

# **OSI Food Solutions UK Holdings Limited**

## **Report and financial statements For the year ended 31 December 2018**

**Registered Number 2489193**



# **OSI Food Solutions UK Holdings Limited**

## **Report and financial statements For the year ended 31 December 2018**

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**OSI Food Solutions UK Holdings Limited****Directors and advisors****The Board of Directors**

M H Back  
S Lavin  
D G McDonald  
S A DeMeulenaere

**Company Secretary**

M H Back

**Registered Office**

c/o OSI Food Solutions UK Limited  
Luneburg Way  
Skippingdale  
Scunthorpe  
North Lincolnshire  
United Kingdom  
DN15 8LP

## OSI Food Solutions UK Holdings Limited

### Directors' report for the year ended 31 December 2018

The directors present their annual report and the audited financial statements of the Company for the year ended 31 December 2018. The principal activity of the Company was as an intermediate holding company.

#### Performance during the year

The retained profit for the financial year, after payment of interim dividends of £2,000,000 (2017: £2,000,000) was £nil (2017: £nil). The Directors do not recommend the payment of a final dividend (2017: £nil).

#### Directors

The Directors who held office during the year and up to the date of this report were as follows:-

S Lavin – appointed 22 January 2019

D G McDonald

M H Back

S A De Meulenaere

#### Statement of directors' responsibilities

The directors are responsible for preparing the Strategic Report, Directors' 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 prepared 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exception.

#### Audit Requirement

For the period ending 31 December 2018 the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

The members have not required the Company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006.

The accounts of the Company are included in the audited consolidated accounts of the ultimate UK parent company, Gands (U.K.) [02786695], who has issued a guarantee in respect of liabilities of the Company arising in the period ended 30 December 2018.

By order of the Board



M H Back

Company Secretary

9 September 2019

## OSI Food Solutions UK Holdings Limited

### Statement of Comprehensive Income and Retained Earnings For the year ended 31 December 2018

		2018 £'000	2017 £'000
	<b>Note</b>		
Income from fixed asset investments		<b>2,000</b>	2,000
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>	<b>1</b>	<b>2,000</b>	2,000
Tax on profit on ordinary activities	<b>2</b>	-	-
<b>PROFIT AND TOTAL COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR</b>		<b>2,000</b>	2,000
<b>RETAINED EARNINGS AT 1 JANUARY</b>		<b>3,243</b>	3,243
Dividends paid	<b>3</b>	<b>(2,000)</b>	(2,000)
<b>RETAINED EARNINGS AT 31 DECEMBER</b>		<b>3,243</b>	3,243

All amounts above relate to continuing operations.

Comprehensive income for the financial period is all attributable to the owners of the parent company.

# OSI Food Solutions UK Holdings Limited

## Statement of Financial Position as at 31 December 2018

Registered Number: 2489193

		2018	2017
	Note	£'000	£'000
<b>FIXED ASSETS</b>			
Investments	4	<u>5,319</u>	<u>5,319</u>
<b>CREDITORS: amounts falling due within one year</b>	5	<u>(6)</u>	<u>(6)</u>
<b>NET CURRENT LIABILITIES</b>		<u>(6)</u>	<u>(6)</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<u>5,313</u>	<u>5,313</u>
<b>CAPITAL AND RESERVES</b>	6	45	45
Called up share capital			
Capital redemption reserve		5	5
Merger reserve		2,020	2,020
Retained earnings		<u>3,243</u>	<u>3,243</u>
<b>TOTAL SHAREHOLDERS' FUNDS</b>		<u>5,313</u>	<u>5,313</u>

For the year ending 31 December 2018 the Company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

The shareholder has not required the Company to obtain an audit of its financial statements for the year in question in accordance with section 476 of the Companies Act 2006.

The Directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

The financial statements on pages 4 to 9 were approved by the board of directors and authorised for issue on 9 September 2019 and were signed on its behalf by:



M H Back  
Director

## OSI Food Solutions UK Holdings Limited

### Accounting policies for the year ended 31 December 2018

#### General information

OSI Food Solutions UK Holdings Limited ("the Company") is a limited company domiciled and incorporated in England. The address of the Company's registered office and principal place of business is Luneburg Way, Scunthorpe, North Lincolnshire DN15 8LP.

The nature of the Company's operations is given in the Directors' Report on page 3.

#### Principal accounting policies

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, including the provisions of the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, and under the historical cost convention.

#### Going concern

The Directors, after reviewing the Company's investment plans and financing arrangements, consider that the Company has, at the date of this report sufficient financing available for the estimated requirements for the foreseeable future. Accordingly, the Directors are satisfied that it is appropriate to adopt the going concern basis in preparing the financial statements.

#### Functional and presentational currencies

The financial statements are presented in sterling which is also the functional currency of the Company. Monetary amounts in these financial statements are rounded to the nearest whole £1,000, except where otherwise indicated.

#### Reduced disclosures

In accordance with FRS 102, the Company has taken advantage of the 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' & 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.

The financial statements of the Company are consolidated in the financial statements of Gands (U.K.). The consolidated financial statements of Gands (U.K.) are publicly available from Companies House, Crown Way, Cardiff CF14 3UZ.

#### Investments

Interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

Interests in subsidiaries are assessed for impairment at each reporting date. Any impairments losses or reversals of impairment losses are recognised immediately in profit or loss.

#### 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, in full, to all of its financial instruments.

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument, and are offset only when the Company currently has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

#### Critical accounting estimates and areas of judgement

The accounting treatment of fixed asset investments is covered in the investments policy and note 4.

# OSI Food Solutions UK Holdings Limited

## Notes to the financial statements for the year ended 31 December 2018

### 1. Profit on ordinary activities before taxation

No director received any emoluments during the year (2017: nil) in respect of their services to this Company. The Company has no employees (2017: no employees).

### 2. Tax on profit on ordinary activities

#### Analysis of tax charge in the year

	2018 £'000	2017 £'000
<b>Current tax:</b>		
UK corporation tax on profits of the year	-	-
<b>Tax on profit on ordinary activities</b>	<b>-</b>	<b>-</b>

#### Factors affecting the tax charge in the year

The tax assessed for the year is lower (2017: lower) than the standard rate of corporation tax in the UK of 19% (2017: 19.25%). The differences are explained below:

	2018 £'000	2017 £'000
Profit on ordinary activities before taxation	2,000	2,000
Profit on ordinary activities before taxation multiplied by the standard rate of corporation tax in the UK of 19% (2017: 19.25%)	380	385
Dividend income not subject to tax	(380)	(385)
<b>Total tax charge for the year</b>	<b>-</b>	<b>-</b>

#### Factors affecting future tax charges

The standard rate of Corporation Tax in the UK changed from 20% to 19% with effect from 1 April 2017. Accordingly, the Company's profits for this accounting period are taxed at an effective rate of 19 %. The standard UK Corporation Tax rate will reduce from 19% to 17% from 1 April 2020. The deferred tax balances in the financial statements have been calculated using a rate of 17% as this was the rate enacted in law at the balance sheet date for the period in which the deferred tax balance is forecast to be utilised. The changes are not anticipated to have a material impact on the Company's financial statements in future periods.

### 3. Dividends

	2018 £'000	2017 £'000
Interim paid: £44.0044 (2017: £44.0044) per £1 ordinary share	2,000	2,000



## OSI Food Solutions UK Holdings Limited

### Notes to the financial statements for the year ended 31 December 2018 (continued)

#### 4. Fixed asset investments

The Company owns 100% of the ordinary share capital of OSI Food Solutions UK Limited, incorporated in England and Wales. OSI Food Solutions UK Limited is engaged in the manufacture and sale of meat products. The Company's investment is stated at cost.

The directors believe that the carrying value of the investments is supported by the underlying net assets together with the expected future returns.

At 31 December 2018, OSI Food Solutions UK Limited had aggregate capital and reserves of £4,195,000 (2017: £3,734,000) and a retained profit for the year then ended of £2,461,000 (2017: profit £2,271,000).

#### 5. Creditors: amounts falling due within one year

	2018 £'000	2017 £'000
Amounts owed to group undertakings	6	6
	<u>6</u>	<u>6</u>

#### 6. Share capital and reserves

##### Allotted, called up and fully paid:

	2018 £'000	2017 £'000
45,450 (2017: 45,450) ordinary shares of £1 each	<u>45</u>	<u>45</u>

##### Ordinary share rights

The Company's ordinary shares, which carry no right to fixed income, each carry the right to one vote at general meetings of the Company.

##### Reserves

Reserves of the Company represent the following:

##### *Capital redemption reserve*

The nominal value of shares repurchased and still held at the end of the reporting period.

##### *Merger reserve*

A capital reserve created during the acquisition of OSI Food Solutions UK Ltd.

##### *Retained earnings*

Cumulative profit and loss net of distributions to owners.

## **OSI Food Solutions UK Holdings Limited**

### **Notes to the financial statements for the year ended 31 December 2018 (continued)**

#### **7. Guarantees**

In November 2015, the OSI Group LLC renewed global loan facilities with various international banks. Total borrowings under these facilities as at 31 December 2018 were £383,000,000 (2017: £769,000,000). All borrowings are secured by fixed and floating charges over the majority of assets and undertakings of companies within the group. These charges are supported by unlimited cross guarantees and by fixed charges and share pledges over the shares of the Company. In addition, the Company has entered into cross guarantees in respect of borrowings of other companies in the OSI Group LLC group. The directors do not expect any material loss to the Company and its subsidiary to arise in respect of the guarantees.

#### **8. Related party transactions**

The Company has taken advantage of the exemptions contained in FRS 102 section 33, not to disclose transactions with its parent undertakings or fellow wholly owned subsidiary undertakings.

#### **9. Immediate and ultimate parent company and controlling party**

The Company is a wholly-owned subsidiary of Gands (U.K.) and is included in the consolidated financial statements of Gands (U.K.) which are publicly available. Consequently, the Company has taken advantage of the exemption from preparing consolidated financial statements under the terms of section 400 of the Companies Act 2006. The financial statements present information about the Company as an individual undertaking and not about its group

The directors regard OSI Group LLC, a company incorporated in the United States of America, to be the Company's ultimate parent undertaking and ultimate controlling party, by virtue of its shareholding in the intermediate parent undertaking.

The smallest and largest group in which the results of OSI Food Solutions UK Holdings Limited are consolidated and publicly available is that of Gands (U.K.), the intermediate parent company. The largest group for which group financial statements are prepared is OSI Group LLC. Copies of Gands (U.K.)'s financial statements are publicly available from Companies House, Cardiff. The financial statements of OSI Group LLC are not publicly available.