

Company registration number 027678 (Republic of Ireland)

PAT THE BAKER LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 15 MARCH 2025

PAT THE BAKER LIMITED

COMPANY INFORMATION

Directors	Declan Gallagher Halil Cem Karakas David Murphy	(Appointed 10 March 2025) (Appointed 10 March 2025) (Appointed 10 March 2025)
Secretary	David Murphy	
Company number	027678	
Registered office	Unit 2, The Hyde Building The Park Carrickmines Dublin 18	
Auditor	Lalor O'Shea McQuillan Chartered Accountants and Statutory Audit Firm Unit 2, The Hyde Building The Park Carrickmines Dublin 18	
Business address	Moxham Street Granard Co Longford	
Bankers	Bank of Ireland Main Street Longford Co. Longford	
	AIB (Longford) 58 Main Street Longford	
Solicitors	Pinsent Masons Solicitors 1 Windmill Lane Dublin 2	

PAT THE BAKER LIMITED

CONTENTS

	Page
Directors' report	1 - 3
Directors' responsibilities statement	4
Independent auditor's report	5 - 7
Profit and loss account	8
Statement of comprehensive income	9
Balance sheet	10
Statement of changes in equity	12
Statement of cash flows	11
Notes to the financial statements	13 - 26

PAT THE BAKER LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 15 MARCH 2025

The directors present their annual report and financial statements for the year ended 15 March 2025.

Principal activities

The principal activity of the company continued to be that of the manufacture of bread products.

Review of the business

There have been no significant changes in the company's activities during the financial year.

Turnover for the year has decreased by 5.96% on the prior period while gross margins have increased by 1.41%.

At the end of the period the company has assets of €15,334,984 (2024: €18,651,287) and liabilities of €18,108,774 (2024: €17,290,288). The net assets of the company have decreased by €4,134,789.

The results for the year and financial position of the company at the year end were considered unsatisfactory however the directors expect the company to return to profitability in the foreseeable future.

Principal risks and uncertainties

The principal risks and uncertainties facing the company as identified by the directors are as follows:

Economic Risk

- Foreign exchange fluctuations have an adverse impact on the value of imports and exports. This risk is managed by due consideration of the foreign exchange environment.
- Raw materials price variations impact adversely on the competitiveness of the company. This risk is managed by closely examining the raw materials market to make the most cost effective buying decisions.
- In common with all companies operating in Ireland in this sector, the company faces increasing energy costs. The directors are of the opinion that the company is well positioned to manage these increases.

Market Risk

- Any food scare incidents that may arise in the market have an adverse impact on the company. This uncertainty is managed by a stringent and rigorous internal quality system to minimize any disruptive impact to the business.

Credit Risk

- The company requires that appropriate credit checks are carried out on new customers before sales are made. All customers have individual credit limits that are reviewed on an ongoing basis by the board.

Liquidity Risk

- The company ensures that it has sufficient funds available to meet obligations as they fall due.

Wage Cost Inflation

- The company continues to face upward pressure on labour costs driven by national wage inflation, skills shortages in the food manufacturing sector and increases in statutory employment obligations. As labour is a significant component of production costs, sustained wage inflation could impact operating margins if not offset through efficiency improvements or pricing strategies. Management actively monitors labour market trends and reviews staffing models and automation opportunities to mitigate this risk.

Energy and Utility Cost Increases

- Bread manufacturing is energy-intensive, with baking operations and transport requiring significant electricity, gas and fuel. Volatility in energy markets presents a risk to cost stability and long-term profitability. While the company continues to monitor opportunities for fixed-rate contracts, ongoing instability in energy pricing remains a material uncertainty for the industry.

Commodity and Ingredient Price Volatility

- The price and availability of key raw materials such as flour, yeast, oils and packaging materials can fluctuate due to global supply pressures, poor harvests, energy costs and geopolitical factors. Sudden increases in input prices may adversely affect profitability where cost increases cannot be passed on to customers in a timely manner. The company seeks to manage this uncertainty through supplier diversification, forward purchasing arrangements where appropriate, and ongoing cost-management initiatives.

PAT THE BAKER LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 15 MARCH 2025

Results and dividends

The results for the year are set out on page 8.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

James Higgins	(Resigned 10 March 2025)
Declan Fitzgerald	(Resigned 10 November 2025)
Mark Higgins	(Resigned 10 March 2025)
Melanie Higgins	(Resigned 10 March 2025)
Declan Gallagher	(Appointed 10 March 2025)
Halil Cem Karakas	(Appointed 10 March 2025)
David Murphy	(Appointed 10 March 2025)

Directors' interests

The directors' and secretary's interests in the shares of the company are as stated below:

	Ordinary of €1.27 each	
	17 March 2024	15 March 2025
James Higgins	-	-
Declan Fitzgerald	-	-
Mark Higgins	-	-
Melanie Higgins	-	-
Declan Gallagher	-	-
Halil Cem Karakas	-	-
David Murphy	-	-

Accounting records

The company's directors are aware of their responsibilities, under sections 281 to 285 of the Companies Act 2014 as to whether in their opinion, the accounting records of the company are sufficient to permit the financial statements to be readily and properly audited and are discharging their responsibility by employing qualified and experienced staff, ensuring that sufficient company resources are available for the task, and liaising with the company's .

The accounting records are held at the company's business premises at Moxham Street, Granard, Co. Longford.

Post reporting date events

On 30th April 2025, the company re-registered from an unlimited company (ULC) to a private company limited by shares (LTD) under the Companies Act 2014. The re-registration does not affect the company's operations but changes the extent of members' liability and certain statutory filing obligations.

Future developments

The directors are not expecting to make any significant changes in the nature of the business in the near future.

Auditor

In accordance with the Companies Act 2014, section 383(2), Lalor O'Shea McQuillan continue in office as auditor of the company.

PAT THE BAKER LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 15 MARCH 2025

Directors' compliance policy statement

We, the directors of the company who held office at the date of approval of these financial statements are responsible for securing the company's compliance with its relevant obligations; and

We confirm that the following matters have been done under section 225(2) in fulfilling its responsibilities

- drawing up of a 'compliance policy statement' setting out the company's policies (that, in our opinion, are appropriate to the company) respecting compliance by the company with its relevant obligations;
- putting in place appropriate arrangements or structures (that, in our opinion) are, designed to secure material compliance with the company's relevant obligations; and
- conducting a review during the financial year of any arrangements or structures that have been put in place.

Statement of disclosure to auditor

Each of the directors in office at the date of approval of this annual report confirms that:

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- the director has taken all the steps that he / she ought to have taken as a director in order to make himself / herself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 330 of the Companies Act 2014.

On behalf of the board

Declan Gallagher
Director

David Murphy
Director

21 January 2026

PAT THE BAKER LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 15 MARCH 2025

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 financial statements for each financial year. Under that law, the directors have elected to prepare the financial statements in accordance with the Companies Act 2014 and FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (Generally accepted Accounting Practice in Ireland) issued by the Financial Reporting Council. 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 assets, liabilities and financial position of the company as at the financial year end date and of the profit or loss of the 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 judgements 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 company will continue in business.

The directors are responsible for ensuring that the company keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the company, enable at any time the assets, liabilities, financial position and profit or loss of the 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.

On behalf of the board

Declan Gallagher
Director

David Murphy
Director

21 January 2026

PAT THE BAKER LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF PAT THE BAKER LIMITED

Opinion

We have audited the financial statements of Pat The Baker Limited ('the company') for the year ended 15 March 2025, which comprise the profit and loss account, the statement of comprehensive income, the balance sheet, the statement of changes in equity, the statement of cash flows and notes to the financial statements, including the summary of significant accounting policies set out in note 1. The financial reporting framework that has been applied in their preparation is Irish Law and FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* issued in the United Kingdom by the Financial Reporting Council.

In our opinion the financial statements:

- give a true and fair view of the assets, liabilities and financial position of the company as at 15 March 2025 and of its loss for the year then ended;
- have been properly prepared in accordance with FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; 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 described below 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 financial statements in Ireland, including the Ethical Standard for Auditors (Ireland) issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), 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.

Conclusions relating to 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 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.

Other information

The directors are responsible for the other information in the annual report. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. 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 or apparent material misstatements, 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.

PAT THE BAKER LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF PAT THE BAKER LIMITED

Opinions on other matters prescribed by the Companies Act 2014

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

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

We have obtained all the information and explanations which, to the best of our knowledge and belief, are 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, and the financial statements are in agreement with the accounting records.

Matters on which we are required to report by exception

Based on the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the directors' report.

The Companies Act 2014 requires us to report to you if, in our opinion, the requirements of any of sections 305 to 312 of the Act, which relate to disclosures of directors' remuneration and transactions, are not complied with by the company. We have nothing to report in this regard.

Responsibilities of directors for the financial statements

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements in accordance with the applicable financial reporting framework that 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, if applicable, matters related to going concern and using the going concern basis of accounting unless management 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 (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.

A further description of our responsibilities for the audit of the financial statements is located on the IAASA's website at: http://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description_of_auditors_responsibilities_for_audit.pdf.

This description forms part of our auditor's report.

PAT THE BAKER LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF PAT THE BAKER LIMITED

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.

Padraic Lalor

For and on behalf of Lalor O'Shea McQuillan

Chartered Accountants and Statutory Audit Firm

Unit 2, The Hyde Building

Carrickmines

Dublin 18

21 January 2026

PAT THE BAKER LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 15 MARCH 2025

		2025	2024
	Notes	€	€
Turnover	3	33,526,466	35,650,823
Cost of sales		(21,466,157)	(23,329,823)
		<hr/>	<hr/>
Gross profit		12,060,309	12,321,000
Distribution costs		(10,029,733)	(9,875,847)
Administrative expenses		(6,199,563)	(4,463,766)
		<hr/>	<hr/>
Operating loss	4	(4,168,987)	(2,018,613)
Interest payable and similar expenses	7	(2,011)	(1,349)
Amounts written off investments	9	(1,267)	-
		<hr/>	<hr/>
Loss before taxation		(4,172,265)	(2,019,962)
Tax on loss	10	37,474	37,474
		<hr/>	<hr/>
Loss for the financial year		(4,134,791)	(1,982,488)
		<hr/> <hr/>	<hr/> <hr/>

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

PAT THE BAKER LIMITED

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 15 MARCH 2025

	2025	2024
	€	€
Loss for the year	(4,134,791)	(1,982,488)
Other comprehensive income	-	-
Total comprehensive income for the year	<u>(4,134,791)</u>	<u>(1,982,488)</u>

PAT THE BAKER LIMITED

BALANCE SHEET

AS AT 15 MARCH 2025

	Notes	15 March 2025		16 March 2024	
		€	€	€	€
Fixed assets					
Tangible assets	11		9,155,833		9,546,387
Financial assets	12		251		1,521
			<u>9,156,084</u>		<u>9,547,908</u>
Current assets					
Stocks	16	1,044,637		1,208,113	
Debtors	15	4,303,966		7,032,538	
Cash at bank and in hand		830,297		862,728	
		<u>6,178,900</u>		<u>9,103,379</u>	
Creditors: amounts falling due within one year	17	(16,742,793)		(15,877,606)	
Net current liabilities			(10,563,893)		(6,774,227)
Total assets less current liabilities			(1,407,809)		2,773,681
Creditors: amounts falling due after more than one year	18		(25,373)		(34,600)
Provisions for liabilities					
Deferred tax liability	21	1,340,608		1,378,082	
		<u>(1,340,608)</u>		<u>(1,378,082)</u>	
Net (liabilities)/assets			<u>(2,773,790)</u>		<u>1,360,999</u>
Capital and reserves					
Called up share capital presented as equity	23		120,628		120,628
Revaluation reserve	24		5,383,082		5,383,082
Profit and loss reserves	25		(8,277,500)		(4,142,711)
Total equity			<u>(2,773,790)</u>		<u>1,360,999</u>

The financial statements were approved by the board of directors and authorised for issue on 21 January 2026 and are signed on its behalf by:

Declan Gallagher
Director

David Murphy
Director

PAT THE BAKER LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 15 MARCH 2025

	Notes	2025 €	€	2024 €	€
Cash flows from operating activities					
Cash generated from/(absorbed by) operations	28	429,405		(29,645)	
Interest paid		(2,011)		(1,349)	
Income taxes refunded		594		116	
		<u>429,988</u>		<u>(29,878)</u>	
Net cash inflow/(outflow) from operating activities		427,988		(30,878)	
Investing activities					
Purchase of tangible fixed assets		(460,532)		(260,539)	
Proceeds from disposal of tangible fixed assets		2,439		68,281	
Proceeds from disposal of subsidiaries		3		-	
		<u>(458,090)</u>		<u>(192,258)</u>	
Net cash used in investing activities		(458,090)		(192,258)	
Financing activities					
Payment of finance leases obligations		(9,227)		26,782	
		<u>(9,227)</u>		<u>26,782</u>	
Net cash (used in)/generated from financing activities		(9,227)		26,782	
Net decrease in cash and cash equivalents		(39,329)		(196,354)	
Cash and cash equivalents at beginning of year		853,571		1,049,925	
		<u>853,571</u>		<u>1,049,925</u>	
Cash and cash equivalents at end of year		814,242		853,571	
		<u><u>814,242</u></u>		<u><u>853,571</u></u>	
Relating to:					
Cash at bank and in hand		830,297		862,728	
Bank overdrafts included in creditors payable within one year		(16,055)		(9,157)	
		<u><u>814,242</u></u>		<u><u>853,571</u></u>	

PAT THE BAKER LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 15 MARCH 2025**

	Share capital	Revaluation reserve	Profit and loss reserves	Total
	€	€	€	€
Balance at 19 March 2023	120,628	5,383,082	(2,160,223)	3,343,487
Year ended 16 March 2024:				
Loss and total comprehensive income	-	-	(1,982,488)	(1,982,488)
Balance at 16 March 2024	120,628	5,383,082	(4,142,711)	1,360,999
Year ended 15 March 2025:				
Loss and total comprehensive income	-	-	(4,134,791)	(4,134,791)
Balance at 15 March 2025	120,628	5,383,082	(8,277,502)	(2,773,792)

PAT THE BAKER LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 15 MARCH 2025

1 Accounting policies

Company information

Pat The Baker Limited is a limited company domiciled and incorporated in Republic of Ireland. The registered office is Unit 2, The Hyde Building, The Park, Carrickmines, Dublin 18 and its company registration number is 027678.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 “The Financial Reporting Standard applicable in the UK and Republic of Ireland” (“FRS 102”) and the requirements of the Companies Act 2014.

The financial statements are prepared in euros, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest €.

The financial statements have been prepared under the historical cost convention, [modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value]. The principal accounting policies adopted are set out below.

1.2 Going concern

The company incurred a net loss of €4,134,791 during the year ended 15th March 2025. At that date, the company's total liabilities exceeded its total assets by €2,773,790. The directors continually review the company's financial and cost structure in the light of factors affecting its business performance. As a result, measures are being taken to respond to the company's unsatisfactory performance, with a view to returning the company to profitability. The activities of the company, its parent company and its fellow subsidiaries are closely integrated. At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus, the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods 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.

Revenue 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 revenue 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.

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold land and buildings	0% to 5% straight line
Plant and equipment	10% to 50% straight line
Fixtures and fittings	25% straight line
Motor vehicles	25% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.5 Fixed asset investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

PAT THE BAKER LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 15 MARCH 2025

1 Accounting policies

(Continued)

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

An associate is an entity, being neither a subsidiary nor a joint venture, in which the company holds a long-term interest and where the company has significant influence. The company considers that it has significant influence where it has the power to participate in the financial and operating decisions of the associate.

Entities in which the company has a long term interest and shares control under a contractual arrangement are classified as jointly controlled entities.

1.6 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.7 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.

Stocks held for distribution at no or nominal consideration are measured at the lower of cost and replacement cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.8 Cash and cash equivalents

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

PAT THE BAKER LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 15 MARCH 2025

1 Accounting policies

(Continued)

1.9 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price. Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

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.

1 Accounting policies

(Continued)

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

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

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.10 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.11 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and 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. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

PAT THE BAKER LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 15 MARCH 2025

1 Accounting policies

(Continued)

1.12 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.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.13 Retirement benefits

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

1.14 Leases

As lessee

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessees. All other leases are classified as operating leases.

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to profit or loss so as to produce a constant periodic rate of interest on the remaining balance of the liability.

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.

1.15 Foreign exchange

Transactions in currencies other than euros are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

2 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. Actual results may differ from these estimates.

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.

PAT THE BAKER LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 15 MARCH 2025

2 Judgements and key sources of estimation uncertainty

(Continued)

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Establishing useful economic lives for depreciation purposes of tangible fixed assets

Long-lived assets, consisting primarily of Tangible fixed assets, comprise a significant portion of the total assets. The annual depreciation charge depends primarily on the estimated useful economic lives of each type of asset and estimates of residual values. The directors regularly review these asset useful economic lives and change them as necessary to reflect current thinking on remaining lives in light of prospective economic utilisation and physical condition of the assets concerned. Changes in asset useful lives can have a significant impact on depreciation and amortisation charges for the period. Detail of the useful economic lives is included in the accounting policies.

Providing for doubtful debts

The company makes an estimate of the recoverable value of trade and other debtors. The company uses estimates based on historical experience in determining the level of debts, which the company believes, will not be collected. These estimates include such factors as the current credit rating of the debtor, the ageing profile of debtors and historical experience. Any significant reduction in the level of customers that default on payments or other significant improvements that resulted in a reduction in the level of bad debt provision would have a positive impact on the operating results. The level of provision required is reviewed on an on-going basis.

3 Turnover

An analysis of the company's turnover is as follows:

	2025	2024
	€	€
Turnover analysed by class of business		
Sale of bread products	33,526,466	35,650,823

4 Operating loss

	2025	2024
	€	€
Operating loss for the year is stated after charging/(crediting):		
Exchange losses	1,337	2,257
Depreciation of owned tangible fixed assets	839,553	763,286
Depreciation of tangible fixed assets held under finance leases	11,533	89,335
Profit on disposal of tangible fixed assets	(2,439)	(45,974)
Operating lease charges	8,460	28,648

5 Auditor's remuneration

	2025	2024
	€	€
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the company	37,500	39,070
For other services		
All other non-audit services	76,200	22,780

PAT THE BAKER LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 15 MARCH 2025

6 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2025	2024
	Number	Number
Management	39	34
Administration	8	8
Production and packaging	147	151
Sales and distribution	156	154
	<hr/>	<hr/>
Total	350	347
	<hr/> <hr/>	<hr/> <hr/>

Their aggregate remuneration comprised:

	2025	2024
	€	€
Wages and salaries	14,083,862	13,013,911
Social security costs	23,283	24,138
Pension costs	1,143,370	119,108
	<hr/>	<hr/>
	15,250,515	13,157,157
	<hr/> <hr/>	<hr/> <hr/>

7 Interest payable and similar expenses

	2025	2024
	€	€
Other finance costs:		
Interest on finance leases and hire purchase contracts	2,011	1,349
	<hr/> <hr/>	<hr/> <hr/>

8 Directors' remuneration

	2025	2024
	€	€
Remuneration for qualifying services	427,281	436,799
Company pension contributions to defined contribution schemes	1,028,644	21,800
	<hr/>	<hr/>
	1,455,925	458,599
	<hr/> <hr/>	<hr/> <hr/>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 1 (2024 - 1).

The remuneration of key management personnel is the same as directors remuneration therefore further disclosure of compensation of key management personnel is not required.

PAT THE BAKER LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 15 MARCH 2025

9 Amounts written off investments

	2025	2024
	€	€
Other gains and losses	(1,267)	-
	<u>(1,267)</u>	<u>-</u>

10 Taxation

	2025	2024
	€	€
Deferred tax		
Origination and reversal of timing differences	(37,474)	(37,474)
	<u>(37,474)</u>	<u>(37,474)</u>

The actual credit for the year can be reconciled to the expected credit for the year based on the profit or loss and the standard rate of tax as follows:

	2025	2024
	€	€
Loss before taxation	(4,172,265)	(2,019,962)
	<u>(4,172,265)</u>	<u>(2,019,962)</u>
Expected tax credit based on the standard rate of corporation tax of 12.50% (2024: 12.50%)	(521,533)	(252,495)
Tax effect of expenses that are not deductible in determining taxable profit	48,941	522
Tax effect of income not taxable in determining taxable profit	-	(2,805)
Change in unrecognised deferred tax assets	44,555	23,320
Group relief	428,037	217,263
Permanent capital allowances in excess of depreciation	-	14,195
Deferred tax adjustment in respect of revalued property	(37,474)	(37,474)
	<u>(37,474)</u>	<u>(37,474)</u>
Taxation credit for the year	(37,474)	(37,474)
	<u>(37,474)</u>	<u>(37,474)</u>

11 Tangible fixed assets

	Freehold land and buildings	Plant and equipment	Fixtures and fittings	Motor vehicles	Total
	€	€	€	€	€
Cost or valuation					
At 17 March 2024	11,437,145	9,726,544	6,685,909	4,952,495	32,802,093
Additions	-	348,494	112,038	-	460,532
Disposals	-	-	-	(85,800)	(85,800)
	<u>11,437,145</u>	<u>10,075,038</u>	<u>6,797,947</u>	<u>4,866,695</u>	<u>33,176,825</u>
At 15 March 2025	11,437,145	10,075,038	6,797,947	4,866,695	33,176,825
	<u>11,437,145</u>	<u>10,075,038</u>	<u>6,797,947</u>	<u>4,866,695</u>	<u>33,176,825</u>
Depreciation and impairment					
At 17 March 2024	2,955,674	9,057,542	6,335,963	4,906,527	23,255,706
Depreciation charged in the year	359,495	309,959	151,916	29,716	851,086
Eliminated in respect of disposals	-	-	-	(85,800)	(85,800)
	<u>2,955,674</u>	<u>9,057,542</u>	<u>6,335,963</u>	<u>4,906,527</u>	<u>23,255,706</u>
At 15 March 2025	3,315,169	9,367,501	6,487,879	4,850,443	24,020,992
	<u>3,315,169</u>	<u>9,367,501</u>	<u>6,487,879</u>	<u>4,850,443</u>	<u>24,020,992</u>

PAT THE BAKER LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 15 MARCH 2025

11 Tangible fixed assets (Continued)

	Freehold land and buildings	Plant and equipment	Fixtures and fittings	Motor vehicles	Total
	€	€	€	€	€
Carrying amount					
At 15 March 2025	8,121,976	707,537	310,068	16,252	9,155,833
At 16 March 2024	8,481,471	669,002	349,946	45,968	9,546,387

Tangible fixed assets includes assets held under finance leases or hire purchase contracts, as follows:

	2025	2024
	€	€
Fixtures and fittings	31,938	45,963
Motor vehicles	-	19,781
	31,938	65,744

Freehold land & buildings includes the company's factory premises at Granard Co. Longford at a carrying value of €447,859 (2024 - €541,912) being original cost €3,167,145 (2024 - €3,167,145) less depreciation €2,719,286 (2024 - €2,625,233). All other freehold land & buildings were revalued on 10th October 2023 by independent valuers not connected with the company on the basis of market value. The valuation conforms to RICS Valuation - Global Standards (January 2022) published by the Royal Institution of Chartered Surveyors. These freehold land & buildings have a carrying value of €7,674,116 (2024 - €7,939,558). If measured using the cost model, the carrying value of these freehold land & buildings would have been €1,310,801 (2024 - €1,391,042).

12 Financial assets

	Notes	2025	2024
		€	€
Investments in subsidiaries	13	251	1,521

Movements in fixed asset investments

	Shares in subsidiaries
	€
Cost or valuation	
At 17 March 2024	1,521
Disposals	(1,270)
At 15 March 2025	251
Carrying amount	
At 15 March 2025	251
At 16 March 2024	1,521

PAT THE BAKER LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 15 MARCH 2025

13 Subsidiaries

These financial statements are separate company financial statements for Pat the Baker Limited.

Details of the company's subsidiaries at 15 March 2025 are as follows:

Name of undertaking	Registered office	Class of shares held	% Held Direct
Sunrich	Ireland	Ordinary	100

The aggregate capital and reserves and the result for the year of the subsidiaries noted above was as follows:

Name of undertaking	Capital and Reserves	Profit/(Loss)
	€	€
Sunrich	2,452,763	(44,421)

14 Financial instruments

	2025	2024
	€	€
Carrying amount of financial assets		
Debt instruments measured at amortised cost	3,741,916	6,631,541
Carrying amount of financial liabilities		
Measured at amortised cost	16,247,189	15,401,894

15 Debtors

	2025	2024
	€	€
Amounts falling due within one year:		
Trade debtors	3,596,948	3,945,263
Corporation tax recoverable	-	444
Amounts owed by group undertakings	-	2,323,343
Other debtors	329,232	539,329
Prepayments	377,786	224,159
	<u>4,303,966</u>	<u>7,032,538</u>

Trade debtors are stated after provisions for impairments of Nil (2024: €17,091).

Amounts owed by group companies and directors are unsecured, interest free and repayable on demand.

16 Stocks

	2025	2024
	€	€
Finished goods, raw materials and consumables	<u>1,044,637</u>	<u>1,208,113</u>

PAT THE BAKER LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 15 MARCH 2025

17 Creditors: amounts falling due within one year

	Notes	2025 €	2024 €
Amounts owed to credit institutions	19	16,055	9,157
Obligations under finance leases	20	9,227	9,227
Trade creditors		3,207,939	3,719,636
Amounts owed to group undertakings		10,623,395	9,363,039
Corporation tax		148	-
PAYE and social security		520,829	510,312
Other creditors including tax and social welfare		182,022	172,086
Accruals		2,183,178	2,094,149
		<u>16,742,793</u>	<u>15,877,606</u>

Amounts owed to group companies and directors are unsecured, interest free and repayable on demand.

18 Creditors: amounts falling due after more than one year

	Notes	2025 €	2024 €
Obligations under finance leases	20	25,373	34,600
		<u>25,373</u>	<u>34,600</u>

19 Loans and overdrafts

	2025 €	2024 €
Bank overdrafts	16,055	9,157
	<u>16,055</u>	<u>9,157</u>
Payable within one year	16,055	9,157
	<u>16,055</u>	<u>9,157</u>

20 Finance lease obligations

	2025 €	2024 €
Future minimum lease payments due under finance leases:		
Within one year	11,238	11,238
In two to five years	30,905	42,143
	<u>42,143</u>	<u>53,381</u>
Less: future finance charges	(7,543)	(9,554)
	<u>34,600</u>	<u>43,827</u>

Finance lease payments represent rentals payable by the company for certain items of plant and machinery. Leases include purchase options at the end of the lease period, and no restrictions are placed on the use of the assets. The average lease term is 3 years. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

PAT THE BAKER LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 15 MARCH 2025

21 Deferred taxation

Deferred tax assets and liabilities are offset where the company has a legally enforceable right to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	Liabilities 2025	Liabilities 2024
Balances:	€	€
Revaluations	1,340,608	1,378,082
	<u> </u>	<u> </u>
		2025
Movements in the year:		€
Liability at 17 March 2024		1,378,082
Credit to profit or loss		(37,474)
		<u> </u>
Liability at 15 March 2025		1,340,608
		<u> </u>

22 Retirement benefit schemes

	2025	2024
Defined contribution schemes	€	€
Charge to profit or loss in respect of defined contribution schemes	1,143,370	119,108
	<u> </u>	<u> </u>

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

23 Share capital

	2025	2024	2025	2024
Ordinary share capital	Number	Number	€	€
Authorised equity				
Ordinary of €1.26975 each	100,000	100,000	126,975	126,975
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Issued and fully paid				
Ordinary of €1.26975 each	95,001	95,001	120,628	120,628
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Authorised				

24 Revaluation reserve

	2025	2024
	€	€
At the beginning and end of the year	5,383,082	5,383,082
	<u> </u>	<u> </u>

PAT THE BAKER LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 15 MARCH 2025****25 Profit and loss reserves**

	2025	2024
	€	€
At the beginning of the year	(4,142,711)	(2,160,223)
Adjusted balance	(4,142,709)	(2,160,223)
Loss for the year	(4,134,791)	(1,982,488)
At the end of the year	<u>(8,277,500)</u>	<u>(4,142,711)</u>

26 Related party transactions**Other related party transactions**

Debtors includes an amount due from Azeda Limited of Nil (2024: €102,572) and an amount due from Sunrich Limited of Nil (2024: €2,220,771). Creditors includes an amount due to Sunrich Limited of €1,507,222 (2024: Nil) and an amount due to Irish Pride Fine Foods Limited €8,468,744 (2024: €6,446,8612) and an amount due to Azeda Limited of €647,428 (2024: Nil). All of the aforementioned related companies have the same ultimate 100% parent undertaking.

27 Ultimate controlling party

The ordinary shares of Pat the Baker Limited are held by Macrinus Unlimited a company which is registered in the Isle of Man. The ultimate controlling party is Mayfair Equity Partners LLP, a UK based private equity group.

28 Cash generated from/(absorbed by) operations

	2025	2024
	€	€
Loss after taxation	(4,134,791)	(1,982,488)
Adjustments for:		
Taxation credited	(37,474)	(37,474)
Finance costs	2,011	1,349
Gain on disposal of tangible fixed assets	(2,439)	(45,974)
Depreciation and impairment of tangible fixed assets	851,086	852,621
Other gains and losses	1,267	-
Movements in working capital:		
Decrease in stocks	163,476	93,639
Decrease/(increase) in debtors	2,728,128	(182,786)
Increase in creditors	858,141	1,271,468
Cash generated from/(absorbed by) operations	<u>429,405</u>	<u>(29,645)</u>

PAT THE BAKER LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 15 MARCH 2025

29 Analysis of changes in net funds

	17 March 2024	Cash flows	15 March 2025
	€	€	€
Cash at bank and in hand	862,728	(32,431)	830,297
Bank overdrafts	(9,157)	(6,898)	(16,055)
	<u>853,571</u>	<u>(39,329)</u>	<u>814,242</u>
Lease liabilities	(43,827)	9,227	(34,600)
	<u>809,744</u>	<u>(30,102)</u>	<u>779,642</u>

30 Approval of financial statements

The directors approved the financial statements on 21 January 2026.