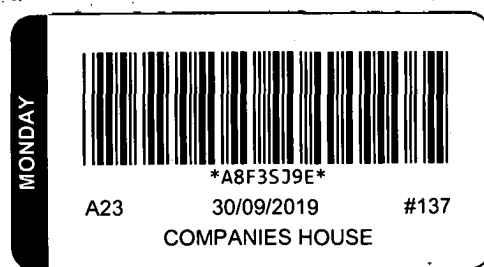


Company Registration No. 945702

GREENERY UK LIMITED

Annual Report and Financial Statements

Year ended 31 December 2018



(- 26/09/2019)

GREENERY UK LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS 2018

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GREENERY UK LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS 2018

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

Greenery Produce Holding B.V.
A.A. Swijter

REGISTERED OFFICE

C/o The Young Company
2B Vantage Park
Washingley Road
Huntingdon
Cambridgeshire
PE29 6SR

SOLICITORS

Macfarlanes LLP
20 Cursitor Street
London
EC4A 1LT

BANKERS

Barclays Bank Plc
1 Market Hill
Huntingdon
Cambridgeshire
PE18 6AE

AUDITOR

Deloitte LLP
Statutory Auditor
Cambridge
United Kingdom

ACTUARY

Capita Employee Solutions
65 Gresham Street (5th floor)
London
EC2V 7NQ

GREENERY UK LIMITED

STRATEGIC REPORT

PRINCIPAL ACTIVITY

The company's principal activity during the year continued to be the wholesaling of fruit and vegetables.

REVIEW OF BUSINESS AND FUTURE DEVELOPMENTS

The directors of the Group decided in 2015 to move several functions within the business to the parent company, The Greenery B.V. with effect from February 2016. All profits and costs are recorded by The Greenery B.V. and a management fee is paid to Greenery UK based on a Management Service Agreement (MSA) for its services provided. The expectation going forward is profitability from operations, although in 2018 there is a significant loss due to one-off pension costs.

In March 2018 the parent company has concluded a new agreement with A Pearson Holdings Limited (APS). As a result 3 employees of the company have been transferred to APS. Accordingly the company is no longer providing services in relation to the parent company's salad products. From 28 March 2018 the MSA is limited to sales of fruit. The sales team for the fruit business remains in the entity to maintain the client relationships with the UK customers.

GOING CONCERN

The company conducts its business with other group companies and is reliant on this support to continue to operate as a going concern. The parent has signed a service agreement, confirming they will reimburse the company its fixed costs at a cost plus mark-up. However, the agreement may not cover any unexpected costs the entity incurs and may be cancelled at three months' notice; these conditions indicate the existence of a material uncertainty which may cast significant doubt about the company's ability to continue as a going concern such that it may be unable to realize its assets and discharge its liabilities in the normal course of business.

However, as discussed in note 1, the directors are confident that the required support from the parent company will be forthcoming and that the company will continue in operational existence for the foreseeable future. The directors therefore consider it appropriate to prepare the financial statements on a going concern basis.

KEY PERFORMANCE INDICATORS ("KPIs")

The directors consider that the key financial performance indicators are those that communicate the financial performance and strength of the company as a whole, these being turnover, profit margins and staff costs.

The company measures its financial performance using the following measures:

- Staff costs are monitored by the parent company. In 2018 they increased (from £434,000 in 2017 to £827,000 in 2018) due to incidental higher pension costs.
- Other operating costs are also closely monitored and rationalized.

PRINCIPAL RISKS AND UNCERTAINTIES

The company's activities expose it to a number of financial risks including credit risk, liquidity risk and price risk. The company's credit risk is primarily attributable to its trade debtors, but this is limited as the company's is only providing services to the parental company (The Greenery B.V.). The company has no direct exposure to commodity price risk. In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations and future developments, the company uses short-term intercompany finance if needed.

The uncertain economic climate due for example to Brexit continues to be challenging; refer to note 1 to the financial statements which describes the directors' considerations regarding the appropriateness of the preparation of the financial statements on a going concern basis. With these risks and uncertainties in mind, the directors are aware of any plans for the future development of the business may be subject to unforeseen events outside our control. However the directors will continue to show flexibility and respond to market conditions and opportunities as they arise.

Approved by the Board of Directors and signed on behalf of the Board

Director: A.A. Swifter

Date:

26 September 2019

GREENERY UK LIMITED

DIRECTORS' REPORT

The directors present their annual report and the audited financial statements for the year ended 31 December 2018.

DIVIDENDS

The directors do not recommend the payment of a dividend for the year (2017- £nil).

DIRECTORS

The directors who served throughout the year and to the date of signing the financial statements, unless otherwise stated, were as follows:

Greenery Produce Holding B.V.

Mr. W.C.M. van de Wiel (resigned 1 April 2018)

Mr. P.R. Linvers (appointed 1 April 2018 and resigned 18 June 2019)

On 20 June 2019 Mr. A.A. Swijter was appointed as a director of the Company.

DIRECTORS' INDEMNITIES

The company has made qualifying third party indemnity provisions for the benefit of its directors which remain in force at the date of this report.

AUDITOR

Each of the persons who is a director 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 ought to have taken as a director to make himself 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 s418 of the Companies Act 2006.

Deloitte LLP have expressed their willingness to continue in office as auditor and a resolution to reappoint them as auditor will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors
and signed on behalf of the Board

Director: A.A. Swijter

Date:

26 September 2019

GREENERY UK LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the annual 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), 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 accounting estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed; 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GREENERY UK LIMITED

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Greenery UK Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 31 December 2018 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the profit and loss account;
- the statement of comprehensive income;
- the balance sheet;
- the statement of changes in equity; and
- the related notes 1 to 15.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

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 Financial Reporting Council's (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.

Material uncertainty related to going concern

We draw attention to note 1 in the financial statements, which indicates that the company is reliant on support from its ultimate parent Coforta U.A.. There is a signed service agreement in place whereby the fixed costs of the entity are reimbursed by the parent company on a cost-plus basis. However, this may not cover any unexpected costs the entity incurs and the agreement can be cancelled on three months' notice. These events or conditions, along with the other matters as set forth in note 1 to the financial statements, indicate that a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GREENERY UK LIMITED (continued)

Other information

The directors are responsible for the other information. 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 respect of these matters.

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.

A further description of our responsibilities for the audit for the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Report on other legal and regulatory requirements

Opinion on other matter prescribed by the Companies Act 2006

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

- the information given in the Strategic Report and the Directors' Report for the financial year 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.

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 any material misstatements in the Strategic Report or the Directors' Report.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GREENERY UK LIMITED (continued)

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters 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.

We have nothing to report in respect of these matters.

Use of our report

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.

Matthew Hall

Matthew Hall FCA (Senior Statutory Auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
Cambridge, United Kingdom
26 September 2019

GREENERY UK LIMITED

PROFIT AND LOSS ACCOUNT **Year ended 31 December 2018**

	Note	2018 £'000	2017 £'000
TURNOVER		<u>535</u>	<u>713</u>
Other income		3	25
Staff costs	3	(827)	(434)
Depreciation	4	(1)	(1)
Other operating charges		(328)	(250)
Provision against intercompany receivables		(85)	(56)
		<u>(1,238)</u>	<u>(716)</u>
OPERATING LOSS	4	(703)	(3)
Interest payable and similar charges	5	(114)	(129)
LOSS BEFORE TAXATION		(817)	(132)
Tax on loss	6	-	-
LOSS FOR THE FINANCIAL YEAR		<u>(817)</u>	<u>(132)</u>

All activities derive from continuing operations.

STATEMENT OF COMPREHENSIVE INCOME **Year ended 31 December 2018**

	2018 £'000	2017 £'000
Loss for the financial year	(817)	(132)
Actuarial gain recognised in the pension scheme (note 13)	335	194
Movement on deferred tax relating to pension liability (note 11)	(583)	(114)
Total comprehensive loss relating to the year	<u>(1,065)</u>	<u>(52)</u>

GREENERY UK LIMITED

BALANCE SHEET **31 December 2018**

	Note	2018 £'000	2017 £'000
FIXED ASSETS			
Tangible assets	7		1
Investments	8		
CURRENT ASSETS			
Debtors	9	367	912
Cash at bank and in hand		279	1,796
		646	2,708
CREDITORS: amounts falling due within one year	10	(438)	(141)
NET CURRENT ASSETS		208	2,567
TOTAL ASSETS LESS CURRENT LIABILITIES, BEING NET ASSETS EXCLUDING PENSION LIABILITY		208	2,568
PENSION LIABILITY	13	(1,656)	(4,551)
NET LIABILITIES INCLUDING PENSION LIABILITY		(1,448)	(1,983)
CAPITAL AND RESERVES			
Called up share capital	12	2,000	2,000
Capital contribution		20,550	18,950
Profit and loss account		(23,998)	(22,933)
SHAREHOLDERS' DEFICIT		(1,448)	(1,983)

The financial statements of Greenerly UK Limited, registered number 945702, were approved by the Board of Directors and authorised for issue on

Director:  A. Swiller

Date:

26 September 2019

GREENERY UK LIMITED

STATEMENT OF CHANGES IN EQUITY **31 December 2018**

	Called up share capital £'000	Capital contribu- tions £'000	Profit and loss account £'000	Total £'000
At 1 January 2017	2,000	18,950	(22,881)	(1,931)
Loss for the year	-	-	(132)	(132)
Pension scheme movements (note 13):				
Actuarial gain	-	-	194	194
Deferred taxation movement	-	-	(114)	(114)
At 31 December 2017	2,000	18,950	(22,933)	(1,983)
Loss for the year	-	-	(817)	(817)
Pension scheme movements (note 13):				
Actuarial gain	-	-	335	335
Deferred taxation movement	-	-	(583)	(583)
Capital contribution	-	1,600	-	1,600
At 31 December 2018	2,000	20,550	(23,998)	(1,448)

GREENERY UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS **Year ended 31 December 2018**

1. ACCOUNTING POLICIES

The financial statements are prepared in accordance with applicable United Kingdom accounting standards. They have been applied consistently throughout the year and preceding year. The particular accounting policies adopted are described below.

General information and basis of accounting

Greenery UK Limited is a private company limited by shares incorporated in the United Kingdom under the Companies Act 2006 and is registered in England and Wales. The address of the registered office is given on page 1. The nature of the company's operations and its principal activities are set out in the strategic report on page 2.

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.

The functional currency of Greenery UK Limited is considered to be pounds sterling because that is the currency of the primary economic environment in which the company operates.

Greenery UK Limited 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 financial statements. Exemptions have been taken in relation to, financial instruments, presentation of a cash flow statement and remuneration of key management personnel.

Going concern

The company conducts its business with other group companies and is reliant on support from its ultimate parent, The Greenery BV, to continue to operate as a going concern. The current economic conditions create uncertainty over the extent of future cash flows given that the company's activities consist of the management of a concentration of large clients on behalf of the group. However, there is no evidence to suggest that these commercial relationships will cease in the foreseeable future. It should be noted that these clients are prominent and there is no current evidence of default in payments.

The parent has signed a service agreement, confirming they will reimburse the company its fixed costs at a cost plus mark-up. However, the agreement may not cover any unexpected costs the entity incurs and may be cancelled at three months' notice; these conditions indicate the existence of a material uncertainty which may cast significant doubt about the company's ability to continue as a going concern such that it may be unable to realise its assets and discharge its liabilities in the normal course of business.

The company markets 'economic needs'; namely fresh fruit and vegetables to major supermarket chains in the UK and together with its parent company is the largest entity of its kind in Europe. Given the company's market position, the products it sells and the customers it sells to, there is negligible insolvency risk to this long established entity.

Based on the above, the directors are confident that the required support from the parent company will be forthcoming and that the company will continue in operational existence for a period of at least twelve months from the date of approval of the financial statements. The directors therefore consider it appropriate to prepare the financial statements on a going concern basis.

Consolidation

Group accounts have not been prepared as the company is exempt under S400 Companies Act 2006 from the requirement to prepare group accounts.

Turnover

Turnover is the total amount receivable by the company for services provided, excluding VAT and trade discounts. Revenue is recognised in relation to costs incurred, on a cost plus basis, from providing services wholly to the company's immediate parent undertaking.

GREENERY UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS **Year ended 31 December 2018**

1. ACCOUNTING POLICIES (continued)

Tangible fixed assets

Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost less estimated residual value based on prices prevailing at the date of acquisition of each asset evenly over its expected useful life as follows:

Plant and equipment	4-7 years
---------------------	-----------

The carrying values of tangible fixed assets are reviewed for impairment in periods if events or changes in circumstances indicate the carrying value may not be recoverable.

Investments

Investments are included at cost less provision for impairment.

Taxation

Current 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.

Deferred tax is provided in full on timing differences, which result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in financial statements. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

Foreign exchange

Transactions denominated in foreign currencies are translated into sterling at the rates ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the rates ruling at that date. Translation differences arising are dealt with in the profit and loss account.

Leases

Operating lease rentals are charged to the profit and loss account as incurred.

Pensions

The company operates a defined benefit pension scheme and a defined contribution scheme.

Defined benefit scheme

The amounts charged to operating profit in respect of the defined benefit scheme are the current service cost and gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the profit and loss account if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The interest cost and the expected return on assets are shown as a net amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in the statement of comprehensive income.

Defined benefit schemes are funded, with the assets of the scheme held separately from those of the company, in separate trustee administered funds. Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent currency and term to the scheme liabilities. The actuarial valuations are obtained at least triennially and are updated at each balance sheet date. The resulting defined benefit asset or liability, net of the related deferred tax, is presented separately after other net assets on the face of the balance sheet.

Defined contribution scheme

The cost of contributions are charged to the profit and loss account as they are incurred.

GREENERY UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS Year ended 31 December 2018

1. ACCOUNTING POLICIES (continued)

Turnover

Turnover and profit before taxation are attributable to one activity, the wholesaling of fruit and vegetables in the United Kingdom.

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 financial 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 finance 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 balance sheet when, and 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.

2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In the application of the Company's accounting policies, which are described in note 1, the directors are required to make judgements, estimates and assumptions about the carrying amounts 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 if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements in applying the company's accounting policies

The directors believe there to be no critical judgements, apart from those involving estimation (which are dealt with separately below), that they have made in the process of applying the company's accounting policies and that would have a significant effect on the amounts recognised in the financial statements.

Key source of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

Pension obligation

The net position of a defined pension arrangement is determined based on actuarial valuations. An actuarial valuation assumes the estimation of discount rates, estimated returns on assets, future salary increases, mortality figures and future pension increases. Because of the long term nature of these pension plans, the valuation of these is subject to important uncertainties. The directors appoint an actuary in order to estimate the value of future obligations and a fund manager to measure the value of the scheme assets. These valuations are then reviewed by management before inclusion in the financial statements. See note 13 for additional disclosures.

GREENERY UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS **Year ended 31 December 2018**

3. INFORMATION REGARDING DIRECTORS AND EMPLOYEES

	2018 £'000	2017 £'000
Directors' emoluments (being the highest paid director)		
Emoluments	-	-
Company contributions paid to defined contribution pension scheme	-	-
	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>
	No	No
Number of directors who are members of a defined contribution pension scheme	-	-
	<u>-</u>	<u>-</u>
Average number of persons employed		
Sales and administration	2.5	5
	<u>2.5</u>	<u>5</u>
	2018 £'000	2017 £'000
Staff costs during the year (including directors)		
Wages and salaries	151	326
Social security costs	22	35
Pension and other related costs	654	73
	<u>827</u>	<u>434</u>

4. OPERATING LOSS

	2018 £'000	2017 £'000
Operating loss is after charging:		
Auditor's remuneration		
Audit services	25	25
Tax compliance services	2	12
Depreciation of owned fixed assets	1	1
	<u>28</u>	<u>38</u>

GREENERY UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS **Year ended 31 December 2018**

5. INTEREST PAYABLE AND SIMILAR CHARGES

	2018 £'000	2017 £'000
Other finance costs (note 13)	114	129

6. TAX ON LOSS

	2018 £'000	2017 £'000
Current tax		
UK corporation tax	-	-
Deferred tax		
Origination and reversal of timing differences	-	-
Tax on loss	-	-

The standard rate of tax for the year, based on the UK standard rate of corporation tax is 19% (2017 – 19.25%). The actual tax charge for the current year and the previous year differs from the standard rate for the reasons set out in the following reconciliation.

	2018 £'000	2017 £'000
Loss before tax	(817)	(132)
Tax on loss at standard rate	(155)	(25)
Factors affecting charge for the year:		
Creation of tax losses	155	25
Total current tax	-	-

In recent years the UK Government has steadily reduced the rate of UK corporation tax, with the latest rates substantively enacted by the balance sheet date being 20% with effect from 1 April 2015, 19% effective from 1 April 2017 and 17% effective from 1 April 2020. The closing deferred tax assets and liabilities have been calculated at 17%, on the basis that this is the rate at which those assets and liabilities are expected to unwind.

GREENERY UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS **Year ended 31 December 2018**

7. TANGIBLE FIXED ASSETS

	Plant and equipment £'000
Cost	
At 1 January 2018 and 31 December 2018	14
Depreciation	
At 1 January 2018	13
Charge for the year	1
At 31 December 2018	14
Net book value	
At 31 December 2018	-
At 31 December 2017	1

8. INVESTMENTS HELD AS FIXED ASSETS

Shares in subsidiary undertakings:

	£'000
Cost	
At 1 January 2018 and 31 December 2018	6,332
Impairment provision and amounts written-off	
At 1 January 2018 and 31 December 2018	6,332
Net book value	
At 31 December 2018	-
At 31 December 2017	-

GREENERY UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS **Year ended 31 December 2018**

8. INVESTMENTS HELD AS FIXED ASSETS (continued)

Shares in subsidiary undertakings (continued):

During the year, the following undertaking was an immediate subsidiary undertaking of Greenery UK Limited. Greenery UK Limited owned 100% of the share capital in this company. The company was dissolved on 28 June 2019.

Name	Nature of business	Class	Share capital amount issued £'000	Reserves £'000
North Bank Growers Limited	Market gardeners	Ordinary	2,150	(74)

The registered address of the subsidiary is: C/o The Young Company, 2B Vantage Park, Washingley Road, Huntingdon, Cambridgeshire, PE29 6SR.

9. DEBTORS

	2018 £'000	2017 £'000
Due within one year:		
Amounts owed by parent undertaking	31	-
Other debtors	11	11
Deferred tax (note 11)	282	865
Prepayments and accrued income	43	36
	<u>367</u>	<u>912</u>

Amounts owed by the parent undertaking are unsecured, interest-free and repayable on demand.

10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018 £'000	2017 £'000
Trade creditors	15	9
Other taxes and social security costs	-	15
Other creditors	6	26
Accruals and deferred income	417	91
	<u>438</u>	<u>141</u>

GREENERY UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS **Year ended 31 December 2018**

11. DEFERRED TAX ASSET

	£'000
Balance at 1 January 2018	865
Charge to comprehensive income	(583)
	<u>282</u>
Balance at 31 December 2018	<u>282</u>

	Recognised 2018 £'000	2017 £'000	Not recognised 2018 £'000	2017 £'000
Capital losses	-	-	(235)	(118)
Capital allowances in advance of depreciation	-	-	(8)	(8)
Other short term timing differences	-	-	(348)	(348)
Pension	282	865	-	-
	<u>282</u>	<u>865</u>	<u>(591)</u>	<u>(474)</u>

Deferred tax assets have not been recognised on losses, accelerated capital allowances and other timing difference as there is insufficient evidence as to its recoverability. These assets will be recovered if and when the company has suitable profits in future years to reverse deferred tax assets. The deferred tax asset on the pension has been recognised on the basis that any future increases in the value of the scheme assets will be recognised against which the deferred tax asset may be recovered.

12. CALLED UP SHARE CAPITAL AND RESERVES

	2018 £'000	2017 £'000
Called up, allotted and fully paid		
2,000,000 ordinary shares of £1 each	<u>2,000</u>	<u>2,000</u>

The company's other reserves are as follows:

The capital contribution reserve represents capitalised debt from parent company.

The profit and loss reserve represents cumulative profits or losses and other comprehensive income, net of dividends paid and other adjustments.

GREENERY UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS **Year ended 31 December 2018**

13. EMPLOYEE BENEFITS

Defined benefit scheme

The company operated a defined benefit pension scheme for qualifying employees. The scheme is now closed to new members.

The most recent actuarial valuations of scheme assets and the present value of the defined benefit obligation were carried out at 31 December 2018 by Mr Martin West, Fellow of the Institute of Actuaries. The present value of the defined benefit obligation, the related current service cost and past service cost were measured using the projected unit credit method.

	Valuation at	
	2018	2017
Key assumptions used:		
Discount rate	2.8%	2.5%
Expected return on assets	2.8%	2.5%
RPI inflation	3.4%	3.4%
Rate of increase in salaries	n/a	n/a
Rate of increase to pensions in payments:		
LPI (max 5%) on RPI	3.25%	3.25%
LPI (max 2.5%) on RPI	2.2%	2.2%

Mortality assumptions:

Investigations have been carried out within the past three years into the mortality experience of the Company's defined benefit schemes. These investigations concluded that the current mortality assumptions include sufficient allowance for future improvements in mortality rates. The assumed life expectations on retirement at age 65 are:

	Valuation at	
	2018	2017
	years	years
Retiring today:		
Males	22.1	22.2
Females	24.1	24.2
Retiring in 20 years:		
Males	23.4	23.6
Females	25.6	25.6

Amounts recognised in the profit and loss account in respect of these defined benefit schemes are as follows:

	2018	2017
	£'000	£'000
Current service cost	49	52
Past service costs including curtailments	337	-
Net interest cost	114	129
	500	181
Recognised in other comprehensive income	(335)	(194)
Total cost (income) relating to defined benefit scheme	165	(13)

GREENERY UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS **Year ended 31 December 2018**

13. EMPLOYEE BENEFITS (continued)

The amount included in the balance sheet arising from the Company's obligations in respect of its defined benefit scheme is as follows:

	2018 £'000	2017 £'000
Present value of defined benefit obligations	(15,075)	(16,115)
Fair value of scheme assets	13,419	11,564
	<u>(1,656)</u>	<u>(4,551)</u>
Net liability recognised in the balance sheet	282	892
Deferred tax on pension liability	<u>(1,374)</u>	<u>(3,659)</u>

Movements in the present value of defined benefit obligations were as follows:

	2018 £'000	2017 £'000
At 1 January	16,115	15,902
Service cost	49	52
Interest cost	397	424
Benefits paid	(830)	(449)
Remeasurement gains and losses experience	-	-
Remeasurement – Actuarial (gains) and losses	(993)	186
Past service costs	337	-
	<u>15,075</u>	<u>16,115</u>
At 31 December		

Movements in the fair value of scheme assets were as follows:

	2018 £'000	2017 £'000
At 1 January	11,564	11,008
Interest income	283	295
Return on plan assets (excluding amounts included in net interest cost)	(658)	380
Contributions:		
by parent company	3,060	330
Benefits paid	(830)	(449)
	<u>13,419</u>	<u>11,564</u>
At 31 December		

GREENERY UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Year ended 31 December 2018

13. EMPLOYEE BENEFITS (continued)

The analysis of the scheme assets at the balance sheet date was as follows:

	Fair value of assets	
	2018	2017
	%	%
Equity instruments	19.6	26.8
Debt instruments	21.8	26.5
Cash	24.5	3.1
Insured annuities	23.2	29.1
Alternatives	10.9	14.5

In December 2018, The Greenery BV made a capital contribution into Greenery UK Limited of £1.6 million, to facilitate the company making a cash payment into the Superior Pension Fund.

14. CONTROLLING PARTY

The immediate parent undertaking of this company is The Greenery BV, which is incorporated in The Netherlands. The ultimate controlling party is Coöperatie Coforta U.A., which has included Greenery UK Limited in its group accounts which may be obtained from Spoorwegemplacement 1, 2991 VT, Barendrecht, Netherlands. The Greenery BV is the smallest group into which the company is consolidated. Coöperatie Coforta U.A. is the largest group into which the company is consolidated.

15. RELATED PARTY TRANSACTIONS

As a wholly owned subsidiary of The Greenery BV, the company is exempt from the requirement under Section 33 of FRS 102 to disclose transactions with other members of the group.