

REGISTERED NUMBER: 1993374 (England and Wales)

**REPORT OF THE DIRECTORS AND
AUDITED
CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2010
FOR
ERMS UK (HOLDINGS) LIMITED**



ERMS UK (HOLDINGS) LIMITED

**CONTENTS OF THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31ST DECEMBER 2010**

	Page
Company Information	1
Report of the Directors	2
Report of the Independent Auditors	4
Consolidated Profit and Loss Account	5
Consolidated Statement of Total Recognised Gains and Losses	6
Consolidated Balance Sheet	7
Company Balance Sheet	8
Notes to the Consolidated Financial Statements	9

ERMS UK (HOLDINGS) LIMITED

**COMPANY INFORMATION
FOR THE YEAR ENDED 31ST DECEMBER 2010**

DIRECTORS.

I M Smith
A F Troost

SECRETARY:

I M Smith

REGISTERED OFFICE:

Frans House
Fenton Way
Chatteris
Cambridgeshire
PE16 6UP

REGISTERED NUMBER:

1993374 (England and Wales)

AUDITORS:

Keens Shay Keens Limited
Chartered Accountants &
Registered Auditors
2nd Floor Exchange Building
16 St Cuthberts Street
Bedford
Bedfordshire
MK40 3JG

BANKERS:

National Westminster Bank Plc
7 Cornhill
Bury St Edmunds
Suffolk
IP33 1BQ

ERMS UK (HOLDINGS) LIMITED

REPORT OF THE DIRECTORS FOR THE YEAR ENDED 31ST DECEMBER 2010

The directors present their report with the financial statements of the company and the group for the year ended 31st December 2010

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

With the Company's annual results being vulnerable to the financial effect of any movement in the UK Pound/Euro exchange rate there is not going to be a consistency in the published results. This is certainly the case in 2010 where there was a favourable movement of £96,964 compared to that reported in 2009. In addition there were remedial building costs of £91,609.

The current exchange rate movements are too extreme to be able to predict any reasonable gain or loss for 2011.

DIVIDENDS

The total distribution of dividends for the year ended 31st December 2010 was £220,000.

DIRECTORS

The directors shown below have held office during the whole of the period from 1st January 2010 to the date of this report.

I M Smith
A F Troost

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.

ERMS UK (HOLDINGS) LIMITED

**REPORT OF THE DIRECTORS
FOR THE YEAR ENDED 31ST DECEMBER 2010**

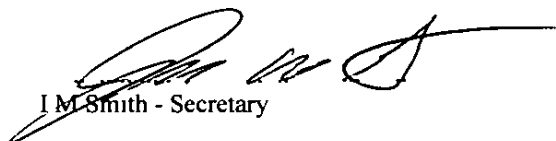
STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

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

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 7th April 2011

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

We have audited the financial statements of Erms UK (Holdings) Limited for the year ended 31st December 2010 on pages five 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 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.

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 2010 and of the group's profit for the year then ended,
- the group financial statements 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.

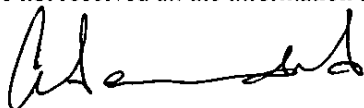
Opinion on other matter prescribed by the Companies Act 2006

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.

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.



Graham Saunders (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

6 June 2011

ERMS UK (HOLDINGS) LIMITED**CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31ST DECEMBER 2010**

	Notes	2010 £	2009 £
TURNOVER		16,484,163	14,749,843
Cost of sales		<u>13,459,855</u>	<u>11,834,940</u>
GROSS PROFIT		3,024,308	2,914,903
Administrative expenses		<u>2,028,201</u>	<u>1,906,640</u>
		996,107	1,008,263
Other operating income		<u>215,222</u>	<u>254,088</u>
OPERATING PROFIT	3	1,211,329	1,262,351
Exceptional item	4	<u>96,964</u>	<u>211,625</u>
		1,308,293	1,473,976
Interest receivable and similar income		<u>16,356</u>	<u>4,241</u>
		1,324,649	1,478,217
Interest payable and similar charges	5	<u>82,799</u>	<u>113,137</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		1,241,850	1,365,080
Tax on profit on ordinary activities	6	<u>374,513</u>	<u>361,606</u>
PROFIT FOR THE FINANCIAL YEAR AFTER TAXATION		<u>867,337</u>	<u>1,003,474</u>

CONTINUING OPERATIONS

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

The notes form part of these financial statements

ERMS UK (HOLDINGS) LIMITED

**CONSOLIDATED STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES
FOR THE YEAR ENDED 31ST DECEMBER 2010**

	2010	2009
	£	£
PROFIT FOR THE FINANCIAL YEAR	867,337	1,003,474
Revaluation of freehold property	<u>-</u>	<u>(532,679)</u>
TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR	<u>867,337</u>	<u>470,795</u>

The notes form part of these financial statements

ERMS UK (HOLDINGS) LIMITED

**CONSOLIDATED BALANCE SHEET
31ST DECEMBER 2010**

	Notes	2010 £	2009 £
FIXED ASSETS			
Tangible assets	9	6,367,737	6,571,220
CURRENT ASSETS			
Stocks	11	374,290	299,176
Debtors	12	2,089,294	2,467,208
Cash at bank and in hand		<u>1,113,261</u>	<u>327,390</u>
		3,576,845	3,093,774
CREDITORS			
Amounts falling due within one year	13	<u>2,218,440</u>	<u>2,120,954</u>
NET CURRENT ASSETS		<u>1,358,405</u>	<u>972,820</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		7,726,142	7,544,040
CREDITORS			
Amounts falling due after more than one year	14	(1,643,953)	(2,101,422)
PROVISIONS FOR LIABILITIES	18	-	(7,766)
NET ASSETS		<u>6,082,189</u>	<u>5,434,852</u>
CAPITAL AND RESERVES			
Called up share capital	19	16,324	16,324
Share premium	20	51,636	51,636
Revaluation reserve	20	181,157	184,854
Profit and loss account	20	<u>5,833,072</u>	<u>5,182,038</u>
SHAREHOLDERS' FUNDS	24	<u>6,082,189</u>	<u>5,434,852</u>

The financial statements were approved by the Board of Directors on 7th April 2011 and were signed on its behalf by


A F Troon - Director


I M Smith - Director

The notes form part of these financial statements

ERMS UK (HOLDINGS) LIMITED

**COMPANY BALANCE SHEET
31ST DECEMBER 2010**

		2010	2009
	Notes	£	£
FIXED ASSETS			
Tangible assets	9	5,993,464	6,085,667
Investments	10	<u>100</u>	<u>100</u>
		5,993,564	6,085,767
CURRENT ASSETS			
Debtors	12	34,323	21,714
Cash at bank		<u>6,409</u>	<u>1,723</u>
		40,732	23,437
CREDITORS			
Amounts falling due within one year	13	<u>895,616</u>	<u>437,436</u>
NET CURRENT LIABILITIES		<u>(854,884)</u>	<u>(413,999)</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		5,138,680	5,671,768
CREDITORS			
Amounts falling due after more than one year	14	<u>1,643,953</u>	<u>2,101,422</u>
NET ASSETS		<u>3,494,727</u>	<u>3,570,346</u>
CAPITAL AND RESERVES			
Called up share capital	19	16,324	16,324
Share premium	20	51,636	51,636
Revaluation reserve	20	181,157	184,854
Profit and loss account	20	<u>3,245,610</u>	<u>3,317,532</u>
SHAREHOLDERS' FUNDS	24	<u>3,494,727</u>	<u>3,570,346</u>

The financial statements were approved by the Board of Directors on 7th April 2011 and were signed on its behalf by

A F Trous - Director

I M Smith - Director

The notes form part of these financial statements

ERMS UK (HOLDINGS) LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST DECEMBER 2010

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.

ERMS UK (HOLDINGS) LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31ST DECEMBER 2010

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

	2010 £	2009 £
Wages and salaries	2,212,715	2,027,330
Social security costs	235,790	223,984
Other pension costs	43,456	43,331
	<u>2,491,961</u>	<u>2,294,645</u>

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

	2010	2009
Production staff	74	66
Administrative staff	<u>11</u>	<u>11</u>
	<u>85</u>	<u>77</u>

3 OPERATING PROFIT

The operating profit is stated after charging/(crediting)

	2010 £	2009 £
Hire of plant and machinery	121,088	134,786
Other operating leases	28,367	26,446
Depreciation - owned assets	251,818	250,994
Loss/(Profit) on disposal of fixed assets	3,985	(1,116)
Auditors' remuneration	10,350	12,110
Foreign exchange gains	<u>(96,964)</u>	<u>(211,625)</u>
	<u>258,407</u>	<u>220,298</u>
Directors' remuneration	<u>258,407</u>	<u>220,298</u>

ERMS UK (HOLDINGS) LIMITED**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2010****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

	2010	2009
	£	£
Emoluments etc	<u>258,407</u>	<u>220,298</u>

4 EXCEPTIONAL ITEMS

The exceptional item detailed in the profit and loss account is as follows -

	2010	2009
	£	£
Foreign exchange gains	<u>96,964</u>	<u>211,625</u>

The foreign exchange gains arise solely from the transactions relating to and the year end translation of the loan with from Handel-en Exploitatiemaatschappij A F Troost bv which is denominated in Euros and detailed in note 17

5 INTEREST PAYABLE AND SIMILAR CHARGES

	2010	2009
	£	£
Bank interest	7	33
Interest payable on related party loan	<u>82,792</u>	<u>113,104</u>
	<u>82,799</u>	<u>113,137</u>

6 TAXATION**Analysis of the tax charge**

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

	2010	2009
	£	£
Current tax		
UK corporation tax	383,846	392,415
Under/(over) provision prior year	<u>-</u>	<u>(12,963)</u>
Total current tax	383,846	379,452
Deferred tax	<u>(9,333)</u>	<u>(17,846)</u>
Tax on profit on ordinary activities	<u>374,513</u>	<u>361,606</u>

ERMS UK (HOLDINGS) LIMITED**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2010****6 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

	2010 £	2009 £
Profit on ordinary activities before tax	<u>1,241,850</u>	<u>1,365,080</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 28% (2009 - 28%)	347,718	382,222
Effects of		
Expenses not deductible for tax purposes	11,759	8,089
Depreciation in advance of capital allowances	24,465	(13,230)
Marginal corporation tax rate adjustment	(96)	(5,108)
Over provision in prior year	-	(12,963)
Additional charge due to associated company	<u>-</u>	<u>20,442</u>
Current tax charge	<u>383,846</u>	<u>379,452</u>

7 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 £144,381 (2009 - £303,037)

8 DIVIDENDS

	2010 £	2009 £
Interim	<u>220,000</u>	<u>-</u>

ERMS UK (HOLDINGS) LIMITED

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2010**

9 TANGIBLE FIXED ASSETS

Group

	Freehold property £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Totals £
COST					
At 1st January 2010	6,075,000	507,284	248,075	85,715	6,916,074
Additions	445	5,829	46,046	-	52,320
Disposals	-	-	-	(4,900)	(4,900)
At 31st December 2010	<u>6,075,445</u>	<u>513,113</u>	<u>294,121</u>	<u>80,815</u>	<u>6,963,494</u>
DEPRECIATION					
At 1st January 2010	-	199,931	114,019	30,904	344,854
Charge for year	88,648	99,312	46,487	17,371	251,818
Eliminated on disposal	-	-	-	(915)	(915)
At 31st December 2010	<u>88,648</u>	<u>299,243</u>	<u>160,506</u>	<u>47,360</u>	<u>595,757</u>
NET BOOK VALUE					
At 31st December 2010	<u>5,986,797</u>	<u>213,870</u>	<u>133,615</u>	<u>33,455</u>	<u>6,367,737</u>
At 31st December 2009	<u>6,075,000</u>	<u>307,353</u>	<u>134,056</u>	<u>54,811</u>	<u>6,571,220</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 £6,419,994 (2009 - £6,419,549)

The aggregate depreciation related to the freehold land and buildings would have been £614,354 (2009 - £486,351)

The value of land included in the freehold land and buildings is £2,173,550 (2009 - £2,173,550)

Freehold land and buildings were valued on an open market basis on 17th June 2009 by Cheffins, registered Chartered Surveyors

ERMS UK (HOLDINGS) LIMITED

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2010**

9 TANGIBLE FIXED ASSETS - continued

Company

	Freehold property £	Plant and machinery £	Totals £
COST			
At 1st January 2010	6,075,000	20,000	6,095,000
Additions	<u>445</u>	<u>-</u>	<u>445</u>
At 31st December 2010	<u>6,075,445</u>	<u>20,000</u>	<u>6,095,445</u>
DEPRECIATION			
At 1st January 2010	-	9,333	9,333
Charge for year	<u>88,648</u>	<u>4,000</u>	<u>92,648</u>
At 31st December 2010	<u>88,648</u>	<u>13,333</u>	<u>101,981</u>
NET BOOK VALUE			
At 31st December 2010	<u>5,986,797</u>	<u>6,667</u>	<u>5,993,464</u>
At 31st December 2009	<u>6,075,000</u>	<u>10,667</u>	<u>6,085,667</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 £6,419,994 (2009 - £6,419,549)

The aggregate depreciation related to the freehold land and buildings would have been £614,354 (2009 - £486,351)

The value of land included in the freehold land and buildings is £2,173,550 (2009 - £2,173,550)

Freehold land and buildings were valued on an open market basis on 17th June 2009 by Cheffins, registered Chartered Surveyors

10 FIXED ASSET INVESTMENTS

Company

	Shares in group undertakings £
COST	
At 1st January 2010 and 31st December 2010	<u>100</u>
NET BOOK VALUE	
At 31st December 2010	<u>100</u>
At 31st December 2009	<u>100</u>

ERMS UK (HOLDINGS) LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31ST DECEMBER 2010

10 FIXED ASSET INVESTMENTS - continued

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

11 STOCKS

	Group	
	2010 £	2009 £
Produce goods for resale	<u>374,290</u>	<u>299,176</u>

12 DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2010 £	2009 £	2010 £	2009 £
Trade debtors	1,830,351	2,366,168	-	-
Amounts owed to group undertakings	120,684	-	-	-
VAT	-	-	4,168	2,853
Deferred tax asset	1,567	-	15,070	13,638
Prepayments and accrued income	<u>136,692</u>	<u>101,040</u>	<u>15,085</u>	<u>5,223</u>
	<u>2,089,294</u>	<u>2,467,208</u>	<u>34,323</u>	<u>21,714</u>

ERMS UK (HOLDINGS) LIMITED

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2010**

13 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	Group		Company	
	2010	2009	2010	2009
	£	£	£	£
Other loans (see note 15)	182,636	191,038	182,636	191,038
Trade creditors	1,372,510	1,065,343	1,833	811
Amounts owed to group undertakings	26,780	29,273	-	-
Tax	103,847	251,915	82,378	123,158
Social security and other taxes	114,268	116,089	-	-
VAT	110,474	107,043	-	-
Other creditors	8,361	6,898	593,371	89,072
Accruals and deferred income	299,564	353,355	35,398	33,357
	<u>2,218,440</u>	<u>2,120,954</u>	<u>895,616</u>	<u>437,436</u>

14 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	Group		Company	
	2010	2009	2010	2009
	£	£	£	£
Other loans (see note 15)	<u>1,643,953</u>	<u>2,101,422</u>	<u>1,643,953</u>	<u>2,101,422</u>

15 LOANS

An analysis of the maturity of loans is given below

	Group		Company	
	2010	2009	2010	2009
	£	£	£	£
Amounts falling due within one year or on demand				
Related party loan	<u>182,636</u>	<u>191,038</u>	<u>182,636</u>	<u>191,038</u>
Amounts falling due between one and two years				
Related party loan	<u>182,636</u>	<u>191,038</u>	<u>182,636</u>	<u>191,038</u>
Amounts falling due between two and five years				
Related party loan	<u>730,545</u>	<u>764,152</u>	<u>730,545</u>	<u>764,152</u>
Amounts falling due in more than five years				
Repayable by instalments				
Related party loan	<u>730,772</u>	<u>1,146,232</u>	<u>730,772</u>	<u>1,146,232</u>

ERMS UK (HOLDINGS) LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued FOR THE YEAR ENDED 31ST DECEMBER 2010

16 OPERATING LEASE COMMITMENTS

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

Group

	Other operating leases	
	2010 £	2009 £
Expiring		
Within one year	13,883	-
Between one and five years	<u>74,336</u>	<u>43,945</u>
	<u>88,219</u>	<u>43,945</u>

17 SECURED DEBTS

The following secured debts are included within creditors

	Company	
	2010 £	2009 £
Related party loan	<u>1,826,589</u>	<u>2,292,460</u>

The bank loans and overdrafts are secured by a fixed and floating charge over all current and future assets of the company

The related party loan from Handel-en Exploitiemaatschappij A F Troost bv is secured by a charge over the freehold property, Ronald House, Fenton Way, Chatteris, Cambridgeshire

18 PROVISIONS FOR LIABILITIES

	Group	
	2010 £	2009 £
Deferred tax	<u>-</u>	<u>7,766</u>

Group

	Deferred tax £
Balance at 1st January 2010	7,766
Reversal of excess taxation allowances over depreciation	<u>(9,333)</u>
Balance at 31st December 2010	<u>(1,567)</u>

ERMS UK (HOLDINGS) LIMITED

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2010**

18 PROVISIONS FOR LIABILITIES - continued

Company

	Deferred tax £
Balance at 1st January 2010	(13,638)
Reversal of excess taxation allowances over depreciation	<u>(1,432)</u>
Balance at 31st December 2010	<u>(15,070)</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

19 CALLED UP SHARE CAPITAL

Allotted, issued and fully paid Number	Class	Nominal value £1	2010 £	2009 £
16,324	Ordinary		<u>16,324</u>	<u>16,324</u>

20 RESERVES

Group

	Profit and loss account £	Share premium £	Revaluation reserve £	Totals £
At 1st January 2010	5,182,038	51,636	184,854	5,418,528
Profit for the year	867,337	-	-	867,337
Dividends	(220,000)	-	-	(220,000)
Depreciation of revalued asset	<u>3,697</u>	<u>-</u>	<u>(3,697)</u>	<u>-</u>
At 31st December 2010	<u>5,833,072</u>	<u>51,636</u>	<u>181,157</u>	<u>6,065,865</u>

ERMS UK (HOLDINGS) LIMITED**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2010****20 RESERVES - continued****Company**

	Profit and loss account £	Share premium £	Revaluation reserve £	Totals £
At 1st January 2010	3,317,532	51,636	184,854	3,554,022
Profit for the year	144,381	-	-	144,381
Dividends	(220,000)	-	-	(220,000)
Depreciation of revalued asset	3,697	-	(3,697)	-
At 31st December 2010	<u>3,245,610</u>	<u>51,636</u>	<u>181,157</u>	<u>3,478,403</u>

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 company is consolidated

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

22 RELATED PARTY DISCLOSURES

The company borrowed 3,183,901.46 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. At the year end the company owed Handel-en Exploitiemaatschappij A F Troost bv £1,826,589 (2009 - £2,292,460)

During the year the group sold goods of £151,373 (2009 £22,418) to and purchased goods of £287,339 (2009 £122,445) 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 was owed £93,904 (2009 £(29,273)) by Lehmann & Troost BV

23 ULTIMATE CONTROLLING PARTY

The ultimate controlling parties are Bram Troost and Petra Troost by virtue of their combined 100% ownership of the group

ERMS UK (HOLDINGS) LIMITED

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - continued
FOR THE YEAR ENDED 31ST DECEMBER 2010**

24 RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

Group

	2010 £	2009 £
Profit for the financial year	867,337	1,003,474
Dividends	<u>(220,000)</u>	<u>-</u>
	647,337	1,003,474
Other recognised gains and losses relating to the year (net)	<u>-</u>	<u>(532,679)</u>
Net addition to shareholders' funds	647,337	470,795
Opening shareholders' funds	<u>5,434,852</u>	<u>4,964,057</u>
Closing shareholders' funds	<u>6,082,189</u>	<u>5,434,852</u>

Company

	2010 £	2009 £
Profit for the financial year	144,381	303,037
Dividends	<u>(220,000)</u>	<u>-</u>
	(75,619)	303,037
Other recognised gains and losses relating to the year (net)	<u>-</u>	<u>(532,679)</u>
Net reduction of shareholders' funds	(75,619)	(229,642)
Opening shareholders' funds	<u>3,570,346</u>	<u>3,799,988</u>
Closing shareholders' funds	<u>3,494,727</u>	<u>3,570,346</u>