

Company registration number: 02490317

Food Alert Limited

Filleted financial statements

31 December 2019



Food Alert Limited

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Food Alert Limited

Directors and other information

Directors	Constantine Costa Peter Anthony Christopher-Ohrt (Resigned 23 October 2019) Francoise Peretti (Resigned 23 October 2019) David Bashford Christopher Paul Morris (Appointed 23 October 2019) Eloise Wann (Appointed 23 October 2019)
Company number	02490317
Registered office	Kings Court Water Lane Wilmslow Cheshire SK9 5AR
Business address	247-249 Cromwell Road London SW5 9GA
Auditor	BG Partnership 1st Floor 23 Princes Street London W1B 2LX

Food Alert Limited

**Directors responsibilities statement
Year ended 31 December 2019**

The directors are responsible for preparing 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 the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 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 judgments and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for 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 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.

Food Alert Limited

**Statement of financial position
31 December 2019**

		2019		2018	
	Note	£	£	£	£
Fixed assets					
Tangible assets	5	404,483		327,753	
			404,483		327,753
Current assets					
Stocks		-		3,268	
Debtors	6	4,577,562		645,167	
Cash at bank and in hand		814,244		3,329,237	
		5,391,806		3,977,672	
Creditors: amounts falling due within one year	7	(1,170,560)		(1,318,586)	
Net current assets			4,221,246		2,659,086
Total assets less current liabilities			4,625,729		2,986,839
Provisions for liabilities			(29,868)		(42,053)
Net assets			<u>4,595,861</u>		<u>2,944,786</u>
Capital and reserves					
Called up share capital			110,179		96,529
Share premium account			489,918		25,818
Profit and loss account			3,995,764		2,822,439
Shareholders funds			<u>4,595,861</u>		<u>2,944,786</u>

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with Section 1A of FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

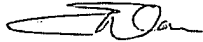
In accordance with section 444 of the Companies Act 2006, the statement of comprehensive income has not been delivered.

The notes on pages 5 to 11 form part of these financial statements.

Food Alert Limited

Statement of financial position (continued)
31 December 2019

These financial statements were approved by the board of directors and authorised for issue on 24 September 2020, and are signed on behalf of the board by:



Eloise Wann
Director

Company registration number: 02490317

The notes on pages 5 to 11 form part of these financial statements.

Food Alert Limited

Notes to the financial statements Year ended 31 December 2019

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is Kings Court, Water Lane, Wilmslow, Cheshire, SK9 5AR.

The Company became part of the Citation group of companies on 23 October 2019. The "Group" is defined as the Group headed by Rocket Topco Limited (see note 9).

2. Statement of compliance

These financial statements have been prepared in compliance with the provisions of FRS 102, Section 1A, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. The Triennial review 2017 amendments to the standard have been early adopted.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Going concern

The Group's (being the Group headed by Rocket Topco Limited and its subsidiaries) business activities, together with the factors likely to affect its future development and position are set out above in the directors' report including the actions taken to mitigate the potential impact of Covid-19.

To conclude on going concern for the company, the directors have considered the liquidity and solvency of Rocket Topco Limited and have considered going concern at the Group level.

The company participates in a centralised treasury arrangement and so shares banking arrangements with fellow Group companies. The Group closely monitors its funding position throughout the year including monitoring continued compliance with covenants and available facilities to ensure it has sufficient headroom to fund operations.

Forecasts are produced monthly along with any related sensitivity analysis to allow proactive management of any business risks including liquidity risk. Using these forecasts and sensitivities along with additional stress testing including a sustained reduction in new and existing business, the directors are satisfied that they have a reasonable basis upon which to conclude that the Group is able to continue as a going concern for at least 12 months from the date of signing the financial statements.

Based on their assessment of the Group's financial position, the company's directors believe that the Group will be able to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Food Alert Limited

Notes to the financial statements (continued) Year ended 31 December 2019

Turnover

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods supplied and services rendered, stated net of discounts and of Value Added Tax.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have transferred to the buyer, usually on despatch of the goods, the amount of revenue can be measured reliably, it is probable that the associated economic benefits will flow to the entity, and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

When the outcome of a transaction involving the rendering of services can be reliably estimated, revenue from the rendering of services is measured by reference to the stage of completion of the service transaction at the end of the reporting period.

When the outcome of a transaction involving the rendering of services cannot be reliably estimated, revenue is recognised only to the extent that expenses recognised are recoverable.

Taxation

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in the statement of comprehensive income, except to the extent that it relates to items recognised in other comprehensive income or directly in capital and reserves. In this case, tax is recognised in other comprehensive income or directly in capital and reserves, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Operating leases

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

Research and development

Research expenditure is written off in the year in which it is incurred.

Development expenditure incurred is capitalised as an intangible asset only when all of the following criteria are met:

- It is technically feasible to complete the intangible asset so that it will be available for use or sale;
- There is the intention to complete the intangible asset and use or sell it;
- There is the ability to use or sell the intangible asset;
- The use or sale of the intangible asset will generate probable future economic benefits;
- There are adequate technical, financial and other resources available to complete the development and to use or sell the intangible asset; and
- The expenditure attributable to the intangible asset during its development can be measured reliably.

Expenditure that does not meet the above criteria is expensed as incurred.

Food Alert Limited

Notes to the financial statements (continued) Year ended 31 December 2019

Tangible assets

Tangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated depreciation and impairment losses.

Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in capital and reserves, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in capital and reserves in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in capital and reserves in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Short leasehold property	- Straight line over the life of the lease
Software & equipment	- 33% reducing balance

If there is an indication that there has been a significant change in depreciation rate, useful life or residual value of tangible assets, the depreciation is revised prospectively to reflect the new estimates.

Impairment

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

When it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stocks to their present location and condition.

Provisions

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event; it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense.

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised in finance costs in profit or loss in the period it arises.

Food Alert Limited

Notes to the financial statements (continued) Year ended 31 December 2019

Financial instruments

A financial asset or a financial liability is recognised only when the company becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments are subsequently measured at amortised cost.

Where investments in non-convertible preference shares and non-puttable ordinary shares or preference shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in profit or loss. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in profit or loss, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets or either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

4. Employee numbers

The average number of persons employed by the company during the year amounted to 52 (2018: 53).

Food Alert Limited

Notes to the financial statements (continued)
Year ended 31 December 2019

5. Tangible assets

	Short leasehold property £	Plant and machinery £	Software and equipment £	Total £
Cost				
At 1 January 2019	142,582	2,408	838,507	983,497
Additions	-	-	238,318	238,318
At 31 December 2019	<u>142,582</u>	<u>2,408</u>	<u>1,076,825</u>	<u>1,221,815</u>
Depreciation				
At 1 January 2019	130,437	2,408	522,898	655,743
Charge for the year	12,145	-	149,444	161,589
At 31 December 2019	<u>142,582</u>	<u>2,408</u>	<u>672,342</u>	<u>817,332</u>
Carrying amount				
At 31 December 2019	-	-	404,483	404,483
At 31 December 2018	<u>12,145</u>	<u>-</u>	<u>315,609</u>	<u>327,754</u>

6. Debtors

	2019 £	2018 £
Trade debtors	369,950	463,607
Amounts owed by group undertakings	3,977,728	-
Other debtors	229,884	181,560
	<u>4,577,562</u>	<u>645,167</u>

The amounts owed by group undertakings relate to amounts due from Citation Limited and Citation Holdings Limited. Balances are repayable on demand.

7. Creditors: amounts falling due within one year

	2019 £	2018 £
Trade creditors	114,534	215,733
Corporation tax	-	160,163
Social security and other taxes	393,479	368,930
Other creditors	662,547	573,760
	<u>1,170,560</u>	<u>1,318,586</u>

Food Alert Limited

Notes to the financial statements (continued)
Year ended 31 December 2019

8. Operating leases

The company as lessee

The total future minimum lease payments under non-cancellable operating leases are as follows:

	2019	2018
	£	£
Not later than 1 year	131,833	94,775
Later than 1 year and not later than 5 years	540	19,150
	<u>132,373</u>	<u>113,925</u>

9. Post balance sheet events

Sale of Group

On 15th September 2020, HG Capital the ultimate parent company of Citation Topco Limited sold its interest in the Group to KKR via the newly incorporated entity Rocket Topco Limited. KKR have invested £336m in exchange for a mixture of ordinary and preference shares and settling the listed loan notes held by the Group. At the time of the transaction a refinance has taken place with all existing bank debt and other loan notes settled. The new funding includes a fully drawn senior facility of £225m and a £75m acquisition facility which currently remains undrawn.

COVID 19

The Covid-19 pandemic had a temporary impact on the Group's operations with downside to existing and new business, this has been variable across the different industries in which it operates. The business has however adjusted its operations and continues to trade.

The Company considers the emergence and spread of Covid-19 to be a non-adjusting post balance sheet event.

Following the impact of COVID 19 and the sale of the Group post year end an impairment review in respect of intercompany receivables and other assets has been performed and no impairment is indicated as a result of the revised forecasts.

10. Summary audit opinion

The auditor's report for the year dated 24 September 2020 was unqualified.

The senior statutory auditor was Simon Mark Bristow, for and on behalf of BG Partnership.

Food Alert Limited

Notes to the financial statements (continued)
Year ended 31 December 2019

11. Controlling party

At the 31 December 2019, the Company was a wholly owned subsidiary of Citation Topco Limited, a company registered and incorporated in Jersey. The largest group in which the results of the Company are consolidated is headed by Citation Topco Limited. The smallest group in which they are consolidated is that headed by Citation Holdco Limited. Copies of the financial statements of both Citation Topco Limited and Citation Holdco Limited are available from 22 Grenville Street, St Helier, Jersey JE4 8PX.

The Company's immediate parent undertaking is Citation Holdings Limited.

The ultimate parent undertaking and controlling party at 31st December 2019 was HG Pooled Management Limited, incorporated in England.

Following sale of the Group on 15th September 2020 (refer note 9) the new ultimate parent undertaking and controlling party is Rocket Aggregator L.P. incorporated in Canada.