The market capitalisation of Roebuck Food Group plc at 31 December 2021 was £6m (€7m) compared with £33.8m (€37.6m) at 31 December 2020 and £5.3m (€6m) at 25 March 2022.

Investor relations

Investor enquiries should be addressed to Gerard Murphy, Company Secretary, at:

- Roebuck Food Group plc, 6th Floor, South Bank House, Barrow Street, Dublin 2, D04 TR29, Ireland
- Email: gerard.murphy@roebuckfoodgroup.com

Registrars

Administrative enquiries relating to the holding of Roebuck shares should be directed to the Company's Registrars whose address is:

- Computershare, Citywest Business Campus, Dublin 24, D24 AK82
- Telephone: +353 (01) 447 5566

SHAREHOLDERS INFORMATION *(CONTINUED)*

Amalgamation of accounts

Shareholders who have multiple accounts in their name and who receive duplicate mailings should contact the Company's Registrars in order to have these accounts amalgamated.

Dividends

Dividends when payable to shareholders will be paid net of withholding tax, which is currently 20%. Provided certain administrative procedures are adhered to, a withholding tax exemption will apply to certain classes of shareholder.

Individuals who are tax resident in Ireland are not entitled to a withholding tax exemption.

Electronic Settlement

On 18 February 2021, an Extraordinary General Meeting of shareholders was held, at which shareholders approved resolutions to authorise the migration of Roebuck's ordinary shares held electronically in the UK-based CREST settlement system to Euroclear Bank. Settlement of share trades in the Euroclear Bank system commenced on 15 March 2021. Shareholders may continue to hold paper share certificates, or they may hold their shares electronically.

Annual General Meeting

No date has yet been agreed for the Annual General Meeting. Notice will follow later this year.

BOARD OF DIRECTORS

Executive Directors

Executive Chairman
Ted O'Neill (70) was appointed to the board and became Chairman in 2003. He is a Chartered Accountant and an investor and director of private companies, based in Ireland.

Group Managing Director
Declan Morrissey (34) joined the Company in 2017 as head of the Dairy Business and co-founded its subsidiary Grass to Milk Company Ltd; commercialising dairy products with functional nutrition benefits, derived from its unique A2 protein grass-fed milk source. He previously worked as an equity analyst in Davy, covering the European food sector with a particular focus on dairy, ingredients and supply chain. During his time at Davy, he provided coverage on companies including DSM, Cranswick and Premier Foods and has experience in fundraising, IPO's and equity issuances in the Irish market. He is a director of Grass to Milk Company Ltd and Cantwellscourt Farm Ltd. Declan holds a B.Eng Hons in Civil Engineering from UCD.

Finance Director & Company Secretary
Gerard Murphy (36) is a Chartered Accountant and has been with the Company since the acquisition of Townview Foods Ltd in October 2012. He is currently the Financial Controller of both the product sourcing business and the dairy business. He was appointed Company Secretary in April 2018. Gerard joined Townview Foods in 2012 having previously worked as Assistant Manager in PricewaterhouseCoopers audit and advisory department in both their Belfast and Dublin offices. He holds a BSc in accounting from Queens University Belfast and a postgraduate Diploma in Advanced Accounts from the University of Ulster.

Aidan Hughes (57) joined Roebuck as Group Accountant in 1996 and was appointed Finance Director in September 2006, a position he held until December 2021, when he became Deputy Chairman, with responsibility for transactions and new ventures. He has previously held the role of Company Secretary. He is a Chartered Accountant and has previous experience in the travel industry.

Non-Executive Directors

Seán Savage (75) was appointed to the board in 2012 and has previous experience in the food industry, having started his career in 1970 with Cadbury plc, where he worked as a plant manager and supervisor across a number of Cadbury's Irish plants. He was general manager of Manor Farm Chickens from 1985 to 1994, before establishing Eatwell UK in 1995. He sold the company to Goodman Group in 2003 and remained with the company until 2004.

CORPORATE INFORMATION

Directors
Ted O'Neill – Executive Chairman
Declan Morrissey – Group Managing Director
Gerard Murphy – Finance Director
Aidan Hughes – Deputy Chairman
Seán Savage*
Kieran Mahon (Resigned 31st December 2021)
Torgeir Mantor (Resigned 22nd November 2021
Willie McCarter (Resigned 22nd November 2021)

** non-executive*

Company Secretary
Gerard Murphy

Audit Committee
Sean Savage
Aidan Hughes

Remuneration Committee
Sean Savage
Aidan Hughes

Nomination Committee

Consists of all Directors

Registered Office
6th Floor
South Bank House
Barrow St
Dublin D04 TR29

Operational Head Office
7 Carrivekeeney Road
Newry
BT35 7LU

Domicile
Republic of Ireland

Company Registration
Registered in Ireland under
Registration number - 51842

Solicitors

Mason Hayes & Curran LLP
South Bank House
Barrow St
Dublin D04 TR29

Nomad and Brokers
Davy
Davy House
49 Dawson Street
Dublin 2
D02 PY05

Bankers
HSBC Bank plc
Bank of Ireland Group plc

Chartered Accountants and Statutory Auditors
Grant Thornton
Chartered Accountants and Statutory Audit Firm
13-18 City Quay
Dublin D02 ED70

Registrars
Computershare
Citywest Business Campus
Dublin 24
D24 AK82

DIRECTORS' REPORT

The Directors present their Annual Report together with the audited financial statements of the Group for the financial year ended 31 December 2021.

Principal Activities and Review of Business

Roebuck Food Group plc is a provider protein and product sourcing and dairy farming in the United Kingdom and Ireland. During the year, the Group sold its temperature-controlled business.

The protein and product sourcing business is based in Newry, Northern Ireland. It procures supplies of raw and cooked beef, mutton, lamb, pork and poultry products from around the world in order to supply major food manufacturing and wholesale companies across the Europe and Emerging Markets.

Townview Foods Limited, which we purchased in October 2012 contributed operating profit before group charges £264,000 (2020: £318,000). Turnover increased by 30% as the business diversified into new markets at lower margins.

Grass to Milk Company Ltd is focussed on commercialising A2 protein, grass-fed, dairy products. We launched two new premium, A2-protein, grass-fed, products in China in the second half of 2021. We also commenced work on A2-protein based nutrition ingredients which we hope to launch in the second half of 2022. We continue to work on building a gold-standard supply chain and quality system which will underpin our future growth. Our Commercial Strategy continues to focus on B2B customers in China, leveraging partnerships with established players in-market. We have also carried out some B2C trials to better understand consumer preferences and market dynamics.

Cantwellscourt Farm Ltd, our A2 dairy farm, based in Kilkenny, continues to outperform across key operating KPI's around pasture production, milk quality and animal welfare.

Details of the Group's subsidiary undertakings are set out in Note 27 to the financial statements.

A review of both the Group's performance during the year and its position at the year-end are given in the Chairman's Statement and Financial Review on pages 3 to 5.

Dividends

The board does not recommend the payment of a Dividend. A dividend of 2.0 €cent per share was paid on 15 October 2021 to those shareholders on the register on 24 September 2021.

Post Balance Sheet Events

The directors and the Group's management team continue to closely monitor developments during the Covid-19 crisis and assess the potential impact they may have on the Group's people, its activities, operations and financial position. The directors are satisfied that the group is in a strong financial position to withstand potential future challenges in this context.

DIRECTORS' REPORT *(CONTINUED)*

Transactions with Related Parties

Related parties include entities under common control, its subsidiaries, and key management. Product purchases totalling £39,000 (Product purchases 2020: £Nil) and Product sales totalling £69,000 (Product sales 2020: £Nil) were provided to a company where one of our directors held a shareholding during the year. As at 31 December 2021 no balances were outstanding.

Creditor payment policy

It is the Group's policy to abide by the payment terms agreed with suppliers whenever it is satisfied that the supplier has provided the goods and services in accordance with agreed terms and conditions.

The average supplier payment terms for 2021 for the Group was 28 days (2020: 56 days). This was calculated by taking the year end creditors listing as a percentage of the total supplies and services invoiced during the year, multiplied by 365 days.

Key risks and uncertainties

Please refer to the Financial Review on pages 6 to 7 to understand the key financial risks facing the Group and management's approach to same.

In respect of operational risks our largest customer accounts for 9% (2020 -19%) of the Group's turnover from continuing operations. However, the directors are satisfied that this business could be replaced if it was ever lost.

In the event of a food related health concern in respect of key products bought and sold by Townview Foods Limited, there could be a significant decrease in customer demand. To mitigate against this, a range of products are bought and sold so as not to unnecessarily concentrate risk into one particular food group. The business had previously concentrated in the UK and Ireland, but has now diversified into new markets.

The group continues to monitor inflationary risks closely and mitigate where possible; In our primary dairy business we have forward purchased some essential raw materials such as fertiliser to ensure supply continuity and we are a net beneficiary of inflationary trends in dairy commodity prices. In our B2B A2-protein dairy business, we are working on reflecting inflationary pressure into pricing on customer contracts to minimize price volatility.

The majority of our commercial arrangements are non-contractual. As a result, there is a risk that customers could terminate agreements to either use Roebuck facilities or buy Roebuck goods without giving notice, thus placing revenue streams at risk. To mitigate against this, regular review meetings are held with all major customers in order to determine trends and changes in customer's requirements.

The directors and the Group's management team are closely monitoring developments during the Covid-19 crisis and the Ukrainian war, assessing the potential impact they may have on the Group's people, its activities, operations and financial position. The directors believe the group is in a strong financial position to withstand potential future challenges in this context.

Key performance indicators

Within our Dairy Business, Milk production was 15% ahead year on year; milk solids per cow improved by 6% and pasture grown per hectare improved 12% versus 2020.

Within our Sourcing Business, our product sales increased by 47% to 15,600 tons compared to 10,600 in 2020.

Directors

The Board currently comprises the Executive Chairman, Managing Director, Finance Director, Executive Director and one non-executive Director. Under the criteria adopted by the Committee on Corporate Governance, Sean Savage would not be perceived to be independent due to his interest in the Company's shares. The non-executive Director is not involved in the day-to-day management of the Group.

The names of the Group's Directors at 31 December 2021 together with brief biographical notes are set out on page 10.

In accordance with regulation 93 (a) of the Company's Constitution, Mr Sean Savage retires by rotation, and being eligible, offer himself for re-election. In accordance with regulation 93 (b) of the Company's Constitution, Mr Ted O'Neill retires, and being eligible, offers himself for re-election. Gerard Murphy and Declan Morrissey have been appointed to the board since the last Annual General Meeting, and in accordance with regulation 100 (b) of the Company's Constitution, offer themselves for re-election.

The Executive Directors have service contracts with the Group companies that are terminable by either party giving 12 months' notice. The non-executive Director has no service contract.

All directors have third party indemnity insurance in place.

Interests of Directors and Secretary

There were no contracts or arrangements during the year in which a Director of the Company was materially interested, and which were significant in relation to the Group's business.

DIRECTORS' REPORT *(CONTINUED)*

Interests of Directors and Secretary (continued)

The interests, all of which are beneficial, of the directors and the secretary who held office at 31 December 2021 (including their respective family interests) in the share capital of Roebuck Food Group plc were as follows:

	31 December 2021 Ordinary Shares	31 December 2020 Ordinary Shares
Ted O'Neill	**3,034,000**	**3,034,000**
Declan Morrissey	**-**	**-**
Aidan Hughes	**267,500**	**267,500**
Seán Savage	**1,000,333**	**1,000,333**
Gerard Murphy	**-**	**-**

Neither the directors or the secretary had any other interests in either shares or share options of the company.

Pensions

Executive Directors are entitled to become members of the Group's defined contribution pension scheme or, if preferred, to receive payment of a fixed percentage of salary into an approved personal pension scheme.

Substantial shareholdings

At 25 March 2022 the Company had been advised of the following shareholdings in excess of 3% of its issued share capital:

	Number of shares	Percentage held
MI Select Managers UK Equity Fund	3,567,025	11.86
Ted O'Neill	3,034,000	10.09
Kieran Mahon	1,985,286	6.60
CF Miton	1,446,901	4.81
John Teeling	1,364,465	4.54
T.B. Mantor AS	1,243,027	4.13
Tom Cunningham	1,049,497	3.49
Seán Savage	1,000,333	3.33

Substantial shareholdings (continued)

Apart from these holdings, the Company has not been notified of any other interest of 3% or more in its issued share capital.

Executive share option scheme

The company's executive share option scheme has now expired and is closed. The percentage of share capital that could be issued under the scheme and the individual grant limits complied with the then published guidelines of the Irish Association of Investment Managers.

The aggregate nominal value of shares issued under the scheme could not exceed 10% of the nominal value of the issued ordinary share capital. Between 1989 and 2011 the Company issued a total of 1,252,237 ordinary options.

Options over 156,000 shares were exercised and those over 1,096,237 shares have expired. At 31 December 2021 there were no options outstanding.

Joint Share Ownership Plan

The Company's joint share ownership plan (JSOP) was established in January 2016 following its approval by shareholders at a December 2015 extraordinary general meeting. Under that plan, 1,426,685 shares were acquired by the JSOP trustee for the conditional benefit of former director Kieran Mahon. The conditions for vesting of those shares were satisfied and title to those shares has now passed to Mr Mahon.

Group website

Our website, *www.roebuckfoodgroup.com,* provides our customers, shareholders and the general public with useful information on the Group's facilities and services, together with key financial data, company announcements, etc.

Personnel development

The Group is committed to ensuring that its employees are capable of achieving the highest standards in their employment by providing training at all levels for current and future business needs. Emphasis is placed on training in key areas such as computer skills, safe driving of vehicles and the proper utilisation of materials handling equipment. The Group seeks to ensure that all employees receive up-to-date information on current business events and developments pertaining to their own workplace.

Disabled employees

The policy of Roebuck plc is to offer the same opportunities to disabled people as to all employees in respect of recruitment, promotion and career development depending on their skills and abilities. Employees who become disabled will, wherever possible, be rehabilitated, retrained and redeployed if necessary.

Electoral Act, 1997

The Group did not make any political contributions during the either the current or prior financial year.

Environmental policies

The Group continues to implement improved working practices with a view to minimising harmful environmental impacts. Prior to its sale, it was committed to maintaining its efforts in the area of energy conservation by way of improving the insulation within the cold store sites and replacing refrigeration doors with modern highly efficient refrigeration doors. It also replaced one of its larger sites, West Midlands in 2012, with a new highly efficient ammonia refrigeration system which significantly reduced the power consumption at the site. We also engaged a new energy supplier who allocated 100% renewable energy we consumed at the cold store business.

Country of Incorporation

Roebuck Food Group plc was incorporated and is domiciled in the Republic of Ireland under company number 51842.

Significant Customers

During 2021, £2.1m or 9% (2020: £3.6m or 19%) of the Group's revenues from continued operations depended on a single customer in the Sourcing segment.

Corporate governance

The Directors recognise the importance of good corporate governance and have chosen to apply the Quoted Companies Alliance Governance Code (the QCA Code). The QCA Code was developed by the QCA in consultation with a number of significant institutional small company investors, as an alternative corporate governance code, applicable to AIM companies. The underlying principle of the QCA code is that "the purpose of good corporate governance is to ensure that the Group is managed in an efficient, effective and entrepreneurial manner, for the benefit of all shareholders, over the longer term".

Below we describe the principles of the QCA code and how the Group has complied with it.

Establish a strategy and a business mode, which promotes long term value for shareholders

Application (as set out by QCA)

The Board must be able to express a shared view of the Group's purpose, business model and strategy. It should go beyond the simple description of products and corporate structures and set out how the Group intends to deliver shareholder value in the medium to long-term. It should demonstrate that the delivery of long term growth is underpinned by a clear set of values aimed at protecting the Group from unnecessary risk and securing its long term future.

What we do and why

Roebuck's strategy is to grow each of its two business units by adopting specific strategies for each unit individually. We prefer to pursue organic growth in the first instance while maintaining a strong balance sheet (as measured by debt to EBITDA and interest cover multiples). We focus on improving returns on patient capital and generating cash, which ultimately drives a virtuous cycle of earnings per share growth. Our diluted adjusted EPS declined by 314% at group level because of the impairment charge on intangible assets of £1.5m (2020: £Nil) and £0.9m (2020: £Nil) of an impairment charge relating to fixed assets.

DIRECTORS' REPORT *(CONTINUED)*

Corporate governance (continued)

Seek to understand and meet shareholders needs and expectations

Application (as set out by QCA)

Directors must develop a good understanding of the needs and expectations of all elements of the Group's shareholder base. The Board must manage shareholders' expectations and should seek to understand the motivations behind shareholder voting decisions.

What we do and why

Management responds promptly to shareholder requests for meetings. The Chairman liaises with the Group's major shareholders and ensures their views are fully communicated to the Board. The AGM provides a forum to meet private shareholders. The Directors make themselves available to listen to the views of shareholders informally, following the AGM.

The Company Secretary is responsible to the Board for ensuring that Board procedures are followed and that applicable rules and regulations are complied with. The Group's professional advisors are available for consultation by the Board as required. Individual Directors may take independent professional advice, if necessary, at the Group's expense.

Take into account wider stakeholder and social responsibilities and their implications for long term success

Application (as set out by QCA)

Long term success relies upon good relations with a range of different stakeholder groups, both internal (workforce) and external (suppliers, customers, regulators and others). The Board needs to identify the Group's stakeholders and understand their needs, interests and expectations.

Where matters that relate to the Group's impact on society, the communities within which it operates or the environment have the potential to affect the Group's ability to deliver shareholder value over the medium to long-term, then those matters must be integrated into the Group's strategy and business model.

Feedback is an essential part of all control mechanisms. Systems need to be put in place to solicit, consider and act on feedback from all stakeholder groups.

What we do and why

The Board of Roebuck plc visits its operating sites where relevant local management present on all aspects of the business; customers, employees, suppliers, regulators and others. The Board is acutely aware of the impact any business can have on the environment and actively looks to reduce such impacts.

For more information, please see our Environmental Policies section on page 17.

Corporate governance (continued)

Embed effective risk management, considering both opportunities and threats, throughout the organisation

Application (as set out by QCA)

The Board needs to ensure that the Group's risk management framework identifies and addresses all relevant risks in order to execute and deliver strategy; companies need to consider their extended business; including the Group's supply chain, from key suppliers to end-customer.

Setting strategy includes determining the extent of exposure to the identified risks that the Group is able to bear and willing to take (risk tolerance and risk appetite).

What we do and why

Management considers risk to the business including operational and financial risk on an ongoing basis.

The Board considers risk to the business at every Board meeting. The Group formally reviews and documents the principal risks to the business, at least annually. Risk management on page 13 details risks to the business and how these are mitigated. Financial risk factors are covered on page 7.

Maintain the Board as a well-functioning, balanced team, led by the Chair

Application (as set out by QCA)

The Board members have a collective responsibility and legal obligation to promote the interests of the Group and are collectively responsible for defining corporate governance arrangements. Ultimate responsibility for the quality of, and approach to, corporate governance lies with the chair of the Board.

The Board (and any committees) should be provided with high quality information in a timely manner to facilitate proper assessment of the matters requiring decision or insight.

The Board should have an appropriate balance between executive and non-executive directors and should have at least one independent non-executive directors. Independence is a Board judgment.

The Board should be supported by committees (e.g. audit, remuneration, nomination) that have the necessary skills and knowledge to discharge their duties and responsibilities effectively.

What we do and why

The Group is controlled by its Board of Directors. Ted O'Neill, Executive Chairman, is responsible for the running of the Board. All Directors receive regular and timely information about the Group's financial and operational performance. Relevant information is circulated to the Directors in advance of Board meetings.

The Board comprises four Executive Directors, one non- Executive Director, together with the Company Secretary.

The Board considers that the non-Executive Director bring an independent judgment to meetings, notwithstanding the duration of service.

The Audit and Remuneration Committee ae chaired by Sean Savage who is competent and has a wealth of experience. The members of the Committees are listed on page 11.

Corporate governance (continued)

Ensure that between all, the Directors have the necessary up to date experience, skills and capabilities

Application (as set out by QCA)

The Board must have an appropriate balance of sector, financial and public markets skills and experience, as well as an appropriate balance of personal qualities and capabilities. The Board should understand and challenge its own diversity, including gender balance, as part of its composition.

The Board should not be dominated by one person or group of people. Strong personal bonds can be important but can also divide a board.

As companies evolve, the mix of skills and experience required on the Board will change and the Board composition will need to evolve to reflect this change.
What we do and why

The Company Secretary supports the Executive Chairman, in addressing the ongoing training needs of Directors.

Evaluate Board performance based on clear and relevant objectives, seeking continuous improvement

Application (as set out by QCA)

The Board should regularly review the effectiveness of its performance as a unit, as well as that of its committees and the individual directors.

The Board performance review may be carried out internally or, ideally, externally facilitated from time to time. The review should identify development or mentoring needs of individual directors or the wider senior management team.

It is healthy for membership of the Board to be periodically refreshed. The Board undertook a refresh in the current year. Succession planning is a vital task for boards. No member of the Board should become indispensable.

What we do and why

A number of the Board members and Company Secretary have undergone personal development training in recent years, this is on-going.

Promote a corporate culture that is based on ethical values and behaviours

Application (as set out by QCA)

The Board should embody and promote a corporate culture that is based on sound ethical values and behaviours and use it as an asset and a source of competitive advantage.

The policy set by the Board should be visible in the actions and decisions of the chief executive and the rest of the management team. Corporate values should guide the objectives and strategy of the Group.

The Board should embody and promote a corporate culture that is based on sound ethical values and behaviours and use it as an asset and a source of competitive advantage.

Corporate governance (continued)

Promote a corporate culture that is based on ethical values and behaviours (continued)

The policy set by the Board should be visible in the actions and decisions of the chief executive and the rest of the management team. Corporate values should guide the objectives and strategy of the Group.

The culture should be visible in every aspect of the business, including recruitment, nominations, training and engagement. The performance and reward system should endorse the desired ethical behaviours across all levels of the Group.

The corporate culture should be recognisable throughout the disclosures in the annual report, website and any other statement issued by the Group.

What we do and why

Our values guide us in our daily commercial lives. We work hard to make a satisfactory return for our shareholders, while taking cognisance of all other stakeholders in the process. We do this by challenging ourselves in everything we do, holding ourselves to account. This requires a very open, transparent organisation where nobody is afraid to engage to the highest levels in the organisation. This empowers all of our employees to put forward their opinions, grow with the organisation and ultimately make it a bottom up ideas business. The Group is committed to maintaining its efforts in the area of energy conservation.

Maintain governance structures and processes that are fit for purpose and support good decision-making by the Board

Application (as set out by QCA)

The Group should maintain governance structures and processes in line with its corporate culture and appropriate to its:

- size and complexity; and
- capacity, appetite and tolerance for risk.

The governance structures should evolve over time in parallel with its objectives, strategy and business model to reflect the development of the Group.

What we do and why

The Board comprises four Executive Directors, one non-Executive Director, together with the Company Secretary. The Board considers that the non-Executive Director bring an independent judgment to meetings, notwithstanding the duration of service.

It is the practice of the Group that the Board comprises at least one non-executive Director. Due to the small size of the Board, all Directors are members of the Nomination Committee. The Board takes the major strategic decisions and retains full effective control while allowing operating management enough flexibility to run the business efficiently and effectively within a centralised reporting framework.

Sean Savage would not be considered to be independent due to their interests in the Group's shares. It is the opinion of the Board that the Non-Executive Director is independent of management and have no business or other relationship which could interfere materially with the exercise of their judgment.

Corporate governance (continued)

Maintain governance structures and processes that are fit for purpose and support good decision-making by the Board (continued)

The Board delegates to committees, which have specific terms of reference and which are reviewed periodically, the responsibility in relation to audit and senior executive remuneration issues. Minutes of these committees are supplied to all Directors for information and to provide the Board with an opportunity to have its views taken into account.

The directors attended Board meetings and committees of the Board as set out below:

	Board	Remuneration	Audit
Meetings held	**4**	**1**	**1**
Meetings Attended:			
Ted O'Neill	**4**	**N/A**	**N/A**
Kieran Mahon	**3**	**N/A**	**N/A**
Aidan Hughes	**4**	**N/A**	**N/A**
Torgeir Mantor	**3**	**1**	**1**
Willie McCarter	**3**	**1**	**1**
Seán Savage	**4**	**1**	**1**
Gerard Murphy – company secretary	**4**	**N/A**	**N/A**

The nomination committee meets as required. The nomination committee met and approved the appointment of Declan Morrissey and Gerard Murphy to the board.

The Board has a regular schedule of meetings together with further meetings when required. In addition, there is a formal schedule of matters reserved specifically to the Board for its decision, including the approval of the annual financial statements, budgets, significant contracts, significant capital expenditure and senior management appointments.

The Non-Executive Director meets with the Executive Chairman separately during the year to discuss the business and strategy.

The Company Secretary is responsible to the Board for ensuring that Board procedures are followed, and that applicable rules and regulations are complied with. The Group's professional advisors are available for consultation by the Board as required. Individual Directors may take independent professional advice, if necessary, at the Group's expense.

The Executive Chairman holds regular business review meetings with Senior Management.

DIRECTORS' REPORT *(CONTINUED)*

Corporate governance (continued)

Communicate how the Group is governed and is performing by maintaining a dialogue with shareholders and other relevant stakeholders

Application (as set out by QCA)

A healthy dialogue should exist between the Board and all of its stakeholders, including shareholders, to enable all interested parties to come to informed decisions about the Group.

In particular, appropriate communication and reporting structures should exist between the Board and all constituent parts of its shareholder base. This will assist with:

- the communication of shareholders' views to the Board; and
- the shareholders' understanding of the unique circumstances and constraints faced by the Group.

It should be clear where these communication practices are described (annual report or website).

What we do and why

Roebuck Food Group plc encourages two-way communication with both its private and institutional shareholders and responds promptly for meeting requests.

Management strive to proactively meet shareholders after both interim and full year results publication or at any period in between, which is not in a close period.

The Chairman speaks with our major shareholders and ensures their views are communicated fully to the Board.

DIRECTORS' REPORT *(CONTINUED)*

Relevant Audit Information

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

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

Going concern

The Directors, having made appropriate enquiries, have a reasonable expectation that the Group as a whole has adequate resources to continue in operation for the foreseeable future.

Following the sale of the Cold Storage Business and the Capital Redemption, the Group has sufficient surplus cash resources along with short term Invoice Finance facilities. The Group also has the ability to raise equity funds through the London Stock Exchange (AIM) market.

Taking into account all of the above, the directors consider it appropriate to adopt the going concern basis in preparing the financial statements.

Research and Development

As described below, the Group's principal research and development activity is the development of A2-protein based dairy products. During the year, costs of £986,000 (2020: £705,000) were capitalised in this regard. During December 2021 capitalised development costs totalling £1,519,000 (2020: £Nil) in relation to the current and prior years was written off to profit or loss on the basis it is no longer an area of development for the entity.

DIRECTORS' REPORT *(CONTINUED)*

Future developments

The group is now seeking to develop a diversified nutrition business spanning multiple ingredient sources, process technologies, and end-use markets. To that end, RFG is currently mapping out its growth strategy; leveraging a highly experienced and capable team and its financial flexibility to create shareholder value in the coming years.

Roebuck's existing business comprises two complementary business units; A2 dairy protein (G2M) and protein sourcing (TVF). Grass to Milk Company (G2M) is a value-add functional nutrition business focused on A2 dairy protein with global market potential. Townview Foods (TVF) is a protein sourcing business with a sales footprint across Ireland, the UK, and increasingly into Emerging Markets; expanding its geographic reach and product portfolio.

In order to reflect the strategic shift in the underlying business and future growth strategy, the board believes it's an appropriate time to impair £1.5m of previously capitalised development expenditure to profit or loss in the current year, related to the initial development phase of G2M. The board expects the remaining assets to provide a solid foundation for future development of the A2 product offering.

Accounting records

The measures taken by the directors to ensure compliance with the requirements of Sections 281 to 285 of the Companies Act 2014 with regard to the keeping of accounting records, are the employment of appropriately qualified accounting personnel and the maintenance of computerised accounting systems. The company's accounting records are maintained at the company's registered office at 6th Floor, South Bank House, Barrow Street, Dublin D04 TR29.

Auditor

In accordance with Section 383(2) of the Companies Act 2014 the Chartered Accountants and Statutory Audit Firm, Grant Thornton, will continue in office.

On behalf of the board:

T.J. O'Neill ***Chairman***	**G. Murphy** ***Finance Director***	**25 March 2022**

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Directors' report and the financial statements in accordance with applicable Irish law and regulations.

Irish company law requires the directors to prepare group and parent company financial statements for each financial year. Under that law the directors have elected to prepare the Group and Company financial statements in accordance with the Companies Act 2014 and International Financial Reporting Standards (IFRS), as adopted by the European Union (EU). Under Company law the directors must not approve the financial statements unless satisfied that they give a true and fair view of the assets, liabilities and financial position of the Group and Company as at the financial year end date and of the profit or loss of the Group and Company for that financial year and otherwise comply with the Companies Act 2014.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the company financial statements and then apply them consistently;

- make judgments and estimates that are reasonable and prudent;

- state whether the financial statements have been prepared in accordance with applicable accounting standards, identify those standards, and note the effect and the reasons for any material departure from those standards; and

- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group will continue in business.

The directors are responsible for ensuring that the Group and Company keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the Group and Company, enable at any time the assets, liabilities, financial position and profit or loss of the Group and Company to be determined with reasonable accuracy, enable them to ensure that the financial statements and directors' report comply with the Companies Act 2014 and enable the financial statements to be audited. They are also 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 responsible for the maintenance and integrity of the corporate and financial information included on the group's website. Legislation in the Republic of Ireland governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

On behalf of the Board

T.J. O'Neill ***Chairman***	G. Murphy ***Finance Director***	**25 March 2022**

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ROEBUCK PLC (FORMERLY NORISH PLC)

Opinion

We have audited the financial statements of Roebuck Food Group plc (formerly Norish plc) ("the Company") and its subsidiaries ("the Group"), which comprise the Consolidated Statement of Comprehensive Income, the Consolidated and Company Statements of Financial Position, the Consolidated and Company Statements of Cash Flows, the Consolidated and Company Statements of Changes in Equity for the financial year ended 31 December 2021, and the related notes to the financial statements, including the summary of significant accounting policies.

The financial reporting framework that has been applied in the preparation of the financial statements is Irish law and International Financial Reporting Standards (IFRS) as adopted by the European Union.

In our opinion, Roebuck Food Group plc's (formerly Norish plc) financial statements:

- give a true and fair view in accordance with IFRS as adopted by the European Union of the assets, liabilities and financial position of the Group and the Company as at 31 December 2021, of the Group's financial performance and the Group and Company's cash flows for the financial year then ended; and
- have been properly prepared in accordance with the requirements of the Companies Act 2014.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) ('ISAs (Ireland)') and applicable law. Our responsibilities under those standards are further described in the 'Responsibilities of the auditor for the audit of the financial statements' section of our report. We are independent of the Group and Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Ireland, including the Ethical Standard for Auditors (Ireland) issued by the Irish Auditing and Accountancy Supervisory Authority (IAASA), and the ethical pronouncements established by Chartered Accountants Ireland, applied as determined to be appropriate in the circumstances for the entity. We have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of going concern basis of accounting in the preparation of the financial statements is appropriate. Our evaluation of the directors' assessment of the entity's ability to continue as a going concern included:

- Evaluating management's trading expectations, cash flow forecasts, the basis upon which they were prepared and key assumptions therein, including the testing of calculations and mathematical accuracy;
- Challenging the trading forecasts prepared by management with historical performance in order to ascertain the extent of change in underlying assumptions that either individually or collectively would lead to alternative conclusions;
- Making inquiries of management and reviewing the board minutes and communications with commercial partners in order to ascertain future plans and to consider their impact on management's budgets and cash flow projections;

Conclusions relating to going concern (continued)

- Considering the funding facilities and alternative sources of funding available to the directors; and
- Assessing the adequacy of the disclosures with respect to the going concern assertion.

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 or Company's ability to continue as a going concern for a period of at least twelve months from the date when the financial statements are authorised for issue.

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

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current financial period and include the most significant assessed risks of material misstatement (whether or not due to fraud) we identified, including those which had the greatest effect on: the overall audit strategy, the allocation of resources in the audit, and the directing of efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and therefore we do not provide a separate opinion on these matters.

Overall audit strategy

We designed our audit by determining materiality and assessing the risks of material misstatement in the financial statements. In particular, we looked at where the directors made subjective judgements, for example the valuation of the intangible assets. We also addressed the risk of management override of internal controls, including evaluating whether there was any evidence of potential bias that could result in a risk of material misstatement due to fraud.

Based on our considerations below, our areas of focus included:

- Accuracy, valuation and allocation of intangible assets (development costs)
- Existence, and valuation of trade receivables.

How we tailored the audit scope

The Group has two operating segments that are operated principally in the United Kingdom and in the Republic of Ireland. We tailored the scope of our audit taking into account the areas where the risk of misstatement was considered material to the Group, such as the accuracy, valuation and allocation of intangible assets and the existence and valuation of trade receivables.

In establishing the overall approach to our audit we assessed the risk of material misstatement at a Group level, taking into account the nature, likelihood and potential magnitude of any misstatement. As part of our risk assessment, we considered the control environment in place at Roebuck Food Group plc (formerly Norish plc).

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ROEBUCK PLC (FORMERLY NORISH PLC) *(CONTINUED)*

Key audit matters (continued)
Materiality and audit approach

The scope of our audit is influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, such as our understanding of the entity and its environment and the relative complexity of the Group, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the Group as 1% of Revenues for the financial year ended 31 December 2021. We have applied this benchmark because the Group's trading volumes and associated revenues are key performance metrics used by the Group's stakeholders.

We have set performance materiality for the Group at 75% of materiality, having considered our prior year experience of the risk of misstatements, business risks and fraud risks associated with the entity and its control environment. This is to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements in the financial statements exceeds materiality for the financial statements as a whole.

We agreed with the board of directors that we would report to them misstatements identified during our audit above 5% of materiality as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

Significant matters identified

The risks of material misstatement that had the greatest effect on our audit, including the allocation of our resources and effort, are set out below as significant risks together with an explanation of how we tailored our audit to address these specific areas in order to provide an opinion on the financial statements as a whole. This is not a complete list of all risks identified by our audit.

a. *Accuracy, valuation and allocation of development costs (see note 11)*

Capitalised development costs of £665,000 are deemed significant to our audit, given the significance of the position at December 31, 2021, the technological developments in the dairy industry, as well as the specific criteria that are required to be met for capitalisation. This involves management judgement, such as with respect to technical feasibility, intention and ability to complete the intangible asset, ability to use or sell the asset, generation of future economic benefits and the ability to measure the costs reliably.

In addition, determining whether there is any indication of impairment of the carrying value of such assets requires management judgement and an assessment of assumptions which are affected by future market or economic developments. There was an impairment charge in December 2021 of £1,519,000 applied by management associated with one of the product offerings developed by the group.

We have performed audit procedures over the accuracy, valuation and allocation of amounts recognised. Our audit procedures included determining the stage of the development, assessing the recognition criteria for intangible assets, challenging the key assumptions used or estimates made in capitalising development costs, assessing the accuracy and completeness of the costs capitalised, and assessing the useful economic life attributed to the asset.

Key audit matters (continued)

Significant matters identified (continued)

a. Accuracy, valuation and allocation of development costs (see note 11) (continued)

We considered the indicators of impairment that were present by understanding the business rationale for this project and performing reviews of management's indicators of impairment. In addition, we critically assessed the basis for the impairment charge and ensured it was in accordance with IFRS.

We also assessed the adequacy of the company's disclosure in Note 11, Other intangible assets.

No issues were identified during the course of our audit.

b. Existence, valuation and allocation of trade receivables (See note 14)

Given the significance of the net trade receivables balance, £3,723,000 as of 31 December 2021, it is material to the financial statements, and consequently was a key area of focus for the audit. We have considered the risk of impairment of the trade receivable balances; we have reviewed management's assessment of the impairment of the trade receivables balance as a result of expected credit losses, in addition to the performance of substantive procedures over existence and recoverability of trade receivables.

Our audit approach involved the use of sampling to select a sample of trade receivable balances for testing to determine existence and recoverability by verification to relevant post year end cash receipts or alternative procedures. Furthermore, we reviewed trade receivables outside normal credit terms to assess likelihood of recoverability in conjunction with management's allowance for credit losses, as well as management's disclosure of these considerations in accordance with IFRS 9.

No material issues were identified during the course of our audit.

Other information

Other information comprises information included in the annual report, other than the financial statements and the auditor's report thereon, including the Directors' Report, Chairman's Statement and Financial Review. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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 such material inconsistencies in the financial statements, we are required to determine whether there is a material misstatement in 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 in this regard.

Matters on which we are required to report by the Companies Act 2014

- We have obtained all the information and explanations which we consider necessary for the purposes of our audit.
- In our opinion the accounting records of the Company were sufficient to permit the financial statements to be readily and properly audited.
- The financial statements are in agreement with the accounting records.
- In our opinion the information given in the Directors' report is consistent with the financial statements. Based solely on the work undertaken in the course of our audit, in our opinion, the Directors' report has been prepared in accordance with the requirements of the Companies Act 2014.

Matters on which we are required to report by exception

Based on our knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' report.

Under the Companies Act 2014 we are required to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by sections 305 to 312 of the Act have not been made. We have no exceptions to report arising from this responsibility.

Responsibilities of management and those charged with governance for the financial statements

As explained more fully in the Statement of directors' responsibilities, management is responsible for the preparation of the financial statements which give a true and fair view in accordance with IFRS as adopted by the European Union, and for such internal control as they determine 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, management is responsible for assessing the Group and 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 management either intends to liquidate the Group or Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group and Company's financial reporting process.

Responsibilities of the auditor for the audit of the financial statements

The auditor's objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes their opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (Ireland) 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.

As part of an audit in accordance with ISAs (Ireland), the auditor will exercise professional judgment and maintain professional scepticism throughout the audit. The auditor will also:

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ROEBUCK FOOD GROUP PLC (FORMERLY NORISH PLC) *(CONTINUED)*

Responsibilities of the auditor for the audit of the financial statements (continued)

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for their opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group and Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group and Company's ability to continue as a going concern. If they conclude that a material uncertainty exists, they are required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify their opinion. Their conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the Group or Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.

The auditor communicates with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that may be identified during the audit.

Where the auditor is reporting on consolidated financial statements, the auditor's responsibilities are to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. The group auditor is responsible for the direction, supervision and performance of the group audit, and the group auditor remains solely responsible for the audit opinion.

The auditor also provides those charged with governance with a statement that they have complied with relevant ethical requirements regarding independence, including the Ethical Standards for Auditors (Ireland), and communicates with them all relationships and other matters that may reasonably be thought to bear on their independence, and where applicable, related safeguards.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ROEBUCK FOOD GROUP PLC (FORMERLY NORISH PLC) *(CONTINUED)*

Responsibilities of the auditor for the audit of the financial statements (continued)

From the matters communicated with those charged with governance, the auditor determines those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. These matters are described in the auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, the auditor determines that a matter should not be communicated in the report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the Company's members, as a body, in accordance with section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose.

To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Jason Crawford
For and on behalf of
Grant Thornton
Chartered Accountants & Statutory Audit Firm
Dublin

28 March 2022

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the financial year ended 31 December 2021

	Notes	2021 £'000	2020 £'000
Continuing operations			
Revenue	5	**24,452**	18,756
Cost of sales		**(24,342)**	(18,800)
Gross profit/ (loss)		**110**	(44)
Other income		**161**	182
Administrative expenses		**(500)**	(865)
Impairment of intangible assets	11	**(1,519)**	-
Impairment of fixed assets	12	**(862)**	-
Operating loss from continuing operations		**(2,610)**	(727)
Finance expenses – lease interest	7	**(26)**	(30)
Finance expenses – interest on bank loans	7	**(36)**	(32)
Loss on continuing activities before taxation	8	**(2,672)**	(789)
Income taxes – Corporation tax	9	**5**	(34)
Income taxes – Deferred tax	9	**33**	(28)
Loss for the financial year from continuing operations		**(2,634)**	**(851)**
Profit for the financial year from discontinued operations	28	**40,701**	2,288
Profit for the financial year attributable to owners of the parent		**38,067**	1,437
Other comprehensive (expense)/income		**(355)**	162
Total comprehensive income for the financial year attributable to owners of the parent		**37,712**	1,599

The accompanying notes on pages 39 to 78 form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the financial year ended 31 December 2021 (continued)

	Notes	**2021**	2020
Earnings/(loss) per share expressed in pence per share:			
From continuing operations	10		
- basic		**(8.8)p**	(2.8)p
- diluted		**(8.8)p**	(2.8)p
From discontinued operations	10		
- basic		**126.6p**	7.6p
- diluted		**126.6p**	7.6p

The accompanying notes on pages 39 to 78 form an integral part of these financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

at 31 December 2021

	Notes	2021 £'000	2020 £'000
Non-current assets			
Goodwill	11	**2,338**	2,338
Intangible assets	11	**665**	1,269
Property, plant and equipment	12	**2,014**	22,898
Biological assets	13	**762**	770
		5,779	27,275
Current assets			
Trade and other receivables	14	**3,988**	7,526
Inventories	15	**97**	58
Cash and cash equivalents	23	**4,543**	1,550
Assets of disposal group classified as held for sale	28	**-**	381
		8,628	9,515
TOTAL ASSETS		**14,407**	36,790
Equity attributable to owners of the parent			
Share capital	21	**564**	5,640
Share premium account	21	**-**	7,321
Other reserves	22	**(237)**	141
Retained earnings		**6,452**	5,750
TOTAL EQUITY		**6,779**	18,852
Non-current liabilities			
Borrowings	18	**794**	5,514
Deferred tax	20	**35**	1,244
		829	6,758
Current liabilities			
Trade and other payables	16	**2,579**	6,288
Current tax liabilities	17	**-**	151
Liabilities held for sale	16	**1,869**	-
Borrowings	18	**2,351**	4,741
		6,799	11,180
TOTAL EQUITY AND LIABILITIES		**14,407**	36,790

The accompanying notes on page 39 to 78 form an integral part of these consolidated financial statements.

Approved on behalf of the board on 25 March 2022 by:

T.J. O'Neill
Chairman

G.Murphy
Finance Director

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the financial year ended 31 December 2021

	Share capital £'000	Share premium £'000	Other Reserves £'000	Other Distributable Reserve £'000	Retained Earnings £'000	Total £'000
At 1 January 2020	**5,640**	**7,321**	**(21)**	**-**	**4,313**	**17,253**
Profit for the financial year	-	-	-	-	1,437	1,437
Foreign exchange gain	-	-	162	-	-	162
Total comprehensive income for the financial year	**-**	**-**	**162**	**-**	**1,437**	**1,599**
Equity dividends paid	-	-	-	-	-	-
Transactions with owners	**-**	**-**	**-**	**-**	**-**	**-**
At 31 December 2020	**5,640**	**7,321**	**141**	**-**	**5,750**	**18,852**
Profit for the financial year	-	-	-	-	38,067	38,067
Foreign exchange loss	-	-	(355)	-	-	(355)
Total comprehensive income for the financial year	**-**	**-**	**(355)**	**-**	**38,067**	**37,712**
Equity dividends paid	-	-	-	-	(510)	(510)
Capital redemption	-	-	-	(12,420)	(37,497)	(49,917)
Gain on capital redemption JSOP	-	-	-	-	642	642
Reduction in capital	(5,076)	(7,321)	(23)	12,420	- -	- -
Transactions with owners	**(5,076)**	**(7,321)**	**(23)**	**-**	**(37,365)**	**(49,785)**
At 31 December 2021	**564**	**-**	**(237)**	**-**	**6,452**	**6,779**

The accompanying notes on pages 39 to 78 form an integral part of these financial statements.

CONSOLIDATED CASH FLOW STATEMENT

for the financial year ended 31 December 2021	Notes	2021	2020
		£'000	£'000
Cash flow from operating activities			
Loss on continuing activities before taxation		**(2,634)**	(789)
Gain on biological assets	13	**(161)**	(182)
Foreign exchange gain		**(52)**	(55)
Profit on discontinued activities	28	**1,298**	2,288
Finance expenses	7	**62**	62
Bad debt expense	14	**13**	-
Taxation charge	9	**(5)**	-
Impairment – Intangible assets	11	**1,519**	-
Impairment – property, plant and equipment	12	**862**	-
Depreciation – property, plant and equipment	12	**1,699**	2,196
Operating cash flows before changes in working capital		**2,601**	3,520
Changes in working capital and provisions:			
(Increase)/decrease in inventories	15	**(39)**	1,047
Decrease /(increase) in trade and other receivables	14	**10**	(669)
Decrease/ (increase) in current assets held for sale		**381**	(104)
Increase in current liabilities held for sale		**1,869**	-
Decrease in payables	16	**(554)**	(338)
Net cash generated from operating activities		**4,268**	3,456
Taxation paid		**(205)**	(304)
Net cash generated from operating activities		**4,063**	3,152
Cash flow from investing activities			
Investment in intangible assets	11	**(986)**	(705)
Purchase of property, plant and equipment	12	**(1,840)**	(1,741)
Proceeds on disposal of subsidiary	28	**55,160**	-
Costs incurred on disposal of subsidiary	28	**(3,533)**	-
Cash included in subsidiary disposed	28	**(72)**	-
Sale of biological assets	13	**127**	346
Purchase of biological assets	13	**(9)**	(65)
Net cash generated from/(used in) investing activities		**48,847**	(2,165)
Cash flows from financing activities			
Dividends paid to shareholders	24	**(510)**	-
Invoice finance utilised / (payments)		**1,016**	(150)
Finance lease capital repayments		**(1,390)**	(845)
JSOP capital redemption		**642**	-
Share capital redemption		**(49,917)**	-
Finance lease advance		**616**	882
Term loan repayments		**(374)**	(378)
Net cash used in financing activities		**(49,917)**	(491)
Net increase in cash and cash equivalents		**2,993**	496
Cash and cash equivalents beginning of the financial year		**1,550**	1,054
Cash and cash equivalents end of the financial year	22	**4,543**	1,550

The accompanying notes on pages 39 to 78 form an integral part of these financial statements.

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS

1. General information

Roebuck Food Group plc is a provider of supplies of commodity to major food manufacturing and wholesale companies, dairy farming and other related services to the food industry in the United Kingdom and Republic of Ireland. On 22 November 2021, the company changed its name from Norish plc to Roebuck Food Group plc.

The Group is listed on the Alternative Investments Market ("AIM") of the London Stock Exchange and is incorporated and domiciled in the Republic of Ireland. The address of its registered office is Roebuck Food Group plc, 6th Floor, South Bank House, Barrow Street, Dublin 4, Republic of Ireland. Roebuck Food Group plc is registered in Republic of Ireland under registration number 51842.

2. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of preparation

The consolidated financial statements of Roebuck Food Group plc have been prepared on a going concern basis and in accordance with International Financial Reporting Standards (IFRS), as adopted by the EU, being Standards and Interpretations issued by the International Accounting Standards Board ("IASB") and endorsed for use by the EU at 1 January 2021. They have also been prepared with those parts of the Companies Act 2014 applicable to companies reporting under IFRS as adopted by the EU.

The financial statements have been prepared under the historical cost convention other than as described in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for assets at that time.

The IFRS adopted by the EU as applied by the Company and Group in the preparation of these financial statements are those that were effective for accounting periods ending on or before 31 December 2021. The accounting policies adopted are consistent with those of the previous financial year.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies (see note 4).

The financial statements are presented in Great British Pounds Sterling (£) which is both the Group's and Company's functional and presentational currency, rounded to the nearest thousand pounds.

The directors and the Group's management team are continuing to closely monitor developments during the Covid-19 crisis and Ukrainian war assessing the potential impact they may have on the Group's people, its activities, operations and financial position. The directors are satisfied that the Group is in a strong financial position to withstand potential future challenges in this context.

Going concern

The Directors, having made appropriate enquiries, have a reasonable expectation that the Group as a whole has adequate resources to continue in operation for the foreseeable future.

Following the sale of the Cold Storage Business, the Group has cash reserves of £4.5m and undrawn facilities of £0.4m.

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS *(CONTINUED)*

2. Summary of significant accounting policies (continued)

Going concern (continued)

The Group also has the ability to raise equity funds through the London Stock Exchange (AIM) market. Taking into account all of the above, the directors consider it appropriate to adopt the going concern basis in preparing the financial statements.

Changes in accounting policies

Some accounting pronouncements which have become effective from 1 January 2021 and have therefore been adopted do not have a significant impact on the Group's financial results or position as follows:

- Amendment to IFRS 16 'Leases' – Covid-19 related rent concessions
- Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 Interest Rate Benchmark Reform – Phase 2
- Scope amendments to IFRS 3, IAS 16, IAS 17 and some annual improvements on IFRS 1, IFRS 9, IAS 41 and IFRS 16

Standards, amendments and interpretations to existing standards that are not yet effective and have not been adopted early by the Group

- IFRS 17 Insurance Contracts
- Covid-19-Related Rent Concessions beyond 30 June 2021 (Amendment to IFRS 16)
- Amendments to IFRS 17 and IFRS 4, 'Insurance contracts' deferral of IFRS 9
- Amendments to IAS 1, Presentation of financial statements on classification of liabilities
- Property, Plant and Equipment — Proceeds before Intended Use (Amendments to IAS 16)
- Amendments to IFRS 17 Insurance Contracts (Amendments to IFRS 17 and IFRS 4)
- References to the Conceptual Framework
- Proceeds before Intended Use (Amendments to IAS 16)
- Onerous Contracts – Cost of Fulfilling a Contract (Amendments to IAS 37)
- Annual Improvements to IFRS Standards 2018-2020 Cycle (Amendments to IFRS 1, IFRS 9, IFRS 16, IAS 41)
- Classification of Liabilities as Current or Non-current (Amendments to IAS 1)
- Disclosure of Accounting Policies (Amendments to IAS 1 and IFRS Practice Statement 2)
- Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12)
- Initial Application of IFRS 17 and IFRS 9 — Comparative Information (Amendment to IFRS 17)
- Definition of Accounting Estimates (Amendments to IAS 8)

The directors do not consider that Standards, amendments and interpretations to existing standards that are not yet effective and have not been adopted early, will have a significant impact upon the Group.

2. Summary of significant accounting policies (continued)

Basis of consolidation

The Group's Consolidated Financial Statements include the results of Roebuck Food Group plc and its subsidiary undertakings for that period. As of 31 December 2021, all subsidiary undertakings have a reporting date of 31 December.

Subsidiaries are all entities over which the Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases. Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated but considered an impairment indicator of the asset transferred. The results of entities reporting in other than the Group's presentation currency are consolidated using the closing rate method where assets and liabilities are translated at the rate of exchange at the date of the Statement of Financial Position and items of income and expense are translated at date of the transaction. Foreign exchange differences are recognised in other comprehensive income.

The accounting policies of the subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group. Where necessary, consolidation adjustments have been made to ensure that the Group accounts apply consistent accounting policies.

Business combinations and goodwill

The purchase method of accounting is used to account for the acquisition of subsidiaries by the Group.

Goodwill represents the excess of the fair value of the purchase consideration for the subsidiary undertakings over the fair value of the identifiable assets, including any intangible assets identified, and liabilities of a subsidiary at the date of acquisition. Contingent consideration is recognised at its fair value at the acquisition date. It is both classified and subsequently measured in accordance with the Group's accounting policy for financial instruments. Transactions costs that are directly attributable to the business combination are expensed as incurred and included within administrative expenses.

Goodwill arising on acquisitions is capitalised and subject to impairment review at least annually, but also when there are indications that the carrying value may not be recoverable. Any impairment is recognised immediately in the Consolidated Statement of Comprehensive Income and is not subsequently reversed. Goodwill on the adoption of IFRS on 1 January 2006 was capitalised and amortised over its useful economic life, which was presumed to be 20 years. The Group has elected not to apply IFRS 3 "Business combinations" (as updated by IFRS 3(R)) retrospectively to business combinations that took place before 1 January 2006 and, as a result, all goodwill arising from prior business combinations has been frozen at this date. Any goodwill remaining on the consolidated statement of financial position at transition is no longer being amortised but is subject to impairment review.

2. Summary of significant accounting policies (continued)

Property, plant and equipment

Property, plant and equipment is stated at historical cost less accumulated depreciation and any impairment in value. Historical cost includes all expenditure that is directly attributable to the acquisition of the assets. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when the costs provide enhancement, it is probable that future economic benefits associated from the item will flow to the Group and the cost of the enhancement can be measured reliably. The asset's residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. Each asset's carrying amount is written down immediately to its recoverable amount if the assets carrying amount is greater than the estimated recoverable amount. All other repair and maintenance costs are charged to the statement of comprehensive income during the financial period in which they are incurred.

With the exception of freehold land, depreciation is provided to write off the cost less the estimated residual value of property, plant and equipment by equal annual instalments over their estimated useful economic lives (or lease terms if shorter) which are as follows:

Freehold property	50-55 years
Plant and machinery (plant and equipment category)	10 years
Fixtures and fittings (plant and equipment category)	10 years
Equipment (plant and equipment category)	5-20 years

Freehold land is not depreciated. Gains or losses arising on disposal of property, plant and equipment are recognised in the statement of comprehensive income.

Impairment charges

An impairment loss is recognised for the amount by which the asset's or cash-generating unit's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of fair value, reflecting market conditions less costs to sell, and value in use based on an internal discounted cash flow evaluation. Impairment losses recognised for cash-generating units, to which goodwill has been allocated, are credited initially to the carrying amount of goodwill. Any remaining impairment loss is charged pro rata to the other assets in the cash generating unit. With the exception of goodwill, all assets are subsequently reassessed for indications that an impairment loss previously recognised may no longer exist.

Impairment reviews of goodwill are carried out annually and any impairment recognised is recorded in the Consolidated Statement of Comprehensive Income.

2. Summary of significant accounting policies (continued)

Revenue recognition

Revenue is only recognised when certain criteria are met.

Firstly, a contract must exist. A contract exists when: it has been approved and the parties are committed to performing their respective obligations; each party's rights can be identified; payment terms can be identified; the contact has commercial substance; and it is probable that consideration will be collected in respect of goods and services transferred to the customer.

Secondly, the Group must be able to identify the performance obligations within the contract. A performance obligation is a promise to transfer either a distinct good or service or a series of distinct goods or services. At contract inception, the Group assesses the goods or services promised to a customer and identifies each promise to transfer as either: a good or service that is distinct; or a series of distinct goods and services that are substantially the same and have the same pattern of delivery to the customer.

Thirdly, it is necessary to determine the transaction price. This involves an assessment of whether or not the revenue might be variable, contain a significant financing component, include non-cash consideration or involve payments back to the customer.

Fourthly, it is necessary to allocate the transaction price. The transaction price is allocated to each separate performance obligation based on their relative standalone selling prices. Discounts are typically allocated to all performance obligations in an arrangement based on their relative standalone selling prices i.e. so that discount is allocated proportionately across all performance obligations.

Revenue is then recognised when or as performance obligations are satisfied by transferring control of the promised goods or services to the customer.

Revenue, which arises principally from the sale of goods, represents net sales to customers outside the Group, and excludes discounts and Value Added Tax.

Revenue from the sale of goods in the product sourcing business is recognised on an invoice basis which coincides with dispatch of goods and is the point when the customer obtains control over the goods.

Revenue from all other activities is recognised in the periods in which the services are provided.

2. Summary of significant accounting policies (continued)

Financial assets/liabilities

The Group classifies its financial assets/liabilities into the following categories: amortised cost; fair value through the statement of comprehensive income; or fair value through profit or loss (FVTPL). The classification depends on the purpose for which the financial assets/liabilities were acquired. Management determines the classification of its financial assets/liabilities at initial recognition.

Currently, the Group only has financial assets held at amortised cost. Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVTPL):

- they are held within a business model whose objective is to hold the financial assets and collect; and
- its contractual cash flows, and the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. A financial asset is only derecognised if substantially all of the risks and rewards of ownership have been transferred outside the Group.

The Group makes use of a simplified approach in accounting for trade and other receivables and records the loss allowance as lifetime expected credit losses. These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial instrument. In calculating, the Group uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses using a provision matrix.

The Group assess impairment of trade receivables on a collective basis as they possess shared credit risk characteristics they have been grouped based on the days past due.

The Group's financial liabilities include borrowings and trade and other payables. Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the Group designated a financial liability at fair value through profit or loss. Subsequently, financial liabilities are measured at amortised cost using the effective interest method. The Group currently does not have any financial liabilities carried at FVTPL. All interest-related charges are included within finance costs or finance income. Financial liabilities are only derecognised once they are extinguished.

The Group offsets financial assets and financial liabilities when, and only when, the Group currently has a legally enforceable right of set-off and intends either to settle on a net basis or to realise the financial assets and settle the financial liabilities simultaneously.

2. Summary of significant accounting policies (continued)

Taxation

Current tax is the tax currently payable based on taxable profit for the year.

Deferred income taxes are calculated using the liability method on temporary differences. Deferred tax is generally provided on the difference between the carrying amounts of assets and liabilities and their tax bases. However, deferred tax is not provided on the initial recognition of goodwill, nor on the initial recognition of an asset or liability unless the related transaction is a business combination or affects tax or accounting profit. Deferred tax on temporary differences associated with shares in subsidiaries is not provided if reversal of these temporary differences can be controlled by the Group and it is probable that reversal will not occur in the foreseeable future. In addition, tax losses available to be carried forward as well as other income tax credits to the Group are assessed for recognition as deferred tax assets.

Deferred tax liabilities are provided in full, with no discounting. Deferred tax assets are recognised to the extent that it is probable that the underlying deductible temporary differences will be able to be offset against future taxable income. Current and deferred tax assets and liabilities are calculated at tax rates that are expected to apply to their respective period of realisation, provided they are enacted or substantively enacted at the Statement of Financial Position date.

The Group has applied the dual recovery method of deferred tax, where deemed appropriate, with regard to properties which are expected to be disposed of in the near future. This allows the Group to calculate the basis of recovery of the depreciable amount through use, followed by the recovery of the residual value through disposal. Changes in deferred tax assets or liabilities are recognised as a component of tax expense in profit or loss, except where they relate to items that are charged or credited directly to other comprehensive income in which case the related deferred tax is also charged or credited directly to other comprehensive income.

Discontinued operations

Where a component of the Group is classified as a discontinued operation, that component is stated at the lower of carrying amount and fair value less cost to sell. The post-tax profit or loss or the component, together with any post-tax gain or loss in relation to re-measuring the carrying amount of the component, are recognised is a single line item in the Statement of Comprehensive Income. Assets and liabilities relating to the component are presented separately in the Statement of Financial Position.

Non-current assets classified as held for sale are presented separately and measured at the lower of their carrying amounts immediately prior to their classification as held for sale and their fair value less costs to sell. However, some held for sale assets such as financial assets or deferred tax assets, continue to be measured in accordance with the Group's relevant accounting policy for those assets. Once classified as held for sale, the assets are not subject to depreciation or amortisation.

2. Summary of significant accounting policies (continued)

Foreign currencies

Transactions in foreign currencies by individual entities are recorded using the rate of exchange ruling at the date of the transaction. The gains or losses on translation are included in the statement of comprehensive income. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the Statement of Financial Position date and the gains or losses on translation are included in other comprehensive income.

Non-monetary items measured at historical cost are translated using the exchange rates at the date of the transaction (not retranslated). Non-monetary items measured at fair value are translated using the exchange rates at the date when fair value was determined. The gains or losses on translation are included in the other comprehensive income.

Leased assets

The Group enters into contracts as a lessee in respect of property and equipment leases. Property leases are typically negotiated for periods of up to 30 years and equipment leases for periods up to 6 years. The Group does not enter into sale and leaseback arrangements. All the leases are negotiated on an individual basis and contain a wide variety of different terms and conditions such as purchase options and escalation clauses.

The Group assesses whether a contract is or contains a lease at inception of the contract. A lease conveys the right to direct the use and obtain substantially all of the economic benefits of an identified asset for a period of time in exchange for consideration.

At lease commencement date, the Group recognises a right-of-use asset and a lease liability in its consolidated statement of financial position. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Group, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any
lease payments made in advance of the lease commencement date (net of any incentives received). The Group depreciates the right-of-use asset on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Group also assesses the right-of-use asset for impairment when such indicators exist.

At the commencement date, the Group measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the Group's incremental borrowing rate because as the lease contracts are negotiated with third parties it is not possible to determine the interest rate that is implicit in the lease. The incremental borrowing rate is the estimated rate that the Group would have to pay to borrow the same amount over a similar term, and with similar security to obtain an asset of equivalent value. This rate is adjusted should the lessee entity have a different risk profile to that of the Group.

Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed), variable payments based on an index or rate, amounts expected to be payable under a residual value guarantee and payments arising from options reasonably certain to be exercised.

2. Summary of significant accounting policies (continued)

Leased assets (continued)

Subsequent to initial measurement, the liability will be reduced by lease payments that are allocated between repayments of principal and finance costs. The finance cost is the amount that produces a constant periodic rate of interest on the remaining balance of the lease liability.

The lease liability is reassessed when there is a change in the lease payments. Changes in lease payments arising from a change in the lease term or a change in the assessment of an option to purchase a leased asset. The revised lease payments are discounted using the Group's incremental borrowing rate at the date of reassessment when the rate implicit in the lease cannot be readily determined. The amount of the re-measurement of the lease liability is reflected as an adjustment to the carrying amount of the right-of-use asset. The exception being when the carrying amount of the right-of-use asset has been reduced to zero then any excess is recognised in profit or loss.

Payments under leases can also change when there is either a change in the amounts expected to be paid under residual value guarantees or when future payments change through an index or a rate used to determine those payments, including changes in market rental rates following a market rent review. The lease liability is re-measured only when the adjustment to lease payments takes effect and the revised contractual payments for the remainder of the lease term are discounted using an unchanged discount rate. Except for where the change in lease payments results from a change in floating interest rates, in which case the discount rate is amended to reflect the change in interest rates.

Right-of-use assets are presented within property, plant and equipment. Lease liabilities are presented within borrowings.

The Group has elected to account for short-term leases and leases of low-value assets using the practical expedients. These leases relate to items of office equipment such as desks, chairs, and certain IT equipment. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in profit or loss on a straight-line basis over the lease term.

Pension costs

The costs of providing defined contribution pensions are charged to administrative expenses as they fall due. The scheme funds are administered by trustees and are independent of the Group's finances. Differences between the amounts charged to the profit or loss and payments made to the pension scheme are treated as prepayments or accruals, as necessary.

Dividends

Distributions to equity holders are not recognised in the Statement of Comprehensive Income, but are disclosed as a component of the movement in shareholders' equity. Dividends unpaid at the consolidated statement of financial position date are only recognised as a liability at that date to the extent that they are appropriately authorised and no longer at the discretion of the Company. Unpaid dividends that do not meet these criteria are disclosed in the notes to the financial statements. Dividends are paid in Euros.

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS *(CONTINUED)*

2. Summary of significant accounting policies (continued)

Net cash and cash equivalents

Net cash and cash equivalents in the Consolidated Statement of Financial Position and Consolidated Cash Flow Statement comprise of cash at bank and in hand and short-term deposits which are readily convertible to a known amount of cash and are subject to insignificant risk of changes in value.

For the purpose of the Consolidated Cash Flow Statement, cash and cash equivalents include bank overdrafts repayable on demand where one exists. Since the characteristics of such banking arrangements are that the bank balance could fluctuate from being positive to overdrawn at a given point in time, they are considered an integral part of the Group's cash management.

Inventories

Inventories are valued at the lower of cost and net realisable value. Cost includes all expenditure incurred in the normal course of business in bringing the products to their present location and condition. Costs of ordinarily interchangeable items are assigned using the first in, first out cost formula. Net realisable value is the estimated selling price in the ordinary course of business less any applicable selling expenses.

Equity

Share capital represents the nominal value of shares that have been issued. Share Premium includes any premiums received on issue of share capital. Equity instruments are recognised at the amount of proceeds received net of costs directly attributable to the transaction.

Retained earnings include all current and prior period retained profits. All transactions with owners of the parent are recorded separately with equity.

Joint share ownership plan (JSOP)

The JSOP is a trust-based arrangement established to hold shares in the Company that may vest, dependent on certain vesting conditions, to employees of the Group. The JSOP was established for the benefit of the Group through the remuneration of key employees. Furthermore, the Group funds the JSOP and is exposed to both upside and downside risk associated with holding the shares. Accordingly, Management consider that the Group exercises control over the JSOP, which was up to the time of vesting included in these consolidated financial statements.

Research and development

Expenditure on the research phase of projects is recognised as an expense as incurred. Costs that are directly attributable to a project's development phase are recognised as intangible assets, provided they meet all of the following recognition requirements: the development costs can be measured reliably; the project is technically and commercially feasible; the Group intends to and has sufficient resources to complete the project; the Group has the ability to use or sell the intangible asset; and the intangible asset will generate probable future economic benefits.

Development costs not meeting these criteria for capitalisation are expensed as incurred.

2. Summary of significant accounting policies (continued)

Biological assets

Biological assets are measured on initial recognition and at each subsequent reporting date at fair value less estimated point of sale costs. Agricultural produce which is harvested from biological assets is measured at its fair value less estimated point of sale costs at the point of harvest. Movements in fair value less estimated point of sale cost are recognised in the Consolidated Statement of Comprehensive Income.

Intangible assets

The Group recognises internally generated intangible assets to the extent that they are both identifiable and can be measured reliably. Recognition only occurs when the Group is satisfied that the project is feasible such that the asset will be available for use or sale; that the Group has the intention to complete the intangible asset and either use or sell it; that the Group has the ability to either use or sell the intangible asset; that it is probable that the intangible asset will generate future economic benefits; and that the Group has available sufficient resources to complete the development of the intangible asset.

Intangible assets are written off in equal annual instalments over their useful economic life when the product is fully developed and ready for market, which is expected to be 5 years. Amortisation is included within administrative expenses.

Provisions

Provisions for legal disputes or other claims are recognised when the Group has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of economic resources will be required from the Group and amounts can be estimated reliably. The timing or amount of the outflow may still be uncertain.

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. Provisions are discounted to their present values, where the time value of money is material.

Any reimbursement that the Group is virtually certain to collect from a third party with respect to the obligation is recognised as a separate asset. However, this asset may not exceed the amount of the related provision.

No liability is recognised if an outflow of economic resources as a result of present obligations is not probable. Such situations are disclosed as contingent liabilities unless the outflow of resources is remote.

3. Financial risk management

Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including currency risk, fair value interest rate risk and cash flow interest rate risk), credit risk, contingent consideration and liquidity risk. The Group's overall risk management programme seeks to minimise potential adverse effects on the Group's financial performance. The Group uses certain derivative instruments to minimise certain risk exposures.

a) Market risk

i) Foreign exchange risk

The Group has exposure to foreign exchange risk in respect of its commodity trading business. It mitigates this risk by mainly purchasing euros at a fixed rate forward and using this rate in establishing a selling price for its goods in order to both maintain an acceptable margin and the ensure the Group has sufficient balances of the appropriate currencies.

ii) Fair value and cash flow interest rate risk

As the Group has no significant interest-bearing assets, the Group's income and operating cash flows are substantially independent of changes to market interest rates.

The Group's interest rate risk arises from long term borrowings. Borrowings issued at variable rates expose the Group to cash flow interest rate risk. Borrowings issued at fixed rates expose the Group to fair value interest rate risk.

At 31 December 2021, if interest rates had been 1% higher with all other variables held constant, post tax profit for the year would have been £15,000 lower, mainly as a result of higher interest expenses on floating rate borrowings.

At 31 December 2020, if interest rates had been 1% higher with all other variables held constant, post tax profit for the year would have been £40,000 lower, mainly as a result of higher interest expenses on floating rate borrowings.

b) Credit risk

Credit risk is managed on a Group basis. Credit risk arises from cash and cash equivalents, derivative financial instruments and deposits with banks, as well as credit exposure to customers, including outstanding receivables and committed transactions.

3. Financial risk management (continued)

Financial risk factors (continued)

b) Credit risk (continued)

The Group performs appropriate customer due diligence and monitors the exposure to credit risk. The credit risk (see note 14) in relation to trade receivables is also reduced because, in most cases, the Group has physical custody of the customer's inventory. While this does not legally constitute collateral in respect of trade receivables, it does provide the Group with a degree of leverage over customers with overdue receivables balances.

c) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and cash equivalents, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. The Group aims to maintain flexibility in funding by keeping committed credit lines available.

The Group aims to ensure that a significant portion of its borrowings should mature in more than one year.

The table below analyses the Group's financial liabilities which will be settled on a net basis into relevant maturity groupings based on the remaining period at the Consolidated Statement of Financial Position to the contractual maturity period. The amounts disclosed in the table below are the contractual undiscounted cash flows.

At 31 December 2021:

	Within 1 year £'000	**1 to 2 years £'000**	**2 to 5 years £'000**	**Greater than 5 years £'000**	**Total £'000**
Trade payables	4,448	-	-	-	4,448
Invoice finance	2,097	-	-	-	2,097
Lease liabilities	125	67	214	512	918
Term loan interest	5	3	2	-	10
Bank loans	129	-	-	-	129
	6,804	70	216	512	7,602

At 31 December 2020:

	Within 1 year £'000	**1 to 2 years £'000**	**2 to 5 years £'000**	**Greater than 5 years £'000**	**Total £'000**
Trade payables	4,220	-	-	-	4,220
Invoice finance	3,336	-	-	-	3,336
Lease liabilities	992	929	2,124	1,168	5,213
Term loan interest	32	27	26	-	85
Bank loans	414	414	879	-	1,707
	8,994	1,370	3,029	1,168	14,561

3. Financial risk management (continued)

Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, to return capital to shareholders, issue new shares or sell assets to reduce debt.

The Group monitors capital on the basis of the gearing ratio, calculated as net borrowings (cash less total borrowings) divided by shareholders equity (excluding goodwill). The Group has shareholders' funds of £6.7m down from £18.9m last year. In 2021, following the sale of the Cold Stores and the return of Capital to Shareholders, the Group is now net cash positive.

Management assesses the Group's capital requirements in order to maintain an efficient overall financing structure while avoiding excessive gearing. The Group manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

The gearing ratios at 31 December 2021 and 2020 were as follows:

	2021	2020
	£'000	£'000
Total borrowings	**3,145**	10,255
Less cash and cash equivalents	**(4,543)**	(1,550)
Net (cash) /borrowings	**(1,398)**	8,705
Net assets	**6,779**	18,852
Less goodwill	**(2,338)**	(2,338)
Capital employed	**4,441**	16,514
Gearing ratio	**(31)%**	53%

Fair value estimation

The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair values due to the short-term nature of trade receivables and payables.

Biological assets comprise of a herd of heifers, that are used for milk production, and bulls to impregnate the heifers. They are valued at fair value less cost to sell.

The Group's biological assets are measured at fair value less cost to sell at each balance sheet date. Biological assets include dairy herd, both mature and immature. The fair value measurements are categorized under Level 3 in the fair value hierarchy, as defined by IFRS 13. The fair value of the livestock is based on the valuation from the independent valuator, Grasstec. Livestock is measured at their fair value less estimated point-of-sale costs. The valuer used the market prices of livestock of similar age, breed and genetic merit, and the market situation in the dairy sector.

4 Significant management judgment in applying accounting policies and estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances.

The Group 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 significant risk of carrying a material adjustment to the carrying amounts of assets and liabilities within the next financial year are in relation to the impairment review of goodwill.

The Group tests annually whether goodwill has suffered any impairment, in accordance with the accounting policy set out in Note 2. Further details are set out in Note 11.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method. The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Amortisation is charged so as to allocate the cost of other intangible assets over their estimated useful economic lives, using the straight-line method. The estimated useful economic life has been estimated as 5 years. Amortisation commences when the intangible asset is available for use.

The Group has made a critical judgement and applied the dual recovery method with regard to deferred tax in respect of its property portfolio. This could materially impact on future results if this fails to materialise. It is expected to sell one of its freehold properties within the next year, which if this does not materialise then it will have an impact on the deferred tax calculation in future years.

The Group values its biological assets at fair value less estimated point of sale costs.

As noted above, the Group enters into leases and the rate implicit in the relevant lease is not always readily determinable. Therefore, the Group uses its incremental borrowing rate as the discount rate for determining its lease liabilities at the lease commencement date. The incremental borrowing rate is the rate of interest that the Group would have to pay to borrow over similar terms which requires estimations when no observable rates are available.

As described in note 2, estimation is involved is assessing lifetime expected credit losses in respect of trade and other receivables.

Distinguishing the research and development phases of the Group's major dairy project (see note 11) and determining whether the recognition requirements for the capitalisation of development costs are met requires judgement. After capitalisation, management monitors whether the recognition requirements continue to be met and whether there are any indicators that capitalised costs may be impaired.

5 Segmental information

The operating segments of the Group are monitored and strategic decisions are made on the basis of segment operating results. The Group operates principally in the United Kingdom. Since the year ended 31 December 2014, the Group also has operations in the Republic of Ireland. These operations generated revenues of £3.3m (2020: £3.4m) with fixed assets of £3.4m (2020: £5.2m). During 2016, the Group commenced a dairy farm in the Republic of Ireland and during 2018 it established Grass to Milk which is developing A2 protein products.

Segment information can be analysed as follows for the reporting periods under review:

- Product Sourcing business: Commodity trading (meat, fish and dairy)
- Temperature-controlled: Operation of temperature-controlled storage centres (a component of discontinued operations, but meeting the definition of an operating segment)
- Dairy farming: Dairy business developing an A2-protein milk supply with novel dairy processing IP
- Unallocated: Head office management related costs

A description of both the performance obligations and revenue recognition accounting policies associated with the above segments is included in note 2.

During 2021, £2.1m or 9% (2020: £3.6m or 19%) of the Group's revenues from continued operations depended on a single customer in the Sourcing segment.

The segment results from continuing operations for the year ended 31 December 2021 are:

	Dairy Farming £'000	Product Sourcing £'000	Temperature Controlled £'000	Unallocated £'000	Total £'000
Total segment revenue	1,176	23,276	-	-	24,452
Revenue	**1,176**	**23,276**	**-**	**-**	**24,452**
Operating (loss)/ profit	(2,368)	260	-	(502)	(2,610)
Finance cost – Interest paid	(30)	(32)	-	-	(62)
(Loss)/ profit before income tax	**(2,398)**	228	-	(502)	(2,672)
Income tax – corporation tax	44	(21)	-	(18)	5
Income tax – deferred tax	33	-	-	-	33
(Loss)/ profit for the year	**(2,321)**	**207**	**-**	**(520)**	**(2,634)**

5 Segmental information (continued)

Other segment items:

	Dairy Farming £'000	Product Sourcing £'000	Temperature Controlled £'000	Unallocated £'000	Total £'000
Depreciation	1,043	65	-	-	**1,108**

The segment results for the year ended 31 December 2020 are:

	Dairy Farming £'000	Product Sourcing £'000	Temperature Controlled £'000	Unallocated £'000	Total £'000
Total segment revenue	1,031	17,725	-	-	18,756
Revenue	**1,031**	**17,725**	**-**	**-**	**18,756**
Operating (loss)/ profit	(113)	259	-	(865)	(719)
Finance cost – Interest paid	(33)	(28)	-	-	(61)
(Loss)/ profit before income tax	**(146)**	231	-	(865)	(780)
Income tax – corporation tax	46	(32)	-	(48)	(34)
Income tax – deferred tax	(28)	-	-	-	(28)
(Loss)/ profit for the year	**(128)**	**199**	**-**	**(913)**	**(842)**

Other segment items:

	Dairy Farming £'000	Product Sourcing £'000	Temperature Controlled £'000	Unallocated £'000	Total £'000
Depreciation	171	60	-	-	**231**

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS
(CONTINUED)

5 Segmental information (continued)

Segment assets in respect of the trading business, consists primarily of property, plant and equipment, goodwill, refrigerant gas, trade and other receivables. Unallocated assets comprise financial assets at fair value through the consolidated statement of comprehensive income.

Segment liabilities consist primarily of trade and other payables. Unallocated liabilities comprise of current tax liabilities.

Capital expenditure comprises additions to property, plant and equipment.

The segment assets and liabilities at 31 December 2021 and the capital expenditure for the year then ended are as follows:

	Dairy Farming £'000	Product Sourcing £'000	Temperature Controlled £'000	Unallocated £'000	Total £'000
Assets	3,674	6,500	-	4,254	14,428
Liabilities	1,198	4,431	-	1,999	7,628
Capital expenditure (Note 12)	81	-	-	-	81

The segment assets and liabilities at 31 December 2020 and the capital expenditure for the year then ended are as follows:

	Dairy Farming £'000	Product Sourcing £'000	Temperature Controlled £'000	Unallocated £'000	Total £'000
Assets	5,232	6,689	24,793	76	36,790
Liabilities	1,353	3,941	12,644	-	17,938
Capital expenditure (Note 12)	136	-	1,605	-	1,741

6 Staff costs

The average number of persons employed by the Group from continuing and discontinuing activities including executive directors is analysed into the following categories:

	2021	2020
Management	**18**	18
Administration	**21**	24
Technical	**10**	13
Operational	**100**	116
	149	171

The aggregate payroll costs of these persons were as follows:

	2021	2020
	£'000	£'000
Wages and salaries	**5,094**	4,959
Social security costs	**447**	444
Other pension costs	**109**	145
	5,650	5,548

There is an accrual for £2,000 (2020: £25,000) included above for pension costs at 31 December 2021.

The group capitalised employee costs of £198,000 (2020: £211,000) relating to the Grass to Milk business (2020: Grass to Milk business) as an intangible asset.

Key management personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity.

The Group is of the opinion that there are no other key management personnel other than the executive and non-executive directors. Details of directors' remuneration are set out in note 25.

7 Financial expenses

	2021 £'000	2020 £'000
Interest expense on bank overdrafts and loans	**(26)**	(30)
Interest expense on leases	**(36)**	(32)
Finance costs	**(62)**	(62)
Net finance costs	**(62)**	(62)

8 Profit before tax and impairment

The following items have been charged/(credited) to the Consolidated Statement of Comprehensive Income in arriving at profit before tax and impairment:

	2021 £'000	2020 £'000
Depreciation of property, plant and equipment (Cost of Sales)	**1,699**	1,789
Staff costs (Note 6)	**5,650**	5,548
Foreign exchange (gain)/loss	**(12)**	13
Auditor's remuneration - audit services	**50**	60
- non audit services	**89**	81

During the year the auditor's fee for subsidiaries recognized in the consolidated statement of comprehensive income is £31k (2020: £38k).

9 Income taxes

(a) Analysis of charge in year	2021 £'000	2020 £'000
UK		
Corporation tax at 19.00% (2020: 19.00%)	**20**	(21)
Adjustment in respect of previous periods	**1**	-
Ireland		
Corporation tax at 12.5% (2020: 12.5%)	**(31)**	(22)
Adjustment in respect of previous periods	**15**	9
Current tax charge	**5**	(34)
Deferred tax charge (Note 20)	**33**	(28)

(b) Factors affecting tax charge for year	2021 £'000	2020 £'000
Loss on ordinary activities before taxation	**(2,672)**	(789)
Loss on ordinary activities multiplied by standard UK tax rate 19.00% (2020: 19.00%)	**(508)**	(150)
Effects of:		
Other expenses not deductible for tax purposes	**11**	7
Adjustment for tax effect of discontinued operations	**269**	114
Adjustment in respect tax payable on Irish Income (12.5%)	**(23)**	(19)
Adjustments in respect of previous periods	**(16)**	9
Adjustments in respect of Impairment of Intangible	**310**	-
Adjustments in respect of Research & Development	**(5)**	(23)
Total tax charge for year/ continued operations	**38**	(62)

In 2009, the Group applied the dual recovery method in respect of one of its main assets which triggered a tax credit. The charge in 2020 related to the temporary difference between the carrying value of the asset in the consolidated statement of financial position and its tax base. The dual recovery method no longer applies as the disposal of the asset has now been concluded.

10 Earnings per share

Basic earnings per share figures are calculated by dividing the weighted average number of Ordinary Shares in issue during the period into the profit after taxation attributable to the owners of the parent for the year.

	2021	2020
Loss attributable to owners of parent – continuing (£'000)	**(2,634)**	(851)
Profit attributable to owners of parent – discontinuing (£'000)	**40,701**	2,288
	38,067	1,437
Weighted average number of ordinary shares outstanding	**30,070,378**	30,070,378
Basic loss per share – continuing operations	**(8.8)p**	(2.8)p
Basic loss per share – discontinuing operations	**135.4p**	7.6p
Basic earnings per share	**126.6p**	4.8p

The share options issued under the Company's share option schemes were exercised during 2018 and none were outstanding at either 31 December 2021 or 31 December 2020. Accordingly, there are no dilutive instruments in issue.

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS
(CONTINUED)

11 Goodwill and intangible assets

The net book value of goodwill at 31 December 2021 was £2,338,000 (31 December 2020: £2,338,000) and relates to the Product Sourcing Commodity Trading business segment. The goodwill arose on the acquisition of Townview Foods Limited in 2012 and this is the cash generating unit (CGU) to which the goodwill has been allocated.

The recoverable amount of the CGU is based upon value in use. The key assumption in determining value in use is the underlying profitability of the acquired business which depends upon a number of factors including prices and volumes negotiated with both key suppliers and customers. The business has an established trading history, which together with input from both the board and existing management team of Townview Foods Limited, is forecast to generate net cash flows for each of the next ten years. A discount rate of 6.49% has been used in the forecast analysis.

Other intangible assets

During 2018 work commenced on a major dairy project which included DNA testing and IP licencing costs. During the year the costs of £986,000 (2020: £705,000) were capitalised an amount previously capitalised which related the development of certain B2C A2 milk product, which is no longer being developed by the entity, was impaired to the value of £1,519,000 (2020: £Nil).

	2021	2020
	£'000	£'000
At 1 January	**1,269**	564
Additions	**986**	705
Impairment	**(1,519)**	**-**
Foreign exchange loss	**(71)**	-
At 31 December	**665**	1,269

12 Property, plant and equipment

The company has carried out impairment reviews on a number of its properties. In carrying out the review an annual discount factor of 6.49% was applied to future cash flows and best estimates were used for realisable values at the end of the period. It was concluded that asset impairments totalling £862,000 in 2021 (2020: £Nil) were required.

12 Property, plant and equipment (continued)

	Freehold Land £'000	Buildings £'000	Plant and Equipment £'000	Total £'000
Cost				
At 1 January 2021	3,544	20,642	17,529	41,715
Additions	-	55	1,785	1,840
Disposals	(3,544)	(17,164)	(18,653)	(39,361)
Foreign exchange	-	(210)	(42)	(252)
At 31 December 2021	-	3,323	619	3,942
Depreciation				
At 1 January 2021	-	8,904	9,913	18,817
Disposals	-	(8,478)	(10,901)	(19,379)
Charge for year	-	580	1,119	1,699
Impairment charge	-	626	236	862
Foreign exchange	-	(59)	(12)	(71)
At 31 December 2021	-	1,573	355	1,928
Net book value				
31 December 2021	**-**	**1,750**	**264**	**2,014**

	Freehold Land £'000	Buildings £'000	Plant and Equipment £'000	Total £'000
Cost				
At 1 January 2020	3,544	20,337	15,893	39,774
Additions	-	140	1,601	1,741
Foreign exchange	-	165	35	200
At 31 December 2020	3,544	20,642	17,529	41,715
Depreciation				
At 1 January 2020	-	8,230	8,767	16,997
Charge for year	-	647	1,142	1,789
Foreign exchange	-	27	4	31
At 31 December 2020	-	8,904	9,913	18,817
Net book value				
31 December 2020	**3,544**	**11,738**	**7,616**	**22,898**

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS
(CONTINUED)

12 Property, plant and equipment (continued)

Property, plant and equipment comprise both owned assets and leased assets as follows:

	2021	2020
	£'000	£'000
Owned property, plant and equipment	**1,059**	19,114
Right of use assets	**955**	3,784
At 31 December	**2,014**	22,898

The Group leased assets such as buildings, plant and vehicles. Information in respect of right-of-use assets where the Group is lessee is presented below:

31 December 2021	**Buildings**	**Plant & equipment**	**Total**
Depreciation charge for the year	**314**	**329**	**643**
Net book value	**955**	**-**	**955**
Additions	**-**	**41**	**41**

31 December 2020	Buildings	Plant & equipment	Total
Depreciation charge for the year	267	377	644
Net book value	2,398	1,386	3,784
Additions	-	256	256

Lease liabilities are secured on the underlying assets.

13 Biological Assets

During 2016 the Group acquired a dairy herd. The fair value less point of sale costs of the herd at the reporting date was £762,000 (2020: £770,000) resulting in a movement in fair value of £161,000 (2020: £182,000) which has been recognised in the Consolidated Statement of Comprehensive Income.

	2021	2020
	£'000	£'000
At 1 January	**770**	824
Foreign exchange	**(51)**	45
Additions	**9**	65
Disposals	**(127)**	(346)
Movement in fair value less estimated point of sale costs	**161**	182
At 31 December	**762**	770

14 Trade and other receivables

	2021	2020
	£'000	£'000
Trade receivables	**3,736**	6,340
Less: allowance for credit losses	**(13)**	(5)
Trade receivables - net	**3,723**	6,335
Other receivables	**57**	456
Corporation tax	**59**	-
Value added tax	**46**	-
Prepayments	**103**	1,058
Transfer to disposal group (note 28)	**-**	(323)
	3,988	7,526

All amounts fall due within one year therefore the fair value is considered to be approximately equal to the carrying value. All of the Group's trade and other receivables are denominated in Pounds sterling.

The maximum exposure to credit risk at the reporting date is the fair value of each class of receivables mentioned above. The Group does not hold any collateral as security.

The Group has entered into a confidential invoice discounting facility. This facility is secured on the trade receivables above.

As at 31 December 2021 trade receivables of £13,000 (2020: £5,000) were impaired as a result of credit losses. The other classes within trade and other receivables do not contain impaired assets.

14 Trade and other receivables (continued)

As of 31 December 2021, trade receivables of £2,201,000 (2020: £1,678,000), were past due of which £Nil (2020: £Nil) were impaired. These relate to a number of independent customers for whom there is no recent history of default. The ageing analysis of these receivables is as follows:

	2021	2020
	£'000	£'000
Up to 3 months	**2,018**	1,673
Over 3 months	**183**	5
	2,201	1,678

15 Inventories

	2021	2020
	£'000	£'000
Goods for resale	**97**	182
Stock write down provisions	**-**	(66)
Transfer to disposal group (note 28)	**-**	(58)
	97	58

Goods for resale consist of commodity products purchased by Townview Foods Limited and Foro International Connections Limited for resale. As at 31 December 2021, a stock write down provision was made of £Nil (2020: £66,000). In the opinion of the directors, the replacement cost of the inventories did not differ significantly from the figures shown above. The amount of stock charged through the Statement of Comprehensive Income was £21,542,000 (2020: £17,114,000).

16 Trade and other payables

	2021	2020
	£'000	£'000
Trade payables	**1,856**	4,220
Value added tax	**-**	704
Payroll taxes	**92**	130
Accruals	**2,500**	1,158
Deferred income	**-**	76
Transfer to disposal group (note 28)	**(1,869)**	-
	2,579	6,288

All amounts are short term. The net carrying value of trade payables is considered a reasonable approximation of fair value.

17 Current tax liabilities

	2021 £'000	2020 £'000
Corporation tax - UK	**-**	210
Corporation tax – Ireland	**-**	(59)
	-	151

The above liabilities are all payable within 1 year.

18 Borrowings

	2021 £'000	2020 £'000
Current		
Lease liabilities	**125**	992
Invoice finance	**2,097**	3,336
Term Loans	**129**	413
	2,351	4,741
Non-Current		
Lease liabilities	**794**	4,221
Non-current bank borrowings	**-**	1,293
	794	5,514
Total Borrowings	**3,145**	10,255

The Group arranged the following borrowing facilities with HSBC Bank plc and its subsidiary HSBC Invoice Finance Limited and Finance Ireland Agri.

(a) Finance Ireland Agri agreed a term loan for £0.27m (€0.3m) drawn down in December 2017 for a maximum period of 8 years.

(b) HSBC Invoice Finance Limited agreed to allow the Group to borrow up to an amount equivalent to 90% of trade debtors in respect of Townview Foods Limited debtors, and 90% in respect of Foro International Connections Limited subject to an overall maximum limit of £2.5m (2020: £5m) which is reviewed annually.

18 Borrowings (continued)

Overdraft interest is charged quarterly at an interest rate of bank base rate plus 2.25% (2020: 2.25%). Invoice finance interest is charged on a daily basis at bank base rate plus 1.9% (2020: 1.85%). Term Loan (a) is charged monthly at an interest rate of 3.75% (2020: 3.75%).

The liabilities of Roebuck Food Group plc pursuant to these facilities agreements are secured by:

(1) debentures creating first fixed and floating charges over all the assets, past present and future its subsidiaries;

(2) unlimited multilateral guarantees given by all Group companies each guaranteeing payment of the liabilities of the other; and

The fair value of the Group's financial liabilities as at 31 December 2021 was as follows:

	2021		2020	
	Book Value £'000	**Fair Value £'000**	Book Value £'000	Fair Value £'000
Current bank borrowings	**2,351**	**2,351**	4,741	4,741
Non-current bank borrowings	**794**	**794**	5,514	5,514
	3,145	**3,145**	10,255	10,255

The Group pays interest at the base rate plus a margin of 1.9% to 3.75% which is reviewed quarterly. It is assumed that the Book Value reflects the Fair Value.

The carrying amounts of the Group's borrowings are all denominated in Pounds Sterling.

The un-drawn committed facilities available to the Group are set out below:

	2021 £'000	2020 £'000
Floating rate, expiring within one year:		
Invoice finance	**403**	1,652
Bank overdraft	**-**	400
	403	2,052

Reconciliation of liabilities arising from financing activities:

	31/12/2020 £'000	**CASH FLOWS £'000**	**NON-CASH/DISPOSAL £'000**	**31/12/2021 £'000**
Banks' and other loans	**5,042**	642	(3,457)	**2,227**
Lease liabilities	**5,213**	(774)	(3,521)	**918**
Total liabilities arising from financing activities	**10,255**	(132)	(6,978)	**3,145**

19 Lease liabilities

Lease liabilities can be analysed as follows:

	2021 £'000	2020 £'000
Maturity analysis – contractual undiscounted cash flows:		
Less than one year	**125**	992
One to two years	**67**	929
Two to three years	**69**	904
Three to four years	**70**	721
Four to five years	**75**	499
More than five years	**512**	1,168
Total undiscounted lease liabilities	**918**	5,213
Interest	**73**	-
Total undiscounted lease liabilities	**991**	5,213
Lease liabilities included in the Consolidated Statement of Financial Position		
Current	**125**	992
Non-current	**793**	4,221
	918	5,213
Amounts recognised in profit or loss in relation to lease liabilities		
Interest on lease liabilities	**26**	196
Expenses relating to short-term leases	**12**	223
Expenses relating to low value leases (excluding short term leases)	**-**	-
Amounts recognised Consolidated Statement of Cash Flows In relation to lease liabilities		
Total cash outflow for leases	**38**	419

The Group has property related leases all of 12 years in length with obligations totalling £918,000.

For the financial year-end, the average effective borrowing rate was 2.5%. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments. At 31 December 2021, the Group had no commitments to any future leases. There are no options to extend and no options remaining for early termination.

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS
(CONTINUED)

20 Deferred tax

	2021	2020
	£'000	£'000
Deferred tax liabilities:		
Deferred tax liabilities to be recovered after more than 12 months	**-**	1,224
Deferred tax liabilities to be recovered within 12 months	**35**	20
	35	1,244

Temporary differences all relate to property, plant and equipment. The movement in deferred tax liabilities during the year, without taking into consideration the offsetting of balances within the same tax jurisdiction, is as follows:

Deferred tax liabilities	**Property, plant and equipment**	**Total**
	£'000	**£'000**
At 1 January 2021	1,002	1,002
Foreign exchange	(3)	(3)
Charged to the Consolidated Statement of Comprehensive Income	245	245
At 31 December 2020	1,244	1,244
Eliminated on disposals	(1,176)	(1,176)
Credited to the Consolidated Statement of Comprehensive Income	(33)	(33)
At 31 December 2021	**35**	**35**

The deferred tax liability due after more than one year prior to offsetting is £Nil (2020: £1,244,000).

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS
(CONTINUED)

21 Share Capital and Share Premium

Share Capital

	2021	2020
	£'000	£'000
Authorised		
60,000,000 Ordinary shares of 2.5€c each (2020: 60,000,000 Ordinary shares of 25€c each)	**1,084**	10,836

Allotted, called up and fully paid	**Number**	**£'000**
Ordinary shares of 25€c each		
At 1 January 2020	30,070,378	5,640
Issued during the year	-	-
At 31 December 2020	30,070,378	5,640
Cancelled un-dominated capital	-	(5,076)
At 31 December 2021	**30,070,378**	**564**

No new shares were issued during either 2020 or 2021. All shares are equally eligible to receive dividends and the repayment of capital and represent one vote at a shareholders' meeting.

The par value of the Ordinary Shares was reduced from 25€c to 2.5€c consequential upon the passing of resolutions at the Company's extraordinary general meeting held on 22 November 2021 which: (i) subdivided each Ordinary Share of 25€c into an Ordinary Share of 2.5€c and an Ordinary Share of 2.5€c, (b) converted each Ordinary Share of 22.5€c into a Redeemable Ordinary Share of 22.5€c, and (c) redeemed each Redeemable Ordinary Share of 22.5€c at a redemption price of £1.66.

The reduction in capital is pursuant to the confirmation on 14 December 2021 by the Irish High Court of the reduction of:
- share premium of £7,321,155 (being the entire amount of the share premium account);
- other un-distributable reserves of €33,350 (being the entire amount of the capital conversion reserve fund);
- other un-denominated capital of €6,765,835 (created on the redemption of the Redeemable Ordinary Shares of 22.5€c being the entire amount of other un-denominated capital), and the crediting of those amounts to retained earnings and the crediting of those amounts to retained other distributable reserves to enable the capital redemption.

21 Share Capital and Share Premium (continued)

Share Premium

	2021	2020
	£'000	£'000
At 1 January	**7,321**	7,321
Reduction of share premium	**(7,321)**	-
At 31 December	**-**	7,321

The share premium account was extinguished by Order of the Court made on 14 December 2021, as referred to in the note to the Consolidated Statement of Changes in Equity.

Joint Share Ownership Plan

During 2016 the Group established a Joint Share Ownership Plan (JSOP) following its approval by shareholders at an extraordinary general meeting of the Company held in December 2015. Under this JSOP, employees or directors may be invited to acquire, jointly with a trust, shares in the company. The employee or director benefits from future growth in the share price subject to certain performance criteria being met. There were no transactions connected with the JSOP during either 2020 or 2021. During 2020 the performance criteria were satisfied such that shares held by the JSOP trustee could be acquired by the participant. Subsequent to the satisfaction of the criteria, in 2021 the title to those shares was transferred to the participant.

22 Other reserves

	2021 £'000	2020 £'000
Capital conversion reserve fund	**23**	23
Reduction in capital conversion fund	**(23)**	-
Foreign exchange	**(237)**	118
	(237)	141

During 1999 the company re-denominated the authorised share capital of the company from Irish Punts to Euro in accordance with Section 26 of the European Monetary Union Act 1998. The rounding of share par value by its reduction from IR20p to 25€c resulted in a reduction in aggregate par value of issued shares, which was transferred to the capital conversion reserve fund.

23 Cash and cash equivalents

	2021 £'000	2020 £'000
Cash at bank and on hand	**4,543**	1,550
	4,543	1,550

24 Dividends

	2021 £'000	2020 £'000
Final dividend paid in respect of the previous year of 2.0€ cent (2020: Nil€ cent) per ordinary share	**510**	-

The Board does not recommend the payment of a further dividend.

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS
(CONTINUED)

25 Directors' remuneration

	2021	2020
	£'000	£'000
Aggregate emoluments	**1,102**	533
Company pension contributions	**21**	40
	1,122	573

Directors' remuneration shown above comprises all of the fees, salaries, pensions and other benefits and emoluments paid to Directors. The figure of 2021 includes special transaction bonuses and supplemental remuneration paid in connection with the disposal of the Company's cold storage business and a contractual payment made to a former director.

Directors' remuneration shown above comprises all of the fees, salaries, pensions and other benefits and emoluments paid to Directors.

The basis of the Directors' remuneration and the level of bonuses paid are fixed by the Remuneration Committee of the Board.

26 Pensions

The Group operates a defined contribution scheme. The assets of the scheme are independent of the assets of Roebuck Food Group plc and are invested with assurance companies and are held in trusts for the employees concerned.

Total pension costs for the year were £109,000 (2020: £145,000). There was an accrual for £2,000 (2020: £25,000) included above for pension costs at 31 December 2021.

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS *(CONTINUED)*

27 Group undertakings

Subsidiary undertakings	Holding Direct	Nature of business
Incorporated in Republic of Ireland		
Roebuck Investments Limited	100%	Intermediate holding company
Foro International Connections Ltd	100%	Commodity trading
Cantwellscourt Farm Limited	100%	Dairy Farming
Grass to Milk Company Limited	85% (Note 1)	Dairy
Incorporated in Northern Ireland		
Roebuck NI Holdings Limited (previously Norish (U.K.) plc	100%	Investment company
Townview Foods Limited (subsidiary of Roebuck Investments Limited)	100%	Commodity trading

Note 1: The non-controlling interest in respect of Grass to Milk Company Limited is not material and, accordingly, has not been separately presented.

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS
(CONTINUED)

27 Group undertakings (continued)

(a) *The registered offices of Roebuck Food Group plc and its subsidiary undertakings are set out below:*

Roebuck Food Group plc Roebuck Investments Limited Foro International Connections Limited Cantwellscourt Farm Limited Grass to Milk Company Limited	South Bank House, Barrow Street, Dublin 4, Republic of Ireland
Roebuck NI Holdings Limited (previously Norish (U.K.) plc	Forsyth House, Cromac Square Belfast, BT2 8LA
Townview Foods Limited	7 Carrivekeeney Road Newry, County Down, BT35 7LU

(b) *The issued share capital of the subsidiary undertakings is as follows:*

Roebuck NI Holdings Limited (previously Norish (U.K.) plc	50,000 Ordinary shares of £1 each 10,146,180 A Ordinary shares of £0.0001 each
Townview Foods Limited	100 Ordinary shares of £1 each
Roebuck Investments Limited	95 Ordinary shares of €1 each 5 Preferred ordinary shares of €1 each
Foro International Connections Ltd	1,000 Ordinary shares of £1each 472,120 Preferred shares of £1 each
Cantwellscourt Farm Limited	100,000 Ordinary shares of €1 each
Grass to Milk Company Limited	100 Ordinary shares of €1 each

28 Discontinued operations and assets classified as held for sale

On 28 October 2021 Roebuck Food Group plc completed the sale of its cold storage business to Nichirei Holding Holland B.V, a wholly owned subsidiary of Nichirei Logistics Group Inc. for a net consideration (excluding subsidiary loan settlement) of £47.08 million. Both Norish (N.I.) Limited and Norish Limited, subsidiary undertakings of the Group and comprising the cold storage business, were disposed of on this date (the comparative operations have been re-presented to this extent).

During 2020, the group decided to discontinue the ambient warehousing in Ireland (some costs for which continue to be incurred in 2021).

Financial information in respect of this component of the Group is summarised below:

	2021 £'000	2020 £'000 Re-presented	2020 £'000 Originally stated
Revenue	**13,230**	15,874	1,269
Expenses	**(11,931)**	(13,179)	(1,340)
Gain on disposal	**40,043**	-	-
Profit/(loss) before tax of discontinued operations	**41,342**	2,695	(71)
Income tax expense	**(641)**	(407)	-
Profit/(loss) after tax of discontinued operations	**40,701**	2,288	(71)

	2021 £'000	2020 £'000 Re-presented	2020 £'000 Originally stated
Operating cash flows	**2,333**	4,503	-
Investing cash flows	**(1,883)**	(1,605)	-
Financing cash flows	**(637)**	(27)	-
Total cash flows	**(187)**	2,871	-

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS *(CONTINUED)*

28 Discontinued operations and assets classified as held for sale (continued)

	2021 £'000	2020 £'000
Other current assets	**-**	381
Total assets of the disposal group classed as held for sale	**-**	381
Other payables	**1,869**	-
Total liabilities of the disposal group classed as held for sale	**1,869**	-

Disposal entity:

	2021 £'000
Gross cash proceeds	55,160
Cost of disposal	(3,533)
Net proceeds	**51,627**
Disposal of cash and cash equivalent	(72)
Disposal of assets and liabilities held for sale:	
Property plant and equipment	(19,982)
Loans and borrowings	7,040
Trade and other receivables	(3,574)
Trade and other payables	5,004
Gain on disposal	**40,043**

29 Post-reporting date events

The directors and the Group's management team continue to closely monitor developments during the Covid-19 crisis and assessing the potential impact they may have on the Group's people, its activities, operations and financial position. The directors are satisfied that the group is in a strong financial position to withstand potential future challenges in this context.

30 Related party transactions

Related parties include entities under common control, its subsidiaries, and key management. Product purchases totalling £39,000 (Product purchases 2020: £Nil) and Product sales totalling £69,000 (Product sales 2020: £Nil) were provided to a company where one of our directors held a shareholding during the year. As at 31 December 2021 no balances were outstanding.

NOTES ON THE CONSOLIDATED FINANCIAL STATEMENTS *(CONTINUED)*

31 Controlling party

In the opinion of the directors there is no controlling party.

32 Approval of financial statements

The Board of Directors approved these financial statements on 25 March 2022.

COMPANY STATEMENT OF FINANCIAL POSITION

at 31 December 2021

	Notes	2021 £'000	2020 £'000
Non-current assets			
Investments – Shares in group undertakings	5	**729**	1,209
Trade and other receivables due after one year	6	**6,023**	-
		6,752	1,209
Current assets			
Cash at bank		**4,023**	-
Trade and other receivables within one year	6	**3,772**	13,561
		7,795	13,561
TOTAL ASSETS		**14,547**	14,770
Equity attributable to owners of the parent			
Share capital	9	**564**	5,640
Share premium account	9	**-**	7,321
Other distributable reserves		**-**	23
Retained earnings		**11,464**	1,398
TOTAL EQUITY		**12,028**	14,382
Current liabilities			
Trade and other payables	7	**2,519**	388
		2,519	388
TOTAL EQUITY AND LIABILITIES		**14,547**	14,770

The profit for the financial year arising in Roebuck Food Group plc amounted to £47,988,000 (2020: £948,000).

Approved on behalf of the board on 25 March 2022 by:

T.J. O'Neill
Chairman

G. Murphy
Finance Director

The accompanying notes on pages 82 to 86 form an integral part of these financial statements.

COMPANY STATEMENT OF CHANGES IN EQUITY

	Share Capital £'000	Share Premium Account £'000	Capital Conversion Reserve Fund £000	Other Distributable Reserve £'000	Profit And Loss Account £'000	Total £'000
At 1 January 2020	5,640	7,321	23	-	450	13,434
Profit for the financial year	-	-	-	-	948	948
Total comprehensive income for the financial year	-	-	-	-	948	948
Dividends paid (note 4)	-	-	-	-	-	-
Transaction with owners	-	-	-	-	-	-
At 31 December 2020	**5,640**	**7,321**	**23**	**-**	**1,398**	**14,382**
Profit for the financial year	-	-	-	-	47,988	47,988
Total comprehensive income for the financial year	-	-	-	-	47,988	47,988
Transfer between reserves	(5,076)	(7,321)	(23)	12,420	-	-
Capital redemption	-	-	-	(12,420)	(37,497)	(49,917)
Dividends paid(note 4)	-	-	-	-	(425)	(425)
Transactions with owners	(5,076)	(7,321)	(23)	-	(37,922)	(50,342)
At 31 December 2021	**564**	**-**	**-**	**-**	**11,464**	**12,028**

Share premium account: This represents the net proceeds from issuing shares in excess of the nominal value of those shares.

Capital conversion fund: During 1999 the company re-denominated the authorised share capital of the company from Irish Punts to Euro in accordance with Section 26 of the European Monetary Union Act 1998. This resulted in a reduction in respect of the issued shares which was transferred to the Capital conversion fund.

Other distributable reserve: These other distributable reserve has arisen pursuant to the confirmation on 14 December 2021 by the Irish High Court of a reduction in company capital consisting of former share premium account, capital conversion reserve and other un-denominated capital.

Profit and loss account: The represents cumulative retained profits and losses net of distributions to shareholders.

COMPANY CASH FLOW STATEMENT

for the financial year ended 31 December 2021	**2021**	2020
	£'000	£'000
Cash flow from operating activities		
Profit on continuing activities before taxation	**47,988**	996
Profit on disposal	**(46,603)**	-
Tax charge	**(29)**	-
Operating cash flows before changes in working capital	**1,356**	996
Changes in working capital and provisions:		
Decrease/(Increase) in trade and other receivables	**(749)**	(909)
Increase in payables	**2,131**	(87)
Net cash generated from operating activities	**2,738**	-
Cash flow from investing activities		
Proceeds from disposal of investment	55,160	–
Costs incurred on disposal of subsidiary	**(3,533)**	-
Net cash generated from investing activities	**51,627**	-
Cash flows from financing activities		
Dividends paid to shareholders	**(425)**	-
Capital redemption	**(49,917)**	-
Net cash outflow used in financing activities	**(50,342)**	-
Net increase in cash and cash equivalents	**4,023**	-
Cash and cash equivalents beginning of the financial year	**-**	-
Cash and cash equivalents end of the financial year	**4,023**	-

The accompanying notes on pages 82 to 86 form an integral part of these financial statements.

NOTES TO THE COMPANY ACCOUNTS

1 Accounting policies

Roebuck Food Group plc is the parent company of the Roebuck Food Group plc group of companies. The company is listed on the Alternative Investments Market ("AIM"), and is incorporated and domiciled in the Republic of Ireland. The address of its registered office is Roebuck Food Group plc, 6th Floor, South Bank House, Barrow Street, Dublin 4, Republic of Ireland. On 22 November 2021, the company changes its name from Norish plc to Roebuck Food Group plc.

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Company financial statements.

Basis of preparation

The individual financial statements of Roebuck Food Group plc have been prepared in accordance with IFRS as adopted by the European Union, applicable Irish law and the AIM rules. The accounting policies applied are described in the Basis of Preparation contained in the consolidated IFRS financial accounts within these financial statements.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 2).

Going concern

The Company is a holding company and dependent upon both the trading performance and financial position of its subsidiary undertakings in relation to its going concern status. See page 39 for the Directors' consideration of this position. Following consideration of these matters and having made appropriate enquiries, the Directors have a reasonable expectation that the Company as a whole has adequate resources to continue in operation for the foreseeable future.

Investment in subsidiaries

Investment in subsidiaries are recognised at cost less impairment. Impairments are recognised in accordance with the Group's accounting policy on impairment charges.

As assessment is made at each reporting date whether or not there are indications that the Company's investment in subsidiaries is impaired. Where such an indication exists, the Company estimates the recoverable amount to determine where or not an impairment charge is required.

2 Judgments in applying accounting policies and key sources of estimation uncertainty

Impairment

In assessing impairment, management estimates the recoverable amount of each asset or cash-generating units based on expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate.

3 Profit of the company

In accordance with Section 304 of the Companies Act, 2014 a separate profit and loss account for the Company has not been presented. The profit for the financial year arising in Roebuck Food Group plc amounted to £47,988,000 (2020: 948,000).

4 Dividends paid and proposed

	2021	2020
	£'000	£'000
Final dividend paid in respect of the previous year of 2 cent (2020: Nil cent) per ordinary share	**425**	-

The Group paid a total dividend in 2021 of £510,000 (2020: £Nil), of which £425,000 (2020: £Nil) was paid through the company.

5 Investments – Shares in group undertakings

	2021	2020
	£'000	£'000
Cost and net book value at 1 January	**1,209**	1,209
Disposal	**(480)**	-
Cost and net book value at 31 December	**729**	1,209

On 28 October 2021, Roebuck Food Group plc completed the sale of its cold storage business to Nichirei Holding Holland B.V, a wholly owned subsidiary of Nichirei Logistics Group Inc. for a consideration of £55.2m million. Both Norish (N.I.) Limited and Norish Limited, subsidiary undertakings of the Company and comprising the cold storage business, were disposed of on this date. On disposal the Company recognised a gain on sale of £40m. The gain was tax exempt.

In the opinion of the Directors, the value of shares in subsidiary undertakings is not less than the original book value.

Details of the Company's subsidiary undertakings are presented in Note 27 to the consolidated IFRS accounts within these financial statements.

6 Debtors

Debtors falling due within one year	2021 £'000	2020 £'000
Amount receivable from subsidiary undertakings	**3,694**	13,545
Other debtors	**49**	16
Corporation tax	**29**	-
	3,772	13,561

Debtors falling due after one year	2021 £'000	2020 £'000
Amount receivable from subsidiary undertakings	**6,023**	-
	6,023	-

All of the Company's trade and other receivable as shown above are considered to approximate fair value.

Amounts due from subsidiary undertakings are unsecured, interest bearing at 3.6%, have no fixed date of repayment. The loan due after more than one year will not be called for repayment in the next 5 years.

7 Creditors: Amounts falling due within one year

	2021 £'000	2020 £'000
Amounts owed to subsidiary undertakings	**635**	388
Accruals	**1,884**	-
Corporation tax	**-**	-
	2,519	388

Amounts due to subsidiary undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

All of the Company's intra-group payables as shown above are considered to approximate fair value.

8 Related party transactions

During the year Management charges were issued at arm's length to two subsidiaries totalling £675,000 (2020: £800,000).

9 Called up share capital

Share Capital and Share Premium

	2021	2020
	£'000	£'000
Authorised		
60,000,000 Ordinary shares of 2.5€c each (2020: 60,000,000 Ordinary shares of 25€c each)	**1,084**	10,836

Allotted, called up and fully paid	**Number**	**£'000**
Ordinary shares of 25€c each		
At 1 January 2020	30,070,378	5,640
Issued during the year	-	-
At 31 December 2020	30,070,378	5,640
Cancelled un-dominated capital	-	(5,076)
At 31 December 2021	**30,070,378**	**564**

No new shares were issued during either 2020 or 2021. All shares are equally eligible to receive dividends and the repayment of capital and represent one vote at a shareholders' meeting.

The par value of the Ordinary Shares was reduced from 25€c to 2.5€c consequential upon the passing of resolutions at the Company's extraordinary general meeting held on 22 November 2021 which: (i) subdivided each Ordinary Share of 25€c into an Ordinary Share of 2.5€c and an Ordinary Share of 2.5€c, (b) converted each Ordinary Share of 22.5€c into a Redeemable Ordinary Share of 22.5€c, and (c) redeemed each Redeemable Ordinary Share of 22.5€c at a redemption price of £1.66.

The reduction in capital is pursuant to the confirmation on 14 December 2021 by the Irish High Court of the reduction of:
- share premium of £7,321,155 (being the entire amount of the share premium account);
- other un-distributable reserves of €33,350.23 (being the entire amount of the capital conversion reserve fund);
- other un-denominated capital of €6,765,835.05 (created on the redemption of the Redeemable Ordinary Shares of 22.5€c being the entire amount of other un-denominated capital), and the crediting of those amounts to retained earnings and the crediting of those amounts to retained other distributable reserves to enable the capital redemption.

9 Called up share capital (continued)

Share Capital and Share Premium (continued)

Share Premium

	2021 £'000	2020 £'000
At 1 January	**7,321**	7,321
Reduction of share premium	**(7,321)**	-
At 31 December	**-**	7,321

The share premium account was extinguished by Order of the Court made on 14 December 2021, as referred to in the note to the Consolidated Statement of Changes in Equity.

10 Financial commitments and contingencies

At 31 December 2021, the Company has exposure for the debts of Townview Foods Limited and Foro International Connections Limited totalling £2,097,000 to HSBC Bank plc (2020 £5,112,000).

At 31 December 2020, there was exposure to the liabilities of Norish Limited pursuant to these facilities agreements were secured by:

(1) debentures creating first fixed and floating charges over all the assets, past present and future of Norish Limited and its subsidiaries;

(2) unlimited multilateral guarantees given by all Group companies each guaranteeing payment of the liabilities of the other; and

(3) legal mortgages held over the Bury St. Edmunds, West Midlands and Gillingham properties.

Upon disposal of Norish NI Limited and Norish Limited in 2021 this security lapsed.

Roebuck Food Group Plc

Registered Office
6th Floor
South Bank House
Barrow Street
Dublin D04 TR29

Operational Head Office
7 Carrivekeeney Road
Newry
BT35 7LU