

Company Registration No. 00945702 (England and Wales)

GREENERY UK LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020

GREENERY UK LIMITED

COMPANY INFORMATION

Directors	Greenery Produce Holding BV Mr A A Swijter
Company number	00945702
Registered office	2B Vantage Park Washingley Road Huntingdon Cambridgeshire PE29 6SR
Auditor	UHY Hacker Young (East) Limited PO Box 501 The Nexus Building Broadway Letchworth Garden City Herts SG6 9BL

GREENERY UK LIMITED

CONTENTS

	Page
Strategic report	1
Directors' report	2
Directors' responsibilities statement	3
Independent auditor's report	4 - 6
Profit and loss account	7
Statement of comprehensive income	8
Balance sheet	9
Statement of changes in equity	10
Notes to the financial statements	11 - 24

GREENERY UK LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

The directors present the strategic report for the year ended 31 December 2020.

Fair review of the business

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.

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, 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

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.
- Other operating costs are also closely monitored and rationalized. In 2020 other operating costs decreased due to lower costs for advisors regarding the pension fund.

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 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 company holds a significant pension obligation per year end. Due to this obligation the company is exposed to movements in the discount rate, the pre- and post retirement mortality and the expected return on and the fair value of assets. The company monitors the movements closely together with an external investment manager.

The uncertain economic climate due for example to Brexit and the coronavirus 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.

On behalf of the board

.....
Mr A A Swijter
Director
.....

GREENERY UK LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2020

The directors present their annual report and financial statements for the year ended 31 December 2020.

Principal activities

The principal activity of the company continued to be that of the wholesale of fruit and vegetables.

Results and dividends

The results for the year are set out on page 7.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend (2019: £Nil).

Directors

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

Greenery Produce Holding BV
Mr A A Swijter

Auditor

UHY Hacker Young (East) Limited were appointed as auditor to the company and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

Energy and carbon report

As the company has not consumed more than 40,000 kWh of energy in this reporting period, it qualifies as a low energy user under these regulations and is not required to report on its emissions, energy consumption or energy efficiency activities.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board

Mr A A Swijter
Director

4 August 2021

GREENERY UK LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2020

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). 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, subject to any material departures disclosed and explained in the financial statements;
- 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.

GREENERY UK LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBER OF GREENERY UK LIMITED

Opinion

We have audited the financial statements of Greenery UK Limited (the 'company') for the year ended 31 December 2020 which comprise the profit and loss account, the statement of comprehensive income, the balance sheet, the statement of changes in equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2020 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 when the financial statements are authorised for issue.

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

Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the strategic report and the directors' report for the financial 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.

GREENERY UK LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBER OF GREENERY UK LIMITED

Matters on which we are required to report by exception

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

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

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

Responsibilities of directors

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

Auditor's responsibilities for the audit of the financial statements

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

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

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

GREENERY UK LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBER OF GREENERY UK LIMITED

Irregularities including Fraud

Based on our understanding of the company and the industry in which it operates, we identified that the principal risks of non-compliance with laws and regulations related to the acts by the company, which were contrary to applicable laws and regulations including fraud, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to inflated revenue and profit.

Audit procedures performed included: review of the financial statement disclosures to underlying supporting documentation, review of correspondence with and reports to the regulators, enquiries of management, and testing of journals and evaluating whether there was evidence of bias by the Directors that represented a risk of material misstatement due to fraud.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

Use of our report

This report is made solely to the company's member 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 member 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 member for our audit work, for this report, or for the opinions we have formed.

James Price FCA (Senior Statutory Auditor)
For and on behalf of UHY Hacker Young (East) Limited

27 August 2021

Chartered Accountants
Statutory Auditor

PO Box 501
The Nexus Building
Broadway
Letchworth Garden City
Herts
SG6 9BL

GREENERY UK LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2020

	Notes	2020 £'000	2019 £'000
Turnover		270	391
Staff costs	4	(148)	(161)
Other operating expenses		(104)	(239)
Operating profit/(loss)	3	18	(9)
Interest payable and similar expenses	5	(25)	(45)
Loss before taxation		(7)	(54)
Tax on loss	6	-	-
Loss for the financial year		(7)	(54)

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

GREENERY UK LIMITED**STATEMENT OF COMPREHENSIVE INCOME****FOR THE YEAR ENDED 31 DECEMBER 2020**

	2020	2019
	£'000	£'000
Loss for the year	(7)	(54)
	<u> </u>	<u> </u>
Other comprehensive income		
Actuarial (loss)/gain on defined benefit pension schemes	(1,793)	71
Tax relating to other comprehensive income	(278)	(4)
	<u> </u>	<u> </u>
Other comprehensive income for the year	(2,071)	67
	<u> </u>	<u> </u>
Total comprehensive income for the year	(2,078)	13
	<u> </u>	<u> </u>

GREENERY UK LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2020

		2020		2019	
	Notes	£'000	£'000	£'000	£'000
Current assets					
Debtors	8	16		299	
Cash at bank and in hand		12		135	
		<u>28</u>		<u>434</u>	
Creditors: amounts falling due within one year	9	(423)		(69)	
Net current (liabilities)/assets			(395)		365
Provisions for liabilities					
Defined benefit pension liability	11	2,782		1,464	
		<u></u>	<u>(2,782)</u>	<u></u>	<u>(1,464)</u>
Net liabilities			<u>(3,177)</u>		<u>(1,099)</u>
Capital and reserves					
Called up share capital	12		2,000		2,000
Capital contribution reserve	13		20,550		20,550
Profit and loss reserves			<u>(25,727)</u>		<u>(23,649)</u>
Total equity			<u>(3,177)</u>		<u>(1,099)</u>

The financial statements were approved by the board of directors and authorised for issue on 4 August 2021 and are signed on its behalf by:

Mr A A Swijter
Director

Company Registration No. 00945702

GREENERY UK LIMITED

STATEMENT OF CHANGES IN EQUITY **FOR THE YEAR ENDED 31 DECEMBER 2020**

	Share capital	Capital contribution	Profit and loss reserves	Total
	£'000	£'000	£'000	£'000
Balance at 1 January 2019	2,000	20,550	(23,662)	(1,112)
Year ended 31 December 2019:				
Loss for the year	-	-	(54)	(54)
Other comprehensive income:				
Actuarial gains on defined benefit plans	-	-	71	71
Tax relating to other comprehensive income	-	-	(4)	(4)
Total comprehensive income for the year	-	-	13	13
Balance at 31 December 2019	2,000	20,550	(23,649)	(1,099)
Year ended 31 December 2020:				
Loss for the year	-	-	(7)	(7)
Other comprehensive income:				
Actuarial gains on defined benefit plans	-	-	(1,793)	(1,793)
Tax relating to other comprehensive income	-	-	(278)	(278)
Total comprehensive income for the year	-	-	(2,078)	(2,078)
Balance at 31 December 2020	2,000	20,550	(25,727)	(3,177)

GREENERY UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

Company information

Greenery UK Limited is a private company limited by shares incorporated in England and Wales. The registered office is 2B Vantage Park, Washingley Road, Huntingdon, Cambridgeshire, PE29 6SR.

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 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £'000.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 4 'Statement of Financial Position': Reconciliation of the opening and closing number of shares;
- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues': Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

The financial statements of the company are consolidated in the financial statements of The Greenery B.V. These consolidated financial statements are available from its registered office in The Hague.

GREENERY UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

1.2 Going concern

The company conducts its business with other group companies and is reliant on support from its ultimate parent company, 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 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.

The parent company has signed a service agreement, confirming they will reimburse the company its fixed costs at a cost plus mark-up. However, this agreement may not cover any unexpected costs the entity incurs and may be cancelled at three months' notice; these conditions would ordinarily 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, however the parent company has indicated its intent and capacity to provide support to the company should such unexpected costs occur for a period of at least 12 months from the reporting date, this includes a decision following the balance sheet date to treat the £372,000 reported in current liabilities as a capital contribution.

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.

Brexit and coronavirus

The impact of Brexit is expected to be limited with the primary activities of the company being the wholesale of fruit and vegetables within the UK.

In the first months of 2021 the coronavirus has continued to impact businesses worldwide.

The coronavirus and Brexit could have an impact on the fair value of the assets within the pension fund. At the time of writing the financial markets are still turbulent and there is much uncertainty.

The effects of the Brexit and coronavirus crisis on the company's financial position are not able to be accurately quantified at the end of the year or at the reporting date, however management is and will be monitoring the developments closely.

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that it is probable will be recovered.

GREENERY UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

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:

Fixtures and fittings	4 - 7 years
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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 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.

1.6 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.

GREENERY UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

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.

Basic financial liabilities

Basic financial liabilities, including creditors, and loans from fellow group companies 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

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.

GREENERY UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

1.7 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.

1.8 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.

1.9 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.

GREENERY UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

1.10 Retirement benefits

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

The cost of providing benefits under defined benefit plans is determined separately for each plan using the projected unit credit method, and is based on actuarial advice.

The change in the net defined benefit liability arising from employee service during the year is recognised as an employee cost. The cost of plan introductions, benefit changes, settlements and curtailments are recognised as an expense in measuring profit or loss in the period in which they arise.

The net interest element is determined by multiplying the net defined benefit liability by the discount rate, taking into account any changes in the net defined benefit liability during the period as a result of contribution and benefit payments. The net interest is recognised in profit or loss as other finance revenue or cost.

Remeasurement changes comprise actuarial gains and losses, the effect of the asset ceiling and the return on the net defined benefit liability excluding amounts included in net interest. These are recognised immediately in other comprehensive income in the period in which they occur and are not reclassified to profit and loss in subsequent periods.

The net defined benefit pension asset or liability in the balance sheet comprises the total for each plan of the present value of the defined benefit obligation (using a discount rate based on high quality corporate bonds), less the fair value of plan assets out of which the obligations are to be settled directly. Fair value is based on market price information, and in the case of quoted securities is the published bid price. The value of a net pension benefit asset is limited to the amount that may be recovered either through reduced contributions or agreed refunds from the scheme.

1.11 Leases

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

1.12 Foreign exchange

Transactions in currencies other than pounds sterling 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.

GREENERY UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

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.

Critical judgements

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

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 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.

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 11 for additional disclosures.

3 Operating profit/(loss)

	2020	2019
	£'000	£'000
Operating profit/(loss) for the year is stated after charging:		
Fees payable to the company's auditor for the audit of the company's financial statements	1	26
Operating lease charges	3	3
	<u> </u>	<u> </u>

4 Employees

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

	2020	2019
	Number	Number
Sales and administration	2	2
	<u> </u>	<u> </u>

GREENERY UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

4	Employees	(Continued)	
	Staff costs during the year (including directors):		
		2020	2019
		£'000	£'000
	Wages and salaries	132	112
	Social security costs	9	10
	Pension costs	7	39
		<u>148</u>	<u>161</u>
		<u><u>148</u></u>	<u><u>161</u></u>
5	Interest payable and similar expenses		
		2020	2019
		£'000	£'000
	Net interest on the net defined benefit liability	25	45
		<u>25</u>	<u>45</u>
		<u><u>25</u></u>	<u><u>45</u></u>

GREENERY UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

6 Taxation

The actual charge 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:

	2020 £'000	2019 £'000
Loss before taxation	(7)	(54)
Expected tax credit based on the standard rate of corporation tax in the UK of 19.00% (2019: 19.00%)	(1)	(10)
Unutilised tax losses carried forward	1	10
Taxation charge for the year	-	-

In addition to the amount charged to the profit and loss account, the following amounts relating to tax have been recognised directly in other comprehensive income:

	2020 £'000	2019 £'000
Deferred tax arising on:		
Actuarial differences recognised as other comprehensive income	278	4

As at 31 December 2020, there were trading tax losses available to carry forward of £5,474,000 (2019: £4,317,000)

7 Tangible fixed assets

	Fixtures and fittings £'000
Cost	
At 1 January 2020	15
Disposals	(15)
At 31 December 2020	-
Depreciation and impairment	
At 1 January 2020	15
Eliminated in respect of disposals	(15)
At 31 December 2020	-
Carrying amount	
At 31 December 2020	-
At 31 December 2019	-

GREENERY UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

7 Tangible fixed assets **(Continued)**

8 Debtors	2020	2019
	£'000	£'000
Amounts falling due within one year:		
Other debtors	1	9
Prepayments and accrued income	15	12
	<u>16</u>	<u>21</u>
	<u><u>16</u></u>	<u><u>21</u></u>
Amounts falling due after more than one year:		
Deferred tax asset (note 10)	-	278
	<u>-</u>	<u>278</u>
Total debtors	<u>16</u>	<u>299</u>
	<u><u>16</u></u>	<u><u>299</u></u>

9 Creditors: amounts falling due within one year	2020	2019
	£'000	£'000
Trade creditors	3	2
Amounts owed to group undertakings	372	-
Taxation and social security	3	3
Other creditors	1	4
Accruals and deferred income	44	60
	<u>423</u>	<u>69</u>
	<u><u>423</u></u>	<u><u>69</u></u>

GREENERY UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

10 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon:

	Assets 2020 £'000	Assets 2019 £'000
Balances:		
Pension	-	278
	<u> </u>	<u> </u>
Movements in the year:		2020 £'000
Asset at 1 January 2020		(278)
Charge to profit or loss		278
		<u> </u>
Liability at 31 December 2020		-
		<u> </u>

Deferred tax assets have not been recognised on losses, accelerated capital allowances, other timing differences and pension, as there is insufficient evidence to recoverability. These assets will be recovered if and when the company has suitable profits in future years to reverse deferred tax assets.

At the year end, trading tax losses carried forward and available to offset against future profits, were £5,474,000 (2019: £4,317,000).

11 Retirement benefit schemes

	2020 £'000	2019 £'000
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	7	3
	<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.

Defined benefit schemes

The company operates a defined benefit 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 2020 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.

GREENERY UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

11 Retirement benefit schemes

(Continued)

	2020	2019
<i>Key assumptions</i>	%	%
Discount rate	1.3	2.0
Expected rate of salary increases	N/A	N/A
Expected return on assets	1.3	2.0
RPI inflation	3.0	3.0
Expected rate of increase of pensions in payments:		
LPI (max 5%) on RPI	2.90	2.95
LPI (max 2.5%) on RPI	2.10	2.10
	=====	=====

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:

	2020	2019
	Years	Years
Retiring today		
- Males	22.1	21.6
- Females	24.5	23.7
	=====	=====
Retiring in 20 years		
- Males	23.4	22.9
- Females	25.9	25.1
	=====	=====

	2020	2019
<i>Amounts recognised in the profit and loss account</i>	£'000	£'000
Net interest on net defined benefit liability/(asset)	25	45
Past service costs including curtailments	(2)	(57)
	-----	-----
Total costs/(income)	23	(12)
	-----	-----
Recognised in other comprehensive income	1,793	(71)
	-----	-----
Total cost (income) relating to defined benefit scheme	1,816	(83)
	=====	=====

GREENERY UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

11 Retirement benefit schemes

(Continued)

The amounts included in the balance sheet arising from the company's obligations in respect of defined benefit plans are as follows:

	2020	2019
	£'000	£'000
Present value of defined benefit obligations	16,969	15,572
Fair value of plan assets	(14,187)	(14,108)
Deficit in scheme	<u>2,782</u>	<u>1,464</u>

	2020
	£'000
<i>Movements in the present value of defined benefit obligations</i>	
Liabilities at 1 January 2020	15,572
Administration expenses	(52)
Past service cost	50
Benefits paid	(1,078)
Interest cost	301
Remeasurement - actuarial losses	2,176
At 31 December 2020	<u>16,969</u>

	2020
	£'000
<i>Movements in the fair value of plan assets</i>	
Fair value of assets at 1 January 2020	14,108
Return on plan assets (excluding amounts included in net interest)	383
Benefits paid	(1,078)
Contributions by the employer	498
Interest income	276
At 31 December 2020	<u>14,187</u>

	2020	2019
	£'000	£'000
<i>Fair value of plan assets at the reporting period end</i>		
Equity instruments	3,873	3,950
Debt instruments	4,483	4,585
Cash	497	282
Insured annuities	3,107	2,963
Alternatives	2,227	2,328
	<u>14,187</u>	<u>14,108</u>

GREENERY UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

12 Share capital

	2020	2019
	£'000	£'000
Ordinary share capital		
Issued and fully paid		
2,000,000 Ordinary shares of £1 each	2,000	2,000
	<u> </u>	<u> </u>

13 Capital contribution reserve

The capital contribution reserve represents capitalised debt from parent company.

14 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.

15 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.

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