

Registered No: SC237960 (Scotland)

Bute Island Foods Ltd

Annual Report and Financial Statements

For the year ended 31 March 2024

TUESDAY



ADFRAJG0
A3 12/11/2024 #79
COMPANIES HOUSE

Bute Island Foods Ltd

Registered No: SC237960 (Scotland)

Directors

T A Atherton
A Braithwaite
M Therrien

Company secretary

I J Hinton

Auditor

William Duncan + Co (Audit) Ltd
Annual Report and Financial Statements
30 Miller Road
Ayr
Ayrshire
KA7 2AY

Registered office

The Creamery
Townhead
Rothesay
Isle of Bute
PA20 9JH

Contents

Strategic report	3
Directors' report	4
Directors' responsibilities statement	5
Independent auditor's report	6
Statement of comprehensive income	9
Statement of financial position	10
Statement of changes in equity	11
Notes to the financial statements	12

Strategic report

The Directors present their Strategic Report for the year ended 31 March 2024.

Fair review of the business

Turnover for the year ended 31 March 2024 was £17,334k (2023: £18,169k).

The Company's profit before tax for the year was £580k (2023: £2,435k). EBITDA for the year ended 31 March 2024 was £1,469k (2023: £2,904k).

EBITDA measure represents the Company's operating profit (2024: £580k) and adding back depreciation (2024: £888k).

Principal risks, economic conditions and uncertainties

The Company faces a number of risks during the course of business, including; product liability, supply of ingredients, cybersecurity, unanticipated business disruptions, changes in consumer trends, and legislative & regulatory.

The Company has an ongoing process for identifying, evaluating and managing principal risks, and the Company's risks are also managed as part of the parent company Saputo Inc.'s, risk management process (described in pages 31 to 37 of Saputo's 2024 Management discussion and analysis)

Key performance indicators

The key performance indicator is earnings before interest, tax, depreciation and amortisation (EBITDA).

Financial risk management

The company's operations expose them to a variety of financial risks that include currency risk, credit risk, liquidity risk, interest risk and market price risk. The Company has in place a risk management program that seeks to limit the adverse effects on the financial performance of the Company as a result of these aforementioned risks.

Credit risk

The Company offers credit terms to most customers which allow payment of the debt after delivery of the goods. The company is at risk to the extent that a customer may be unable to pay the debt on the specified due date. This risk is mitigated by a detailed and conscientious credit approval process, credit limits, and a dedicated and well-established team that focuses on credit management.

Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Company aims to mitigate liquidity risk by managing cash generation by its operations.

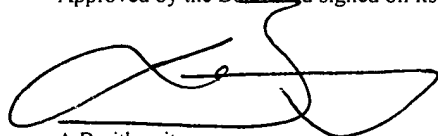
Interest rate risk

The Company has no external debt and has interest bearing assets which principally comprise cash earning interest at variable rates.

Foreign currency risk

The movement on the Sterling Euro exchange rate continues to exhibit volatility. The Company attempts to create natural currency hedges by purchasing and selling in the same currency.

Approved by the Board and signed on its behalf by



A Braithwaite
Director

19 July 2024

Directors' report

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

Principal activities

The principal activity of the Company during the year, was the manufacture and distribution of vegan, plant-based food alternatives to cheese.

Directors

The Directors of the Company were as follows:

T A Atherton
M Therrien
A Braithwaite

Directors' and officers' indemnities and insurance

The company maintains liability insurance for its Directors and Officers. The Directors and other Officers of the Company are indemnified by the Company to the extent permitted by company law. That indemnity provision has been in place during the year and remains in force.

Dividends

No dividends were paid in the year ended 31 March 2024 and year ended 31 March 2023.

Auditor

In accordance with the Company's articles, a resolution proposing that William Duncan + Co (Audit) Ltd be reappointed as auditor of the Company will be put at a General Meeting.

Disclosure of information to auditor

The Directors who held office at the date of approval of this Directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware. Each Director has taken all the steps that they ought to have taken as Directors to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Approved by the Board and signed on its behalf by



A Braithwaite
Director

19 July 2024

Directors' responsibilities statement

The directors are responsible for preparing the Annual Report, Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

Independent auditor's report

to the members of Bute Island Foods Ltd

Opinion

We have audited the financial statements of Bute Island Foods Ltd (the 'company') for the 12 month period ended 31 March 2024 which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2024 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and 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.

Going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

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

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. 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. 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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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.

Independent auditor's report (continued)

to the members of Bute Island Foods Ltd

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the strategic report and the directors' report for the financial 12 month period for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

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

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

- Enquiry of management, those charged with governance and the company's solicitors around actual and potential litigation and claims.
- Enquiry of company staff in compliance functions to identify any instances of non-compliance with laws and regulations.
- Reviewing minutes of meetings of those charged with governance.
- Reviewing internal audit reports.
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations.
- Auditing the risk of management override of controls, including through testing journal entries and other adjustments for appropriateness, and evaluating the business rationale of significant transactions outside the normal course of business.

Independent auditor's report (continued)
to the members of Bute Island Foods Ltd

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

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 Chapter 3 of Part 16 of the Companies Act 2006. 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.



19 July 2024

Stephen Bargh CA MAAT (Senior Statutory Auditor)
For and on behalf of William Duncan + Co (Audit) Ltd
Chartered Accountants
Statutory Auditor
Ellersley House
30 Miller Road
Ayr
Ayrshire
KA7 2AY

Statement of comprehensive income
for the year ended 31 March 2024

		<i>Year ended</i> 2024	<i>Year ended</i> 2023
	<i>Notes</i>	£'000	£'000
Turnover	2	17,334	18,169
Cost of Sales		(10,628)	(11,052)
Gross profit		<u>6,706</u>	<u>7,117</u>
Administrative expenses		(6,202)	(4,926)
Other operating income		76	228
Operating profit	3	<u>580</u>	<u>2,419</u>
Interest receivable and similar income	5	-	16
Profit before tax		<u>580</u>	<u>2,435</u>
Tax on profit	6	1	(341)
Total comprehensive income for the year		<u><u>581</u></u>	<u><u>2,094</u></u>

The profit and loss account has been prepared on the basis that all operations are continuing operations.

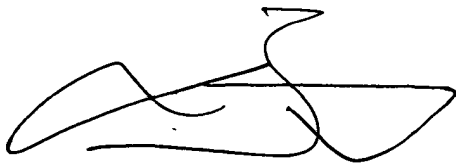
The notes on pages 12 to 22 form part of the financial statements

Statement of financial position
for the year ended 31 March 2024

	<i>Notes</i>	<i>2024</i> £'000	<i>2023</i> £'000
Fixed assets			
Tangible assets	7	<u>9,674</u>	<u>9,191</u>
		9,674	9,191
Current assets			
Stocks	8	3,488	3,885
Debtors	9	2,748	3,051
Cash at bank and in hand		2,278	1,303
		<u>8,514</u>	<u>8,239</u>
Creditors: amounts falling due within one year			
Trade and other creditors	10	<u>(2,370)</u>	<u>(2,115)</u>
		(2,370)	(2,115)
Net current assets		<u>6,144</u>	<u>6,124</u>
Total assets less current liabilities		15,818	15,315
Creditors: amounts falling due after more than one year			
Other creditors	11	(350)	(427)
Deferred tax liability	6	(809)	(810)
Net assets		<u>14,659</u>	<u>14,078</u>
Capital and reserves			
Share capital	12	-	-
Profit and loss reserves		14,659	14,078
Profit and loss reserves		<u>14,659</u>	<u>14,078</u>

The notes on pages 12 to 22 form part of the financial statements

The financial statements were approved by the Board of Directors and signed on their behalf by



A Braithwaite
Director

19 July 2024

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

	<i>Profit and loss reserves £'000</i>
At 31 March 2022	11,984
Year ended 31 March 2023:	
Profit and total comprehensive income for the year	2,094
Year ended 31 March 2023:	<u>14,078</u>
Year ended 31 March 2024:	
Profit and total comprehensive income for the year	581
Year ended 31 March 2024:	<u><u>14,659</u></u>

The notes on pages 12 to 22 form part of the financial statements

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

1. Accounting policies

General information and basis of accounting

Bute Island Foods Ltd is a private company limited by shares incorporated in Scotland. The registered office is The Creamery, Townhead, Rothesay, Isle of Bute, PA20 9JH.

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council and the requirements of the Companies Act 2006.

Bute Island Foods meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its separate financial statements on the grounds that the Company is wholly-owned and its ultimate parent undertaking as at the balance sheet date, Saputo Inc, publishes consolidated financial statements, which are available from Corporations Canada or the Company website which is www.saputo.com.

Exemptions have been taken in relation to share-based payments, financial instruments, presentation of a cash flow statement and remuneration of key management personnel.

Basis of preparation

The financial statements have been prepared in accordance with applicable accounting standards. The financial statements are prepared in sterling which is the functional currency of the company and rounded to the nearest £'000.

Going concern

The Directors have prepared cash flow forecasts for Bute Island Foods Ltd, for a period of 12 months from the date of approval of these financial statements, which indicate that, the company will have sufficient funds to meet its liabilities as they fall due for that period.

The Directors are confident that the Company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

Judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Consolidated financial statements

The Directors have taken advantage of the exemption in Companies Act 2006 Section 401 from preparing consolidated financial statements on the grounds that the Company's ultimate parent undertaking as at the balance sheet date publishes consolidated financial statements.

Cash flow statement

The Directors have taken advantage of the exemption in FRS 102.1.12 "Cash flow statements" from including a cash flow statement in the financial statements on the grounds that the Company is wholly-owned and its ultimate parent undertaking as at the balance sheet date publishes consolidated financial statements.

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

1. Accounting policies (continued)

Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Turnover from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of turnover can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Dividends

In accordance with FRS 102.23.29.C dividends are recognised when the Shareholders' right to receive payment is established.

Foreign currencies

Transactions in foreign currency are initially recorded in the functional currency rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Sterling at the balance sheet date. Exchange differences on monetary items are taken to the income statement.

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation. The carrying values of tangible fixed assets are reviewed for impairment whenever events or circumstances indicate that the carrying value may not be recoverable. No depreciation is charged on assets in the course of construction.

Depreciation

Depreciation is calculated to write off the cost of tangible fixed assets, excluding freehold land, over their estimated useful lives in equal annual instalments over the following periods:

Freehold buildings	-	15 - 40 years
Vehicles, plant & equipment	-	3- 20 years

Government grants

Government grants are recognised at the fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

A grant that specifies performance conditions is recognised in income when the performance conditions are met. Where a grant does not specify performance conditions it is recognised in income when the proceeds are received or receivable. A grant received before the recognition criteria are satisfied is recognised as a liability.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

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

1. Accounting policies (continued)

Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities.

(i) Financial assets and liabilities

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position only when there exists a legally enforceable right to set off the recognised amounts and the Company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Commitments to make and receive loans which meet the conditions mentioned above are measured at cost (which may be nil) less impairment.

Financial assets are derecognised when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the Company transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the Company, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

(ii) Equity instruments

Equity instruments issued by the Company are recorded at the fair value of cash or other resources received or receivable,

Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

Leases

Rentals payable under operating leases, including any lease incentives received, are charged to profit or loss on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leases asset are consumed.

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

1. Accounting policies (continued)

Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

A provision is recognised for those matters for which the tax determination is uncertain but it is considered probable that there will be a future outflow of funds to a tax authority. The provisions are measured at the best estimate of the amount expected to become payable. The assessment is based on the judgement of tax professionals within the Company supported by previous experience in respect of such activities and in certain cases based on specialist independent tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the Company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax liabilities are recognised for timing differences arising from investments in subsidiaries and associates, except where the Company is able to control the reversal of the timing difference and it is probable that it will not reverse in the foreseeable future.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date that are expected to apply to the reversal of the timing difference. Deferred tax relating to non-depreciable property, plant and equipment is measured using the revaluation model and investment property is measured using the tax rates and allowances that apply to sale of the asset. In other cases, the measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Where items recognised in other comprehensive income or equity are chargeable to or deductible for tax purposes, the resulting current or deferred tax expense or income is presented in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense or income.

Current tax assets and liabilities are offset only when there is a legally enforceable right to set off the amounts and the Company intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Deferred tax assets and liabilities are offset only if: a) the Company has a legally enforceable right to set off current tax assets against current tax liabilities; and b) the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

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

2. Turnover

An analysis of the Company's turnover by geographical market is set out below.

	<i>Year ended</i> 2024 £'000	<i>Year ended</i> 2023 £'000
UK	13,273	13,655
Rest of World	4,061	4,514
	<u>17,334</u>	<u>18,169</u>

3. Operating profit

Operating profit is stated after (crediting)/charging:

	<i>Year ended</i> £'000	<i>Year ended</i> £'000
Government grants	(96)	(26)
Depreciation of owned tangible fixed assets	889	485
Operating lease charges	29	24
	<u>822</u>	<u>483</u>

Remuneration of the auditor is further analysed as follows:

	<i>Year ended</i> 2024 £'000	<i>Year ended</i> 2023 £'000
Audit of the financial statements	18	18

4. Staff costs

The Directors are Directors of other undertakings within the Saputo Dairy UK Limited group. The Directors' remuneration for the year was paid by other undertakings as qualifying services in relation to the Company were minimal. The Directors do not believe that it is practical to apportion this amount between their services as Directors of the Company and their services as Directors of the fellow subsidiary undertakings.

	<i>Number</i>	<i>Number</i>
Average number of employees (including directors) during the year:		
Production	113	113
Administration	43	54
	<u>156</u>	<u>167</u>
	<i>Year ended</i> £'000	<i>Year ended</i> £'000
Remuneration of employees:		
Wages and salaries	3,569	3,481
Social security costs	297	287
Pension costs	76	90
	<u>3,942</u>	<u>3,858</u>

Notes to the financial statements

for the year ended 31 March 2024

5. Interest	<i>Year ended</i> <i>£'000</i>	<i>Year ended</i> <i>£'000</i>
Interest receivable:		
Interest on bank deposits	-	16
	<u>-</u>	<u>16</u>
 6. Taxation	 <i>Year ended</i> <i>2024</i> <i>£'000</i>	 <i>Year ended</i> <i>2023</i> <i>£'000</i>
Current tax:		
Changes in respect to prior years	-	(81)
	<u>-</u>	<u>(81)</u>
Deferred tax:		
Deferred tax charge	16	286
Effect of changes in tax rates	-	114
Changes in respect to prior years	(17)	22
	<u>16</u>	<u>422</u>
Total deferred tax charge	(1)	422
Total tax charge	<u>(1)</u>	<u>341</u>

The tax assessed for the period is different from the standard rate of corporation tax in the UK (25%) (2023:19%). The differences are explained below:

	<i>Year ended</i> <i>2024</i> <i>£'000</i>	<i>Year ended</i> <i>2023</i> <i>£'000</i>
Profit before tax	<u>580</u>	<u>2,435</u>
Profit multiplied by the standard rate of Corporation tax in the UK of 25% (2023: 19%)	145	463
Effects of:		
Expenses not deductible for tax purposes	26	(74)
Change in UK corporation tax rate	-	114
Group relief not paid for	(155)	(76)
Research and development tax credit	-	(27)
Changes in respect to prior years	(17)	(59)
Total tax charge	<u>(1)</u>	<u>341</u>
 The deferred tax liability is analysed:	 <i>Year ended</i> <i>2024</i> <i>£'000</i>	 <i>Year ended</i> <i>2023</i> <i>£'000</i>
Deferred tax asset:		
Other timing differences	91	109
	<u>91</u>	<u>109</u>
Deferred tax liability:		
Tangible assets	(900)	(919)
	<u>(900)</u>	<u>(919)</u>
Net deferred tax liability	<u>(809)</u>	<u>(810)</u>

Notes to the financial statements

for the year ended 31 March 2024

7. Tangible fixed assets

	<i>Land & buildings</i> £'000	<i>Vehicles, plant & equipment</i> £'000	<i>Deposits and assets under construction</i> £'000	<i>Total</i> £'000
Cost:				
At 31 March 2023	5,979	5,716	519	12,214
Additions	984	510	-	1,494
Transfers and reclassifications	-	404	(404)	-
Disposals	-	(393)	-	(393)
At 31 March 2024	<u>6,963</u>	<u>6,237</u>	<u>115</u>	<u>13,315</u>
Depreciation:				
At 31 March 2023	443	2,580	-	3,023
Charge in the year	546	343	-	889
Disposals	-	(271)	-	(271)
At 31 March 2024	<u>989</u>	<u>2,652</u>	<u>-</u>	<u>3,641</u>
Net book amount:				
At 31 March 2024	<u>5,974</u>	<u>3,585</u>	<u>115</u>	<u>9,674</u>
At 31 March 2023	<u>5,536</u>	<u>3,136</u>	<u>519</u>	<u>9,191</u>

8. Stocks

	<i>2024</i> £'000	<i>2023</i> £'000
Raw materials and consumable stores	2,464	3,375
Finished goods	<u>1,024</u>	<u>510</u>
	<u>3,488</u>	<u>3,885</u>

9. Debtors

	<i>2024</i> £'000	<i>2023</i> £'000
Amounts falling due within one year:		
Trade debtors	940	2,007
Amounts receivable from group undertakings	1,573	835
Corporation tax	5	5
Other debtors	<u>230</u>	<u>204</u>
	<u>2,748</u>	<u>3,051</u>

Notes to the financial statements

for the year ended 31 March 2024

10. Creditors

Amounts falling due within one year:	2024	2023
	£'000	£'000
Trade creditors	1,401	1,711
Amounts payable to group undertakings	449	-
Other taxation and social security	84	87
Government grants	13	16
Other creditors	-	15
Accruals and deferred income	423	286
	<u>2,370</u>	<u>2,115</u>

11. Creditors

Amounts falling due after more than one year:	2024	2023
	£'000	£'000
Government grants	350	427
	<u>350</u>	<u>427</u>

12. Share Capital

	2024		2023
	£		£
<i>Allotted, called-up and fully paid</i>			
		No.	
Ordinary A shares of £1 each	2	2	2
Ordinary B shares of £1 each	2	2	2
Ordinary C shares of £1 each	1	1	1
Ordinary D shares of £1 each	1	1	1
	<u>6</u>	<u>6</u>	<u>6</u>

13. Commitments

Future capital expenditure contracted on property, plant and equipment at 31 March	2024	2023
	£'000	£'000
	-	305
	<u>-</u>	<u>305</u>
Operating leases		
Future minimum rentals payable under non-cancellable operating leases as at 31 March are as follows.	2024	2023
	£'000	£'000
Within one year	-	21
After one but not more than five years	-	-
	<u>-</u>	<u>21</u>

The Company had no other commitments at 31 March 2024 (2023: £nil).

Notes to the financial statements

for the year ended 31 March 2024

14. Ultimate parent undertaking

The Company's immediate parent undertaking is Saputo Dairy UK Limited. The Company's ultimate parent undertaking is Saputo Inc., a company incorporated in Canada whose financial statements are available from its registered office, 1000 de la Gauchetière St. W. , Suite 2900, Montréal, Québec, H3B 4W5, Canada.

The largest and smallest group preparing consolidated financial statements for the year ended 31 March 2024 which include Bute Island Foods Ltd is Saputo Inc.