

**REGISTERED NUMBER. 01993374 (England and Wales)**

**REPORT OF THE DIRECTORS AND  
AUDITED  
CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST DECEMBER 2012  
FOR  
ERMS UK (HOLDINGS) LIMITED**



**ERMS UK (HOLDINGS) LIMITED (REGISTERED NUMBER: 01993374)**

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FOR THE YEAR ENDED 31ST DECEMBER 2012**

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**ERMS UK (HOLDINGS) LIMITED**

**COMPANY INFORMATION  
FOR THE YEAR ENDED 31ST DECEMBER 2012**

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<b>DIRECTORS:</b>	I M Smith A F Troost
<b>SECRETARY:</b>	I M Smith
<b>REGISTERED OFFICE:</b>	Frans House Fenton Way Chatteris Cambridgeshire PE16 6UP
<b>REGISTERED NUMBER:</b>	01993374 (England and Wales)
<b>AUDITORS:</b>	Keens Shay Keens Limited Chartered Accountants & Registered Auditors 2nd Floor Exchange Building 16 St Cuthberts Street Bedford Bedfordshire MK40 3JG
<b>BANKERS:</b>	National Westminster Bank Plc 7 Cornhill Bury St Edmunds Suffolk IP33 1BQ

**ERMS UK (HOLDINGS) LIMITED (REGISTERED NUMBER: 01993374)**

**REPORT OF THE DIRECTORS  
FOR THE YEAR ENDED 31ST DECEMBER 2012**

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The directors present their report with the financial statements of the company and the group for the year ended 31st December 2012

**PRINCIPAL ACTIVITIES**

The principal activities of the group in the year under review were those of firstly the wholesale distribution of salad, citrus and grape produce and secondly that of freehold property owners in Chatteris, Cambridgeshire, with the properties let commercially to its subsidiary company Erms (UK) Limited

**REVIEW OF BUSINESS**

The directors are pleased to report a very satisfactory years trading with a year of sustained growth. As regards 2013, circumstances arose at the end of 2012 which means that in future there will be a move to increased rental income and less actual sales income which will possibly result in a slight reduction in profitability.

**DIVIDENDS**

An interim dividend of £15.31 per share was paid on 6th June 2012

**DIRECTORS**

The directors shown below have held office during the whole of the period from 1st January 2012 to the date of this report

I M Smith  
A F Troost

**POLITICAL AND CHARITABLE CONTRIBUTIONS**

Charitable donations in the year totalled £7,301

**FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES**

In view of the financial controls that are in place and the past record of cash management, the directors consider that the financial risk management objectives and policies in place are sufficient to enable the assessment of the risks affecting assets, liabilities, financial position and profit or loss of the company. In all cases the risks are considered to be low.

**STATEMENT OF DIRECTORS' RESPONSIBILITIES**

The directors are responsible for preparing the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the group and of the profit or loss of the group 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,
- 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 and the group's transactions and disclose with reasonable accuracy at any time the financial position of the company and the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS**

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the group's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

**ERMS UK (HOLDINGS) LIMITED (REGISTERED NUMBER: 01993374)**

**REPORT OF THE DIRECTORS  
FOR THE YEAR ENDED 31ST DECEMBER 2012**

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**AUDITORS**

The auditors, Keens Shay Keens Limited, will be proposed for re-appointment at the forthcoming Annual General Meeting

**ON BEHALF OF THE BOARD:**



I M Smith - Secretary

Date 11th July 2013

## **REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF ERMS UK (HOLDINGS) LIMITED**

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We have audited the financial statements of Erms UK (Holdings) Limited for the year ended 31st December 2012 on pages six to twenty. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 a Report of the Auditors 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.

### **Respective responsibilities of directors and auditors**

As explained more fully in the Statement of Directors' Responsibilities set out on page two, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the group's and the parent company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report of the Directors to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

### **Opinion on financial statements**

In our opinion the financial statements

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31st December 2012 and of the group's profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

**REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF  
ERMS UK (HOLDINGS) LIMITED**

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**Matters on which we are required to report by exception**

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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us, or
- the parent company 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



Anthony Brice (Senior Statutory Auditor)  
for and on behalf of Keens Shay Keens Limited  
Chartered Accountants &  
Registered Auditors  
2nd Floor Exchange Building  
16 St Cuthberts Street  
Bedford  
Bedfordshire  
MK40 3JG

Date 11/07/2013

**ERMS UK (HOLDINGS) LIMITED (REGISTERED NUMBER: 01993374)**

**CONSOLIDATED PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31ST DECEMBER 2012**

	Notes	2012 £	2011 £
<b>TURNOVER</b>		<b>20,169,569</b>	<b>17,207,721</b>
Cost of sales		<u>16,710,891</u>	<u>14,283,480</u>
<b>GROSS PROFIT</b>		<b>3,458,678</b>	<b>2,924,241</b>
Administrative expenses		<u>2,194,848</u>	<u>2,040,562</u>
		1,263,830	883,679
Other operating income		<u>202,097</u>	<u>215,204</u>
<b>OPERATING PROFIT</b>	3	<b>1,465,927</b>	<b>1,098,883</b>
Interest receivable and similar income		<u>18,190</u>	<u>13,201</u>
		1,484,117	1,112,084
Interest payable and similar charges	4	<u>50,138</u>	<u>67,854</u>
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<b>1,433,979</b>	<b>1,044,230</b>
Tax on profit on ordinary activities	5	<u>373,960</u>	<u>330,585</u>
<b>PROFIT FOR THE FINANCIAL YEAR FOR THE GROUP</b>		<b><u>1,060,019</u></b>	<b><u>713,645</u></b>

**CONTINUING OPERATIONS**

None of the group's activities were acquired or discontinued during the current year or previous year

**TOTAL RECOGNISED GAINS AND LOSSES**

The group has no recognised gains or losses other than the profits for the current year or previous year

The notes form part of these financial statements



**ERMS UK (HOLDINGS) LIMITED (REGISTERED NUMBER: 01993374)**

**CONSOLIDATED BALANCE SHEET  
31ST DECEMBER 2012**

	Notes	2012 £	2011 £
<b>FIXED ASSETS</b>			
Tangible assets	8	7,004,768	6,287,559
Investments	9	-	-
		<u>7,004,768</u>	<u>6,287,559</u>
<b>CURRENT ASSETS</b>			
Stocks	10	346,636	429,925
Debtors	11	2,312,814	2,550,525
Cash at bank and in hand		<u>1,357,602</u>	<u>859,424</u>
		<u>4,017,052</u>	<u>3,839,874</u>
<b>CREDITORS</b>			
Amounts falling due within one year	12	<u>2,781,135</u>	<u>2,330,225</u>
<b>NET CURRENT ASSETS</b>		<u>1,235,917</u>	<u>1,509,649</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>8,240,685</u>	<u>7,797,208</u>
<b>CREDITORS</b>			
Amounts falling due after more than one year	13	(865,798)	(1,243,167)
<b>PROVISIONS FOR LIABILITIES</b>	17	<u>(19,035)</u>	<u>(8,208)</u>
<b>NET ASSETS</b>		<u><u>7,355,852</u></u>	<u><u>6,545,833</u></u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	18	16,324	16,324
Share premium	19	51,636	51,636
Revaluation reserve	19	173,763	177,460
Profit and loss account	19	<u>7,114,129</u>	<u>6,300,413</u>
<b>SHAREHOLDERS' FUNDS</b>	25	<u><u>7,355,852</u></u>	<u><u>6,545,833</u></u>

The financial statements were approved by the Board of Directors on 11<sup>th</sup> July 2013 and were signed on its behalf by

A F Troost - Director

J M Smith - Director

The notes form part of these financial statements

**ERMS UK (HOLDINGS) LIMITED (REGISTERED NUMBER: 01993374)**

**COMPANY BALANCE SHEET  
31ST DECEMBER 2012**

		2012	2011
	Notes	£	£
<b>FIXED ASSETS</b>			
Tangible assets	8	6,652,381	5,921,987
Investments	9	<u>100</u>	<u>100</u>
		6,652,481	5,922,087
<b>CURRENT ASSETS</b>			
Debtors	11	159,042	30,525
Cash at bank		<u>25,170</u>	<u>62,137</u>
		184,212	92,662
<b>CREDITORS</b>			
Amounts falling due within one year	12	<u>1,117,647</u>	<u>1,353,921</u>
<b>NET CURRENT LIABILITIES</b>		<u>(933,435)</u>	<u>(1,261,259)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		5,719,046	4,660,828
<b>CREDITORS</b>			
Amounts falling due after more than one year	13	(865,798)	(1,243,167)
<b>PROVISIONS FOR LIABILITIES</b>	17	<u>(11,619)</u>	<u>-</u>
<b>NET ASSETS</b>		<u>4,841,629</u>	<u>3,417,661</u>
<b>CAPITAL AND RESERVES</b>			
Called up share capital	18	16,324	16,324
Share premium	19	51,636	51,636
Revaluation reserve	19	173,763	177,460
Profit and loss account	19	<u>4,599,906</u>	<u>3,172,241</u>
<b>SHAREHOLDERS' FUNDS</b>	25	<u>4,841,629</u>	<u>3,417,661</u>

The financial statements were approved by the Board of Directors on 11th July 2013 and were signed on its behalf by

A F Troost - Director



I M Smith - Director

The notes form part of these financial statements

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31ST DECEMBER 2012**

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**1 ACCOUNTING POLICIES**

**Accounting convention**

The financial statements have been prepared under the historical cost convention in accordance with applicable accounting standards as modified by the revaluation of certain assets

**Basis of consolidation**

The consolidated accounts incorporate the accounts of the company and all group undertakings. These are adjusted, where appropriate, to conform to group accounting policies. As a consolidated profit and loss account is published, a separate profit and loss account for the parent company is omitted from the group accounts by virtue of section 408 of the Companies Act 2006.

**Cash flow statement**

Exemption has been taken from preparing a cash flow statement on the grounds that the company is consolidated into the publicly available financial statements of Holding Familie Troost B V, a company registered in The Netherlands.

**Turnover**

Turnover represents net invoiced sales of goods, excluding value added tax.

**Tangible fixed assets**

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life:

Freehold property	- 2% on cost or revalued amounts
Plant and machinery	- 20% on cost
Fixtures and fittings	- 33% on cost and 10% on cost
Motor vehicles	- 33% on reducing balance

Freehold property is revalued every 5 years with an interim revaluation in year 3. The valuers are independent and qualified. Where the valuation exceeds the depreciated historical cost the surplus is recorded within the revaluation reserve. Any permanent diminution is recorded as a cost to the profit and loss account.

**Stocks**

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

**Deferred tax**

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or right to pay less or to receive more, tax, with the following exceptions:

- Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, or gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where replacement assets are sold.
- Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31ST DECEMBER 2012**

**1 ACCOUNTING POLICIES - continued**

**Foreign currencies**

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

**Operating lease agreements**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

**Pension costs**

The group operates a defined contribution pension scheme. Contributions payable to the group's pension scheme are charged to the profit and loss account in the period to which they relate.

**2 STAFF COSTS**

	2012 £	2011 £
Wages and salaries	2,350,286	2,241,066
Social security costs	263,847	242,310
Other pension costs	51,310	43,921
	<u>2,665,443</u>	<u>2,527,297</u>

The average monthly number of employees during the year was as follows

	2012	2011
Production staff	64	70
Administrative staff	12	10
	<u>76</u>	<u>80</u>

**3 OPERATING PROFIT**

The operating profit is stated after charging/(crediting)

	2012 £	2011 £
Hire of plant and machinery	149,200	148,506
Other operating leases	20,542	19,428
Depreciation - owned assets	235,854	213,038
Loss/(profit) on disposal of fixed assets	3,959	(3,681)
Auditors' remuneration	13,200	13,200
Foreign exchange gains	<u>(39,415)</u>	<u>(44,247)</u>
	<u>253,977</u>	<u>221,666</u>
Directors' remuneration	24,923	24,316
Directors' pension contributions to money purchase schemes	<u>24,923</u>	<u>24,316</u>

**ERMS UK (HOLDINGS) LIMITED (REGISTERED NUMBER: 01993374)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31ST DECEMBER 2012**

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**3 OPERATING PROFIT - continued**

The number of directors to whom retirement benefits were accruing was as follows

Money purchase schemes	<u>1</u>	<u>1</u>
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Information regarding the highest paid director is as follows

	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
Emoluments etc	<b>253,977</b>	<b>221,666</b>
Pension contributions to money purchase schemes	<u><b>24,923</b></u>	<u><b>24,316</b></u>

**4 INTEREST PAYABLE AND SIMILAR CHARGES**

	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
Bank interest	-	28
Interest payable on related party loan	<u><b>50,138</b></u>	<u><b>67,826</b></u>
	<u><b>50,138</b></u>	<u><b>67,854</b></u>

**5 TAXATION**

**Analysis of the tax charge**

The tax charge on the profit on ordinary activities for the year was as follows

	<b>2012</b>	<b>2011</b>
	<b>£</b>	<b>£</b>
Current tax		
UK corporation tax	<b>363,133</b>	<b>320,810</b>
Deferred tax	<u><b>10,827</b></u>	<u><b>9,775</b></u>
Tax on profit on ordinary activities	<u><b>373,960</b></u>	<u><b>330,585</b></u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued**  
**FOR THE YEAR ENDED 31ST DECEMBER 2012**

**5 TAXATION - continued**

**Factors affecting the tax charge**

The tax assessed for the year is higher than the standard rate of corporation tax in the UK. The difference is explained below

	2012 £	2011 £
Profit on ordinary activities before tax	<u>1,433,979</u>	<u>1,044,230</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 24.500% (2011 - 26.500%)	351,325	276,721
Effects of		
Expenses not deductible for tax purposes	4,462	37,452
Depreciation in advance of capital allowances	7,387	6,637
Marginal corporation tax rate adjustment	<u>(41)</u>	<u>-</u>
Current tax charge	<u>363,133</u>	<u>320,810</u>

**6 PROFIT OF PARENT COMPANY**

As permitted by Section 408 of the Companies Act 2006, the profit and loss account of the parent company is not presented as part of these financial statements. The parent company's profit for the financial year was £1,673,968 (2011 - £172,934)

**7 DIVIDENDS**

	2012 £	2011 £
Interim	<u>250,000</u>	<u>250,000</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31ST DECEMBER 2012

8 TANGIBLE FIXED ASSETS

Group

	Freehold Plant and property £	Construction in progress £	machinery £
<b>COST OR VALUATION</b>			
At 1st January 2012	6,075,445	-	570,597
Additions	371,571	41,690	512,274
Disposals	-	-	(225,283)
At 31st December 2012	<u>6,447,016</u>	<u>41,690</u>	<u>857,588</u>
<b>DEPRECIATION</b>			
At 1st January 2012	156,124	-	397,352
Charge for year	78,065	-	99,827
Eliminated on disposal	-	-	(221,912)
At 31st December 2012	<u>234,189</u>	<u>-</u>	<u>275,267</u>
<b>NET BOOK VALUE</b>			
At 31st December 2012	<u>6,212,827</u>	<u>41,690</u>	<u>582,321</u>
At 31st December 2011	<u>5,919,321</u>	<u>-</u>	<u>173,245</u>
	<b>Fixtures and fittings £</b>	<b>Motor vehicles £</b>	<b>Totals £</b>
<b>COST OR VALUATION</b>			
At 1st January 2012	323,716	96,015	7,065,773
Additions	47,751	10,518	983,804
Disposals	(176,899)	(815)	(402,997)
At 31st December 2012	<u>194,568</u>	<u>105,718</u>	<u>7,646,580</u>
<b>DEPRECIATION</b>			
At 1st January 2012	194,883	29,855	778,214
Charge for year	34,125	23,837	235,854
Eliminated on disposal	(149,621)	(723)	(372,256)
At 31st December 2012	<u>79,387</u>	<u>52,969</u>	<u>641,812</u>
<b>NET BOOK VALUE</b>			
At 31st December 2012	<u>115,181</u>	<u>52,749</u>	<u>7,004,768</u>
At 31st December 2011	<u>128,833</u>	<u>66,160</u>	<u>6,287,559</u>

The useful life of freehold property was reassessed at 1st January 2010, the directors considered this to be 50 years

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31ST DECEMBER 2012**

**8 TANGIBLE FIXED ASSETS - continued  
Group**

If freehold land and buildings had not been revalued they would have been included at a historical cost of £6,791,565 (2011 - £6,419,994)

The aggregate depreciation related to the freehold land and buildings would have been £711,957 (2011 - £636,755)

The value of land included in the freehold land and buildings is £2,173,550 (2011 - £2,173,550)

A full valuation of freehold land and buildings was carried out on an open market basis on 17<sup>th</sup> June 2009 by Cheffins, registered Chartered Surveyors

An interim valuation dated 8<sup>th</sup> March 2013 has been considered by the directors' who have concluded that the value provided is not materially different to the value at the balance sheet date Cheffins, registered Chartered Surveyors provided the valuation

**Company**

	<b>Freehold property £</b>	<b>Construction in progress £</b>	<b>machinery £</b>	<b>Plant and Totals £</b>
<b>COST OR VALUATION</b>				
At 1st January 2012	6,075,445	-	20,000	6,095,445
Additions	<u>371,571</u>	<u>41,690</u>	<u>399,198</u>	<u>812,459</u>
At 31st December 2012	<u>6,447,016</u>	<u>41,690</u>	<u>419,198</u>	<u>6,907,904</u>
<b>DEPRECIATION</b>				
At 1st January 2012	156,124	-	17,334	173,458
Charge for year	<u>78,065</u>	<u>-</u>	<u>4,000</u>	<u>82,065</u>
At 31st December 2012	<u>234,189</u>	<u>-</u>	<u>21,334</u>	<u>255,523</u>
<b>NET BOOK VALUE</b>				
At 31st December 2012	<u>6,212,827</u>	<u>41,690</u>	<u>397,864</u>	<u>6,652,381</u>
At 31st December 2011	<u>5,919,321</u>	<u>-</u>	<u>2,666</u>	<u>5,921,987</u>

The useful life of freehold property was reassessed at 1st January 2010, the directors considered this to be 50 years

If freehold land and buildings had not been revalued they would have been included at a historical cost of £6,791,565 (2011 - £6,419,994)

The aggregate depreciation related to the freehold land and buildings would have been £711,957 (2011 - £636,755)

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An interim valuation dated 8<sup>th</sup> March 2013 has been considered by the directors' who have concluded that the value provided is not materially different to the value at the balance sheet date Cheffins, registered Chartered Surveyors provided the valuation



NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31ST DECEMBER 2012

9 FIXED ASSET INVESTMENTS

Company	Shares in group undertakings £
<b>COST</b>	
At 1st January 2012 and 31st December 2012	<u>100</u>
<b>NET BOOK VALUE</b>	
At 31st December 2012	<u>100</u>
At 31st December 2011	<u>100</u>

The group or the company's investments at the balance sheet date in the share capital of companies include the following

Subsidiary

**Erms (UK) Limited**

Nature of business wholesale distribution of salad, citrus and grape

Class of shares	% holding
Ordinary £1 shares	100 00

The fixed asset investment represents 100% of the issued share capital in Erms (UK) Limited, a company incorporated in England

10 STOCKS

	Group 2012 £	2011 £
Produce goods for resale	<u>346,636</u>	<u>429,925</u>

11 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2012 £	2011 £	2012 £	2011 £
Trade debtors	2,171,823	2,382,494	17,430	-
VAT	-	-	125,156	2,175
Deferred tax asset	-	-	-	11,894
Prepayments and accrued income	<u>140,991</u>	<u>168,031</u>	<u>16,456</u>	<u>16,456</u>
	<u>2,312,814</u>	<u>2,550,525</u>	<u>159,042</u>	<u>30,525</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31ST DECEMBER 2012

12 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2012	2011	2012	2011
	£	£	£	£
Other loans (see note 14)	173,118	177,564	173,118	177,564
Trade creditors	1,360,483	1,191,448	2,626	-
Amounts owed to group undertakings	26,020	13,437	-	-
Tax	233,133	185,810	60,310	87,518
Social security and other taxes	95,519	124,292	-	-
VAT	50,983	196,504	-	-
Other creditors	10,839	2,655	781,224	1,067,216
Accruals and deferred income	831,040	438,515	100,369	21,623
	<u>2,781,135</u>	<u>2,330,225</u>	<u>1,117,647</u>	<u>1,353,921</u>

13 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group		Company	
	2012	2011	2012	2011
	£	£	£	£
Other loans (see note 14)	<u>865,798</u>	<u>1,243,167</u>	<u>865,798</u>	<u>1,243,167</u>

14 LOANS

An analysis of the maturity of loans is given below

	Group		Company	
	2012	2011	2012	2011
	£	£	£	£
Amounts falling due within one year or on demand				
Related party loan	<u>173,118</u>	<u>177,564</u>	<u>173,118</u>	<u>177,564</u>
Amounts falling due between one and two years				
Related party loan	<u>173,117</u>	<u>177,564</u>	<u>173,117</u>	<u>177,564</u>
Amounts falling due between two and five years				
Related party loan	<u>519,351</u>	<u>532,692</u>	<u>519,351</u>	<u>532,692</u>
Amounts falling due in more than five years				
Repayable by instalments				
Related party loan	<u>173,330</u>	<u>532,911</u>	<u>173,330</u>	<u>532,911</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31ST DECEMBER 2012

15 OPERATING LEASE COMMITMENTS

The following operating lease payments are committed to be paid within one year

Group

	Other operating leases	
	2012	2011
	£	£
Expiring		
Within one year	18,318	71,476
Between one and five years	13,846	14,323
	<u>32,164</u>	<u>85,799</u>

16 SECURED DEBTS

The following secured debts are included within creditors

	Company	
	2012	2011
	£	£
Related party loan	<u>1,038,916</u>	<u>1,420,731</u>

Until 26th October 2011, the related party loan from Handel-en Exploitiemaatschappij A F Troost BV was secured by a charge over the freehold property, Ronald House, Fenton Way, Chatteris, Cambridgeshire

On the 26th October 2011 the legal charge over the property was transferred to Holding Familie Troost BV from Handel-en Exploitiemaatschappij A F Troost BV

17 PROVISIONS FOR LIABILITIES

	Group		Company	
	2012	2011	2012	2011
	£	£	£	£
Deferred tax	<u>19,035</u>	<u>8,208</u>	<u>11,619</u>	<u>-</u>
Group				
				Deferred tax
				£
Balance at 1st January 2012				8,208
Reversal of excess taxation allowances over depreciation				10,827
Balance at 31st December 2012				<u>19,035</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31ST DECEMBER 2012

17 PROVISIONS FOR LIABILITIES - continued

Company

	Deferred tax £
Balance at 1st January 2012	(11,894)
Reversal of excess taxation allowances over depreciation	<u>23,513</u>
Balance at 31st December 2012	<u>11,619</u>

Deferred tax has not been provided for in relation to the timing differences arising from the revaluation of freehold land and buildings

The current net book value of freehold land and buildings is less than the original cost, therefore a deferred tax provision is not expected as a result of revaluation

18 CALLED UP SHARE CAPITAL

Allotted, issued and fully paid Number	Class	Nominal value £1	2012 £	2011 £
16,324	Ordinary		<u>16,324</u>	<u>16,324</u>

19 RESERVES

Group

	Profit and loss account £	Share premium £	Revaluation reserve £	Totals £
At 1st January 2012	6,300,413	51,636	177,460	6,529,509
Profit for the year	1,060,019			1,060,019
Dividends	(250,000)			(250,000)
Depreciation of revalued asset	<u>3,697</u>	-	<u>(3,697)</u>	-
At 31st December 2012	<u>7,114,129</u>	<u>51,636</u>	<u>173,763</u>	<u>7,339,528</u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31ST DECEMBER 2012**

**19 RESERVES - continued**

**Company**

	<b>Profit and loss account £</b>	<b>Share premium £</b>	<b>Revaluation reserve £</b>	<b>Totals £</b>
At 1st January 2012	3,172,241	51,636	177,460	3,401,337
Profit for the year	1,673,968			1,673,968
Dividends	(250,000)			(250,000)
Depreciation of revalued asset	3,697	-	(3,697)	-
At 31st December 2012	<u>4,599,906</u>	<u>51,636</u>	<u>173,763</u>	<u>4,825,305</u>

**20 PENSION COMMITMENTS**

Within other creditors are amounts due to defined contribution pension schemes of £3,516 (2011 £2,484)

**21 ULTIMATE PARENT COMPANY**

The company's immediate and ultimate parent company is Holding Familie Troost B V incorporated in The Netherlands

Holding Familie Troost B V, which is incorporated in The Netherlands, is the smallest and largest group in which the group is consolidated

Holding Familie Troost B V financial statements are publicly available in The Netherlands

**22 CAPITAL COMMITMENTS**

	<b>2012 £</b>	<b>2011 £</b>
Contracted but not provided for in the financial statements	<u>123,765</u>	<u>-</u>

**23 RELATED PARTY DISCLOSURES**

The group borrowed 3,183,901 euros from Handel-en Exploitiemaatschappij A F Troost BV in the year to 31st December 2007 which is the personal pension fund of Mr A Troost, a director of the company Interest is currently payable at 4.0% per annum on this loan, which is due for repayment over a 15 year period The legal charge was transferred on 26th October 2011, therefore no balance was due to Handel-en Exploitiemaatschappij A F Troost BV at the current or previous balance sheet date Interest paid on the loan amounted to £nil (2011 £58,229)

On the 26th October 2011 the legal charge of this loan was transferred to Holding Familie Troost BV At the year end the company owed £1,038,916 (2011 £1,420,731) Interest paid on the loan amounted to £50,138 (2011 £9,597)

During the year the group sold goods of £10,737 (2011 £20,997) to and purchased goods of £96,369 (2011 £119,780) from Lehmann & Troost BV, a company which is incorporated in the Netherlands and of which Mr A Troost is a director At the year end the group owed Lehmann & Troost BV £26,020 (2011 £13,437)

Dividends paid to the directors during the year totalled £20,277 (2011 £20,277)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued  
FOR THE YEAR ENDED 31ST DECEMBER 2012

24 ULTIMATE CONTROLLING PARTY

The ultimate controlling parties are Bram Troost and Petra Troost by virtue of their majority shareholding

25 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

Group

	2012 £	2011 £
Profit for the financial year	1,060,019	713,645
Dividends	<u>(250,000)</u>	<u>(250,000)</u>
Net addition to shareholders' funds	810,019	463,645
Opening shareholders' funds	<u>6,545,833</u>	<u>6,082,188</u>
Closing shareholders' funds	<u>7,355,852</u>	<u>6,545,833</u>

Company

	2012 £	2011 £
Profit for the financial year	1,673,968	172,934
Dividends	<u>(250,000)</u>	<u>(250,000)</u>
Net addition/(reduction) to shareholders' funds	1,423,968	(77,066)
Opening shareholders' funds	<u>3,417,661</u>	<u>3,494,727</u>
Closing shareholders' funds	<u>4,841,629</u>	<u>3,417,661</u>