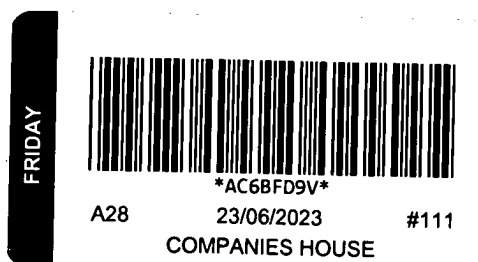


Selecta U.K. Limited

Annual report and financial statements  
For the year ended 31 December 2022

Registered number 02605313



# Selecta U.K. Limited

## Annual report and financial statements for the year ended 31 December 2022

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# Selecta U.K. Limited

## Directors and advisors for the year ended 31 December 2022

### Directors

P Hearne

T Venus

N Roos (appointed 14 October 2022, resigned 22 March 2023)

P Gautier (resigned 14 October 2022)

T Goldsmith (appointed 20 March 2023)

### Registered office

Unit 1 Finway Road

Hemel Hempstead Industrial Estate

Finway Road

Hemel Hempstead

Hertfordshire

HP2 7PT

### Banker

National Westminster Bank plc

City of London Office

PO Box 12258

1 Princes Street

London

EC2R 8PA

### Independent auditor

KPMG LLP

2 Forbury Place

33 Forbury Road

Reading

RG1 3AD

### Registered number

02605313

# Selecta U.K. Limited

## Strategic Report for the year ended 31 December 2022

The Directors present their Strategic Report for the year ended 31 December 2022. The comparative financial period was for the year ended 31 December 2021.

### Principal activities

The principal activities of the company during the year were to supply, install, service and operate a comprehensive range of drink, snack and food vending equipment and systems and to sell a comprehensive range of vending, catering and hygiene products.

### Business review and results

The Company continues to trade in a competitive market and returned results for the year which are in line with expectations. The Company is one of the largest vending machine operators in the UK with an installed machine base spread across the country. The size of the Company's network provides significant economies of scale, in terms of route density and logistics, which enables it to retain advantages in terms of delivery and pricing over smaller competitors. During the last year the Company has been focusing on improving the average revenue per machine across its vending estate.

Results for the year show a loss on ordinary activities before taxation of £12,623,000 on a turnover of £124,962,000 (year ended 31 December 2021: loss £14,015,000 on a turnover of £104,830,000). At 31 December 2022, the net liabilities were £53,509,000 (2021: net liabilities £40,866,000).

No dividend was paid or is proposed for the year (2021 : £-).

The Company is part of the Selecta Group BV (the "Group") (see Note 3), which operates a group treasury function. The Directors of the Group consider that the facilities in place provide sufficient funds to enable the Group to develop and grow the Selecta U.K. Limited business.

### Key Performance Indicators

A full suite of daily and weekly KPIs are available to management. This has enabled improved operational efficiency during the year and allows the business to build on the benefits from the introduction of telemetry routing and understanding of the performance of the existing machine base this provides.

In the year revenue increased 19% to £124,962,000 (year ended 31 December 2021: £104,830,000) driven by people returning to offices as pandemic restrictions were lifted. Our purpose is to make people feel great by bringing them delicious food and drinks at any time. This improvement in trading resulted in a reduced loss on ordinary activities before taxation of £12,623,000 (year ended 31 December 2021: £14,015,000).

### Principal risks and uncertainties

#### Economic trends

In line with the majority of the vending industry, the Company has experienced some decline on its existing machine base over the last few financial years, with the impact from lower employment and footfall in some of its customer segments. 2022 saw improved revenue performance as the economy opened up in the first half of 2022. Despite the UK economic uncertainty during the first half of 2023, we expect revenue performance to be maintained.

# Selecta U.K. Limited

## Strategic report for the year ended 31 December 2022 (continued)

### Climate Change

The company seeks to minimise its carbon footprint by encouraging recycling of its products.

### Commodity markets

The Company has limited exposure to movements in coffee prices. The majority of commodity price movements are passed onto our customers.

### Business mix

The Company operates a number of business models. Focus is given to ensuring that trends over time in customer preferences are identified in good time, enabling the company to restructure operations in such a way as to maintain operating margins, and ensure that it can continue to offer excellent service at prices which are competitive in the relevant markets.

### Cash flow Risk

The Company mitigates cash flow risk by maintaining strong controls by weekly reporting to the Group Treasury function on working capital performance and cash flow forecasting.

### Credit Risk

The Company's principal financial assets are bank balances and cash, trade and other debtors.

The Company's credit risk is primarily attributable to its trade debtors. The amounts presented in the balance sheet are net of allowances for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows.

### Liquidity Risk

The Company regularly monitors the level of working capital to ensure the Company has sufficient funds available for operations.

### Price Risk

The Company has exposure to coffee price risk as a result of its operations. However, given that a significant proportion of coffee price movements can be passed onto customers, the exposure is considered limited.

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



16 June 2023

**P Hearne**  
Director  
Date

# Selecta U.K. Limited

## Directors' report for year ended 31 December 2022

The Directors present their report and the audited financial statements for the year ended 31 December 2022.

### Future developments

The Company strategy is to continue to grow organically by expanding and developing business with existing customers and by gaining new business with additional customers as well as improving the efficiency of operations. Growth in sales will be supported by the installation of new products and detailed throughput initiatives.

### Qualifying Third Party Indemnity provisions

The Company maintains liability insurance for its Directors and Officers. Following Shareholder approval, the company has also provided an indemnity for its Directors and the Secretary, which is a qualifying third party indemnity provision for the purposes of the Companies Act 2006. The policies were in place during the year and at the date of approval of the financial statements.

### Employees

Applications for employment by disabled persons are always fully considered, bearing in mind the respective aptitudes and abilities of the applicant concerned. In the event of members of staff becoming disabled every effort is made to ensure that their employment with the Company continues and the appropriate training is arranged. It is the policy of the company that the training, career development and promotion of a disabled person should, as far as possible be identical to that of a person who does not suffer from a disability.

Consultation with employees or their representatives has continued at all levels, with the aim of ensuring that their views are taken into account when decisions are made that are likely to affect their interests and that all employees are aware of the financial and economic performance of their business units and of the company as a whole. Communication with all employees continues through the in-house newsletter and the distribution of the annual report.

### Dividends

No dividend was paid or is proposed for the year (2021: £-).

### Financial risk management objectives and policies

The Company's activities expose it to a number of financial risks including credit risk, cash flow risk, foreign exchange risk and liquidity risk. The Company continually monitors its exposure to these risks, in conjunction with the Group treasury function, and respond accordingly.

# Selecta U.K. Limited

## Directors' report for the year ended 31 December 2022 (continued)

### Directors

The Directors of the company who were in office during the year and up to the date of signing the financial statements were:

P Hearne  
T Venus  
T Goldsmith (appointed 20 March 2023)

## Statement of directors' performance of their statutory duties in accordance with s172 of the Companies Act 2006

The board of directors consider that they have acted in a way they consider in good faith, that would most likely promote the success of the company for the benefit of its shareholders (whilst having regard to the stakeholder requirements set out in s172(1)(a-f) of the act) in the decisions taken in the year ended 31 December 2022. The company is committed to being a responsible business. Our behaviour is aligned with the expectations of our employees, customers, suppliers and community as a whole

The following summarises how the directors have fulfilled their duties with regards to s172:

### Our People

The company consistently provides employees with information on matters that are of concern to them, consulting them regularly so that their views and needs can be taken into account. Employee involvement in the company is encouraged, achieving common awareness on financial and economic factors affecting the business. This is done through regular updates by the directors and leadership team.

Regular updates are delivered to the employees via regular video presentations available on a platform accessible to all and keep all viewers informed on current developments within the company

### Shareholders

The board is committed to openly engaging with our shareholders. We recognise the importance of a continuing effective dialogue. This is achieved through delivering clear communication, receiving feedback and addressing questions effectively.

### Shareholders

The board is committed to openly engaging with our shareholders. We recognise the importance of a continuing effective dialogue. This is achieved through delivering clear communication, receiving feedback and addressing questions effectively.

### Community and the Environment

We strive to maintain a reputation of high standards in our business conduct. We manage this by developing and maintaining strong relationships within the community we interact and do our best to leverage our expertise and enable colleagues to support the communities around us.

# Selecta U.K. Limited

## Directors' report for the year ended 31 December 2022 (continued)

Statement of directors' performance of their statutory duties in accordance with s172 of the Companies Act 2006 (continued)

### Greenhouse Gas & Carbon reporting

In our business plan, we have a long-term commitment to reducing carbon emissions.

We plan to address carbon emissions in several different ways:

#### Respecting our environment

- Reduce CO2 impact in operation- we use telemetry to monitor the inventory and status of vending solutions remotely and in real-time to make accurate number of clients visit. Fleet electrification by transform our fleet into electric vehicles.
- Recycling cups and environment friendly cutlery – All of our cups are recyclable, and every paper cup is either PEFC or FSC certified. Sourcing new cutlery range made of paper to reduce plastic disposals.
- Reduce food waste at Foodies-Implementing planograms to limited on-shelf stock, running consumer campaigns, and sending items close to the expiry date to the food bank.

#### Sourcing responsible products

- Responsible procurement and roasting –Selecta Group roast about 15,000 tonnes of coffee per year and sourced 100% certified coffee in 2022.
- Ethical business practices -Selecta Group has set up a target of directly supporting at least 2500 farmer families in the key coffee sourcing regions by 2025 by investing in farm-level programs.

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



16 June 2023

**P Hearne**  
Director  
Date

**Registered office**  
Unit 1 Finway Road  
Hemel Hempstead Industrial Estate  
Finway Road  
Hemel Hempstead  
Hertfordshire  
HP2 7PT



# Selecta U.K. Limited

## Statement of directors' responsibilities in respect of the strategic report, the directors' report and the financial statements

The directors are responsible for preparing the Strategic Report, the 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 they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 101 *Reduced Disclosure Framework*.

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 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 estimates that are reasonable and prudent;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations or have no realistic alternative but to do so.

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 responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF SELECTA U.K. LIMITED**

### **Opinion**

We have audited the financial statements of Selecta U.K. Limited ("the Company") for the year ended 31 December 2022 which comprise the Income Statement, Statement of Financial Position, Statement of Changes in Equity and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2022 and of its loss for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 101 *Reduced Disclosure Framework*; 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 are described below. We have fulfilled our ethical responsibilities under, and are independent of the Company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

### **Going concern**

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Company or to cease its operations, and as they have concluded that the Company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the directors' conclusions, we considered the inherent risks to the Company's business model and analysed how those risks might affect the Company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Company will continue in operation.

### **Fraud and breaches of laws and regulations – ability to detect**

#### *Identifying and responding to risks of material misstatement due to fraud*

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of directors as to the Company's high-level policies and procedures to prevent and detect fraud, as well as enquiring whether they have knowledge of any actual, suspected or alleged fraud.
- Inspecting board minutes
- Using analytical procedures to identify any unusual or unexpected relationships.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, we perform procedures to address the risk of management override of controls, in particular the risk of management override of controls and the risk of fraudulent revenue recognition, in particular:

- the risk that management may be in a position to make inappropriate accounting entries; and
- the risk that Revenue is overstated through recording revenues in the wrong period.

We did not identify any additional fraud risks.

We performed procedures including:

- Identifying journal entries and other adjustments to test based on risk criteria and comparing the identified entries to supporting documentation. These included those posted to unusual accounts.
- Testing revenue reversals posted subsequent to the reporting period to ascertain if the reversals represent adjustment to current year revenue.

#### *Identifying and responding to risks of material misstatement related to compliance with laws and regulations*

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the directors (as required by auditing standards), and discussed with the directors the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Whilst the Company is subject to many other laws and regulations, we did not identify any others where the consequences of non-compliance alone could have a material effect on amounts or disclosures in the financial statements. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. Therefore, if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

#### *Context of the ability of the audit to detect fraud or breaches of law or regulation*

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

#### **Strategic report and directors' report**

The directors are responsible for the strategic report and the directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the strategic report and the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the strategic report and the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

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

Under the Companies Act 2006, we are required 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.

We have nothing to report in these respects.

#### **Directors' responsibilities**

As explained more fully in their statement set out on page 7, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; 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 they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

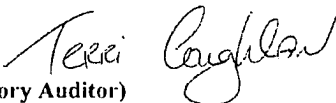
#### **Auditor's responsibilities**

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).

#### **The purpose of our audit work and to whom we owe our responsibilities**

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



**Terri Coughlan (Senior Statutory Auditor)**  
**for and on behalf of KPMG LLP, Statutory Auditor**  
*Chartered Accountants*  
2 Forbury Place  
33 Forbury Road  
Reading  
RG1 3AD  
19 June 2023

# Selecta U.K. Limited

## Income Statement for the for the year ended 31 December 2022

	Note	Year ended 31 December 2022 £000	Year ended 31 December 2021 £000
Revenue	2	124,962	104,830
Cost of sales		(59,578)	(42,400)
Gross profit		65,384	62,430
Administrative expenses		(73,040)	(71,598)
Loss before finance charges		(7,656)	(9,168)
Finance income		-	-
Finance costs	6	(4,967)	(4,847)
Loss before taxation	3	(12,623)	(14,015)
Income tax expense	7	-	-
Loss for the financial year		(12,623)	(14,015)

All the above results have been derived from continuing operations

## Statement of Other Comprehensive Income for year ended 31 December 2022

There were no items of other comprehensive income for the year ended 31 December 2022 (2021: £nil).

The notes on pages 14 to 32 form an integral part of these financial statements.

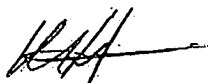
# Selecta U.K. Limited

## Statement of Financial Position as at 31 December 2022

	Note	31 December 2022 £000	31 December 2021 £000
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	8	11,999	15,680
Intangible assets	9	2,523	2,982
Investments	10	-	408
		<u>14,522</u>	<u>19,070</u>
<b>Current assets</b>			
Inventories	11	9,104	10,289
Trade and other receivables	12	27,971	29,316
Cash and cash equivalents		<u>2,505</u>	<u>3,906</u>
		<u>39,580</u>	<u>43,511</u>
<b>Total assets</b>		<u><b>54,102</b></u>	<u><b>62,581</b></u>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Creditors: amounts falling due within one year	13	<u>(56,522)</u>	<u>(54,528)</u>
		<u>(56,522)</u>	<u>(54,528)</u>
<b>Non-current liabilities</b>			
Creditors: amounts falling due after more than one year	13	(47,868)	(46,575)
Provisions for liabilities	14	<u>(1,580)</u>	<u>(1,379)</u>
		<u>(49,448)</u>	<u>(47,954)</u>
<b>Borrowings</b>	15	<u>(1,641)</u>	<u>(985)</u>
<b>Total liabilities</b>		<u><b>(107,611)</b></u>	<u><b>(103,467)</b></u>
<b>Net liabilities</b>		<u><b>(53,509)</b></u>	<u><b>(40,886)</b></u>
<b>Equity</b>			
Called up share capital	16	-	-
Share premium		2,297	2,297
Capital contribution		16,984	16,984
Profit and loss account		<u>(72,790)</u>	<u>(60,167)</u>
<b>Total equity</b>		<u><b>(53,509)</b></u>	<u><b>(40,886)</b></u>

These financial statements were approved by the board of directors on 16 June 2023 and were signed on its behalf by:

P HEARNE



Director

Registered number 02605313

The notes on pages 14 to 32 form an integral part of these financial statements.

# Selecta U.K. Limited

## Statement of changes in equity for the year ended 31 December 2022

	Called up share capital £000	Share Premium £000	Capital Contribution Reserve £000	Profit and Loss Account £000	Total £000
<b>Balance at 1 January 2021</b>	-	2,297		(46,152)	(43,855)
Capital Contribution Reserve			16,984		16,984
Loss for the period	-	-	-	(14,015)	(14,015)
<b>Balance at 31 December 2021</b>	-	2,297	16,984	(60,167)	(40,886)
Loss for the period	-	-	-	(12,623)	(12,623)
<b>Capital contribution</b>	-	-	-	-	-
<b>Balance at 31 December 2022</b>	-	2,297	16,984	(72,790)	(53,509)

The notes on pages 14 to 32 form an integral part of these financial statements.

# Selecta U.K. Limited

## Notes to the financial statements for the year ended 31 December 2022

### 1 Accounting policies

#### 1.1 General Information

The company is incorporated, domiciled, and registered in England and Wales, in the UK. The address of its registered office is Unit 1 Finway Road, Hemel Hempstead Industrial Estate, Finway Road, Hemel Hempstead, Hertfordshire, HP2 7PT.

The principal activities of the company during the year were to supply, install, service and operate a comprehensive range of drink, snack and food vending equipment and systems and to sell a comprehensive range of vending, catering and hygiene products.

#### 1.2 Basis of preparation

The financial statements have been prepared in accordance with Financial Reporting Standards 101, 'Reduced Disclosure Framework' (FRS 101). These financial statements are prepared under the historical cost convention, and in accordance with the Companies Act 2006.

The preparation of financial statements in conformity with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note (1.5(q)).

The following exemptions from the requirements of IFRS have been applied in the preparation of these financial statements, in accordance with FRS 101:

- IFRS 7 - financial instrument disclosures
- IFRS 13 - disclosures of valuation techniques and inputs used for fair value measurements of assets and liabilities
- IAS 1 - disclosure of information on management of capital
- IAS 7 - preparation of the statement of cash flows
- IAS 8 - disclosures in respect of new standards and interpretations that have been issued but are not yet effective
- IAS 24 - disclosure of key management compensation and for related party disclosures entered into between two or more wholly owned members of a group.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.



# Selecta U.K. Limited

## Notes to the financial statements for the year ended 31 December 2022 (continued)

### 1 Accounting policies (continued)

#### 1.3 Going Concern

The financial statements have been prepared on a going concern basis which the Directors consider to be appropriate for the following reasons.

The company meets its day to day working capital requirements from operational cash flows, an intercompany loan and trading balances with the group headed by Selecta AG, the ultimate parent company. The Directors have prepared cash flow forecasts and performed a going concern assessment which indicates that, in both the base and reasonably possible downsides, the company will require additional funds, through funding from its ultimate parent company, Selecta AG, to meet its liabilities as they fall due during the 12 month period following the date of approval of these financial statements, the going concern assessment period.

The following downside scenarios were considered:

- Savings in capital expenditure planned for future years from re-use of assets are not realised
- Cost inflation at levels that are not recovered through development of pricing
- Revenue impacted by lower footfall (5% reduction to forecast revenue)
- Gross margin reduction to 55%.

Management continuously reviews mitigating actions that could be taken to further improve liquidity. These include actively managing cash flow through rigorous cost control, debtor collections and managing staffing costs proportionate to revenue.

Selecta AG has indicated its intention to continue to make available such funds as are needed by the company, and that it does not intend to seek repayment of the amounts currently due to the group, which at 31 December 2022 amounted to £67,371 k, during the going concern assessment period. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

Consequently, the Directors are confident that the Company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

# Selecta U.K. Limited

## Notes to the financial statements for the year ended 31 December 2022 (continued)

### 1.4 Significant accounting policies

The principal accounting policies, which have been applied consistently throughout the year, are set out below.

#### (a) **Revenue**

Revenue represents the invoiced value of goods and services for the sales, supply, installation, service and operation of a comprehensive range of drink, snack and food vending equipment and systems. Revenue is recognised at the fair value of the consideration received net of discounts and value added tax. The business derives revenue from several streams and therefore uses a variety of methods for revenue recognition.

##### Sale of goods

Revenue from sale of goods is recognised when the significant risks and rewards of ownership have been transferred to the customer, the right to the revenue has been earned and recovery of the consideration is probable, and revenue and costs can be reliably measured.

##### Rendering of services

The Company also provides services to clients in the form of maintenance and repairs services and hygiene services. Where the income is dependent on the work performed, the revenue is recognised based on records of technical site visits or other service provided.

#### (b) **Translation of foreign currencies**

The financial statements are presented in pounds sterling, which is the currency of the primary economic environment the Company operates in.

Normal trading activities denominated in foreign currencies are translated into pounds sterling at rates of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are re-translated at the rate of exchange at the statement of financial position date. Exchange gains and losses are recognised in the income statement.

#### (c) **Property, plant and equipment and depreciation**

Property, plant and equipment are stated at historic purchase cost less accumulated depreciation and impairment. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use. Depreciation is provided against the cost of the property, plant and equipment over their expected useful economic lives on a straight-line basis within the following ranges:

Plant, machinery and motor vehicles	3 - 9 years
Fixtures, fittings and equipment	3 - 7 years
Leasehold Improvements	50 years or lease period if shorter

The useful economic life of the machine estate is 5 years for tabletop dispensing machines and 9 years for free standing vending machines. Refurbished machines have an economic life of 3 years.

The assets residual values and useful lives are reviewed and adjusted if appropriate, at the end of each reporting period.

# Selecta U.K. Limited

## Notes to the financial statements for the year ended 31 December 2022 (continued)

### 1.4 Significant accounting policies (continued)

#### (d) Intangible assets – development costs

An internally generated intangible asset arising from the company's development costs is recognised only if all the following conditions are met:

- An asset is created that can be identified (such as software and new processes);
- It is probable that the asset created will generate future economic benefits; and
- The development cost of the asset can be measured reliably.

Internally generated intangible assets are amortised on a straight-line basis over the estimated useful lives of intangible assets which is estimated to be 42 months. Where no internally generated intangible asset can be recognised, development expenditure is recognised as an expense in the period in which it is incurred.

#### (e) Intangible assets – vending rights and customer contracts

Vending rights arising through contracts and customer contracts are measured initially at purchase cost and are amortised on a straight-line basis over a period of 10 years which is deemed to be their useful economic life.

#### (f) Cash and cash equivalents

Cash and cash equivalents consist of cash on hand and balances with banks, and investments in money market instruments which are readily convertible, being those with original maturities of three months or less.

Cash and cash equivalents are measured at fair value, based on the relevant exchange rates at the reporting date.

#### (g) Trade and other receivables

Trade receivables, loans, and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'loans and receivables'. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at each balance sheet 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 of the investment have been affected.

#### (h) Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade creditors are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

#### (i) Dividend distributions

Dividend distributions to the shareholders are recognised as a liability in the financial statements in the period in which the dividends are approved by the shareholders.

# Selecta U.K. Limited

## Notes to the financial statements for the year ended 31 December 2022 (continued)

### 1.4 Significant accounting policies (continued)

#### (j) Taxation

Deferred tax is recognised in respect of all temporary differences that have originated but not reversed at the statement of financial position date, where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the statement of financial position date.

A net deferred tax asset is recognised as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits against which to recover carried forward tax losses and from which the future reversal of underlying timing differences can be deducted.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse based on tax rates and laws that have been enacted or substantively enacted by the statement of financial position date.

Current tax is provided by applying the current tax rate to the result for the financial period, as adjusted for applicable loss carried forward, exempt profit elements, non-deductible costs, and group relief available.

#### (k) Pensions

The Company is party to the Selecta UK Holding Limited Personal Pension Plan which runs alongside The Selecta Group Retirement Benefits Plan. For this defined contribution scheme the amount charged to the profit and loss account in respect of pension costs and other post-retirement benefits is the contributions payable in the period. Differences between contributions payable and those actually paid are shown as either accruals or prepayments in the balance sheet.

The company is also a participating employer of the Selecta (UK) Pension Plan, the sponsoring employer is Selecta UK Holding Limited. The Company in line with group policy has adopted IAS19 "Employee benefits", however is unable to identify its share of the underlying assets and liabilities within that defined benefit pension scheme; contributions payable to the scheme in the year are charged in full to the profit and loss account.

Selecta UK Holding Limited, the company's intermediate parent company, has implemented in full IAS 19 "Employee benefits" and recognises the defined benefit pension scheme on its balance sheet.

#### (l) Inventories

Inventories are valued at the lower of cost and net realisable value after making allowance for obsolete and slow-moving items. Cost is calculated on a "first-in first-out" basis and comprises in the case of bought in goods the invoice price. Net realisable value is based on estimated selling price less all future costs to completion and all relevant marketing, selling and distribution costs.

#### (m) Accrued income and deferred income

Revenue recognised in the income statement but not yet invoiced is held on the balance sheet within prepayments and accrued income. Revenue invoiced but not yet recognised in the income statement is held on the balance sheet within accruals and deferred income.

#### (n) Leases

The Group leases certain property, plant and equipment. At inception of a contract, it is assessed whether the contract is, or contains, a lease.

# Selecta U.K. Limited

## Notes to the financial statements for the year ended 31 December 2022 (continued)

### 1.4 Significant accounting policies (continued)

All leases, except for low-value and short-term leases, are capitalised on the balance sheet. Leases are capitalised at the lease's commencement. Each lease payment is allocated between the liability and finance charges. The corresponding rental obligations, net of finance charges, are included in current liabilities. The interest element of the finance cost and depreciation of the right-of use assets are charged to the Statement of profit or loss over the lease period. The property, plant and equipment acquired is depreciated over the shorter of the useful life of the asset or the lease term.

#### (o) Related parties

The Company has taken advantage of the exemption of certain disclosure requirements under IAS 24 over the provision of 'Related Party Disclosures', on the grounds that it is a wholly owned subsidiary of a group headed by Selecta Group BV, whose financial statements are publicly available.

#### (p) Provisions

Provisions are recognised when the Company has a present obligation as a result of a past event, and it is probable that a transfer of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the reporting date. The value of the obligation is discounted to present value when the impact is material

#### (q) Critical accounting estimates and judgements

The preparation of financial statements requires management to use judgement in applying its accounting policies and estimates and assumptions about the future. Estimates and other judgements are continuously evaluated and are based on management's experience and other factors, including expectations about future events that are considered to be reasonable under the circumstances.

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

#### Impairment of non-current assets

The Company determines whether property, plant and equipment are impaired at least on an annual basis. This requires an estimation of the recoverable amount of the relevant cash-generating unit (CGU). Recoverable amount is the higher of fair value less costs to sell and value in use. For the purpose of impairment testing, assets are grouped at the lowest levels for which there are separately identifiable cash flows, known as cash-generating units. Impairment testing is an area involving management judgement, requiring assessment as to whether the carrying value of assets can be supported by the net present value of future cash flows derived from such assets using cash flow projections which have been discounted at an appropriate rate. In calculating the net present value of the future cash flows, certain assumptions are required to be made in respect of highly uncertain matters.

# Selecta U.K. Limited

## Notes to the financial statements for the year ended 31 December 2022 (continued)

### 1.4 Significant accounting policies (continued)

#### Critical accounting estimates and judgements (continued)

##### Inventories

Inventories include perishable products which requires the Group to make estimates regarding the amount of goods whose shelf life will expire before they are sold in order to determine the appropriate level of provisions to be recorded. Such provisions are therefore calculated with reference to the level of inventories held, average sales, and expiry dates. Provisions for spare parts held in inventory are calculated according to the inventory turnover ratio.

##### Bad Debt Provision

The Company has reviewed the bad debt provision as at 31 December 2022. A specific provision was made against overdue invoices, being fully provided at £1.3m. There is then an ageing profile of remaining overdue trade debtors, varying between debts more than 1 year overdue, 6 to 12 months overdue, 3 to 6 months overdue and less than 3 months overdue. Provision percentages are then applied to each tranche of the debt based on the assessed risk profile.

## 2 Revenue

	Year ended 31 December 2022 £000	Year ended 31 December 2021 £000
<b>Geographical analysis of revenue by destination</b>		
United Kingdom	124,962	104,830
	<hr/>	<hr/>
	124,962	104,830
	<hr/>	<hr/>
<b>Revenue in the period includes amounts arising from</b>		
Sale of goods	101,151	83,131
Provision of services	23,811	21,699
	<hr/>	<hr/>
	124,962	104,830
	<hr/>	<hr/>

All turnover relates to the Company's principal activity.

# Selecta U.K. Limited

## Notes to the financial statements for the year ended 31 December 2022 (continued)

### 3 Loss before taxation

	Year ended 31 December 2022 £000	Year ended 31 December 2021 £000
<b>Loss before taxation is stated after charging/(crediting):</b>		
Depreciation of owned tangible fixed assets	5,919	8,816
Depreciation of leased tangible fixed assets	2,932	3,754
Amortisation of intangible assets	699	2,658
Operating lease charges:		
- Plant and machinery	104	142
- Others	958	44
Non-recurring items*	5,986	13,244
Auditor's remuneration	295	206
Fees payable to other consultancies for non-audit services	51	67
Foreign exchange loss	1,508	(2,843)
	<u>1,508</u>	<u>(2,843)</u>

\*Non-recurring items include £5,986,420 which were predominantly to warehouse closure and redundancy related to business relocation ,restructure and subsequent severance and administration costs.

### 4 Remuneration of directors

	Year ended 31 December 2022 £000	Year ended 31 December 2021 £000
Directors' emoluments	1,087	670
Company contributions to defined contribution pension schemes	26	7
	<u>1,113</u>	<u>677</u>

The emoluments of the highest paid director for the year ended 31 December 2022 were £614,074 (2021: £321,379) excluding pension contributions of £17,462 (2021: £3,520).

No directors had retirement benefits accruing under defined benefit schemes during the period in either year.

# Selecta U.K. Limited

## Notes to the financial statements for the year ended 31 December 2022 (continued)

### 5 Staff numbers and costs

The average monthly number of persons employed by the company (including directors) during the year, analysed by category, was as follows:

	Number of employees	
	Year ended 31 December 2022	Year ended 31 December 2021
Sales	84	113
Operations	609	622
Administration	184	190
	<u>877</u>	<u>925</u>

The aggregate payroll costs (including directors) of these persons were as follows:

	Year ended 31 December 2022 £000	Year ended 31 December 2021 £000
Wages and salaries	28,712	28,997
Social security costs	2,947	2,011
Other pension costs	644	361
Government Grant – Coronavirus Job Retention Scheme	(0)	(2,632)
	<u>32,303</u>	<u>28,737</u>



# Selecta U.K. Limited

## Notes to the financial statements for the year ended 31 December 2022 (continued)

### 6 Finance costs

	Year ended 31 December 2022 £000	Year ended 31 December 2021 £000
Interest payable to group undertakings	4,343	4,033
Lease interest expense	242	492
Other interest payable and similar charges	382	322
	<u>4,967</u>	<u>4,847</u>

### 7 Income tax expense

There has been no tax charge for the period (2021: £nil). The tax assessed for the period differs from the standard rate of corporation tax in the UK of 19% (2021: 19%). The differences are explained below:

	Year ended 31 December 2022 £000	Year ended 31 December 2021 £000
Loss before tax	(12,623)	(14,015)
Loss on ordinary activities before tax multiplied by the standard rate in the UK of 19% (2020: 19%)	(2,398)	(2,663)
Effects of:		
Fixed asset timing difference	-	-
Effect of group relief	-	353
Expenses not deductible for tax purposes	46	97
(Losses utilised)/Losses carried forward	2,352	2,213
	<u>-</u>	<u>-</u>
<b>Total tax charge for the year</b>	<u>-</u>	<u>-</u>

#### Factors affecting current and future tax charges

An increase in the UK corporation tax rate from 19% to 25% (effective 1 April 2023) was substantively enacted on 24 May 2021. This will increase the company's future current tax charge accordingly. The unrecognised deferred tax asset at 31 December 2022 has been calculated based on these rates, reflecting the expected timing of reversal of the related timing differences (2021: 25%).

# Selecta U.K. Limited

## Notes to the financial statements for the year ended 31 December 2022 (continued)

### 8 Property, plant and equipment

	Leasehold Buildings £000	Plant, machinery and motor vehicles £000	Fixtures, fittings and equipment £000	Total £000
<b>Cost</b>				
At 1 January 2022	9,968	90,834	12,098	112,900
Additions	35	5,596	263	5,894
Disposals	(896)	(2,827)	(11)	(3,734)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2022	9,107	93,603	12,350	115,060
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Accumulated depreciation</b>				
At 1 January 2022	4,169	81,514	11,537	97,220
Charge for the period	1,132	7,417	302	8,851
Disposals	(896)	(2,103)	(11)	(3,010)
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2022	4,405	86,828	11,828	103,061
	<hr/>	<hr/>	<hr/>	<hr/>
<b>Net book amount</b>				
At 31 December 2022	4,702	6,775	522	11,999
	<hr/>	<hr/>	<hr/>	<hr/>
At 31 December 2021	5,799	9,320	561	15,680
	<hr/>	<hr/>	<hr/>	<hr/>

# Selecta U.K. Limited

## Notes to the financial statements for the year ended 31 December 2022 (continued)

### 9 Intangible assets

	Development Costs £000	Vending Rights £000	Customer Contracts £000	Goodwill £000s	Total £000
<b>Cost</b>					
At 1 January 2022	2,397	2,250	3,091	1,700	9,438
Additions	240	-	-	-	240
31 December 2022	2,637	2,250	3,091	1,700	9,678
<b>Amortisation</b>					
At 1 January 2021	1,084	581	3,091	1,700	6,456
Amortisation	474	225	-	-	699
31 December 2022	1,558	806	3,091	1,700	7,155
<b>Carrying Value</b>					
At 31 December 2022	1,079	1,444	-	-	2,523
At 31 December 2021	1,313	1,669	-	-	2,982

Vending rights arose from payment under a ten-year agreement to operate the vending estate of a large competitor.

# Selecta U.K. Limited

## Notes to the financial statements for the year ended 31 December 2022 (continued)

### 10 Investments

	Shares in Subsidiary Undertakings £000
<b>COST</b>	
At 1 January 2022	4,954
Additions	-
Disposals	-
At 31 December 2022	<u>4,954</u>
<b>PROVISION FOR IMPAIRMENT</b>	
At 1 January 2022	(4,546)
Impairment of Investments	(408)
Recognised on transfer of assets	-
At 31 December 2022	<u>(4,954)</u>
<b>CARRYING VALUE</b>	
At 31 December 2022	-
At 31 December 2021	408

The directors consider that that carrying value of the investments is supported by their underlying net assets. All the above investments are unlisted.

Gem Vending Limited and Allen Vending Limited are both planned to be struck off in 2023. Neither company has any assets or liabilities, so the value of the investment has been full impaired to £nil.

Details of the subsidiaries are as follows:

#### **SUBSIDIARY COMPANIES**

	<u>Registered Office</u>	<u>Nature of business</u>	<u>Nature of interest</u>
GEM Vending Limited	(1)	Dormant	Direct
Allen Vending Limited	(1)	Dormant	Indirect

1 Finway Road, Hemel Hempstead, Hertfordshire, HP2 7PT

# Selecta U.K. Limited

## Notes to the financial statements for the year ended 31 December 2022 (continued)

### 11 Inventories

	31 December 2022 £000	31 December 2021 £000
Raw materials and consumables	297	1,785
Finished goods and goods for resale	8,807	8,504
	<u>9,104</u>	<u>10,289</u>

Inventories are stated after provision for impairment of £5,266,000 (2021: £4,354,000).

### 12 Trade and other receivables

	31 December 2022 £000	31 December 2021 £000
<b>Amounts falling due within one year</b>		
Trade receivables	25,113	23,767
Amounts owed by group undertakings	2,315	2,839
Prepayments and accrued income	543	2,710
	<u>27,971</u>	<u>29,316</u>
<b>Total trade and other receivables</b>	<u><b>27,971</b></u>	<u><b>29,316</b></u>

Trade receivables include amounts subject to non-recourse financing where customer balances have been factored with banks. The cash received by the company is not returnable and carries interest at variable rates. The Company will not make good any losses and the relevant banks have confirmed their acceptance of this position in writing.

Trade receivables are stated after provision for impairment of £5,638,000 (2021: £3,430,000).

Amounts owed by group undertakings are unsecured, interest free and generally have no fixed date of repayment.

# Selecta U.K. Limited

## Notes to the financial statements for the year ended 31 December 2022 (continued)

### 13 Creditors

	31 December 2022 £000	31 December 2021 £000
<b>Amounts falling due within one year</b>		
Trade payables	17,040	19,163
Lease liabilities	3,436	2,904
Amounts owed to group undertakings	23,787	17,794
Taxation and social security	3,722	4,679
Accruals and deferred income	8,537	9,988
	<u>56,522</u>	<u>54,528</u>
<b>Amounts falling due after more than one year</b>		
Amounts owed to Group undertakings	43,584	38,959
Lease liabilities	4,284	7,616
	<u>47,868</u>	<u>46,575</u>

Amounts owed to group undertakings are unsecured and have no fixed date of repayment. The interest rate applied during 2022 was fixed at 8% (2021: 8%). In respect of amounts due after more than one year, confirmations have been obtained from these undertakings that payment will not be required within 12 months of the date of approval of the financial statements.

### 14 Provisions for liabilities

	31 December 2022 £000	31 December 2021 £000
Balance Brought Forward	1,379	1,622
Utilised during the year	(456)	(793)
Provided during the year	657	550
<b>Balance Carry Forward</b>	<u>1,580</u>	<u>1,379</u>

The provisions relate to dilapidation provisions representing the liability to restore certain leasehold properties to their original condition at the termination of the relevant leases.

# Selecta U.K. Limited

## Notes to the financial statements for the year ended 31 December 2022 (continued)

### 15 Borrowings

	31 December 2022 £000	31 December 2021 £000
Current	1,039	312
Non-current	602	673
Balance Carry Forward	<u>1,641</u>	<u>985</u>

During the year, the Company financed acquisition of machines with a third-party finance provider. The loans are repayable in monthly instalments over four years with an annual interest rate of 10%.

### 16 Called up share capital

	Called up share capital £000
Issued, allotted and fully paid	
At 31 December 2021 200 ordinary shares of £1 each	-
At 31 December 2022 200 ordinary shares of £1 each	-

# Selecta U.K. Limited

## Notes to the financial statements for the year ended 31 December 2022 (continued)

### 17 Deferred tax

The elements of deferred taxation are as follows:

	Unrecognised		Recognised	
	31 December	31 December	31 December	31 December
	2022	2021	2022	2021
	£000	£000	£000	£000
Difference between accumulated depreciation and capital allowances	25,289	24,737	-	-
Other temporary differences	2,371	1,305	-	-
Tax losses carried forward	13,974	12,570	-	-
Impact of change in tax rate	-	-	-	-
<b>Deferred tax asset</b>	<b>41,634</b>	<b>38,612</b>	<b>-</b>	<b>-</b>

Unrecognized other deferred tax differences composed by £11,190 temporary difference from pension scheme and £2,381,925 from corporate interest restriction. Deferred tax assets have not been recognised as the Directors do not believe there is sufficient evidence that these will be recovered through the generation of taxable profit in the near future.



# Selecta U.K. Limited

## Notes to the financial statements for the year ended 31 December 2022 (continued)

### 18 Lease Liabilities

	31 December 2022 £000	31 December 2021 £000
<b>Amounts payable under lease</b>		
Not later than one year	2,817	3,294
Later than one year and not later than five years	4,899	8,283
Later than five years	1,215	-
Total gross payments	8,931	11,577
Less future finance charges	(1,211)	(1,057)
Carrying value of liability	7,720	10,520

It is the Company's policy to lease certain of its equipment under finance leases. The lease term is either 3 years or 6 years. For the year ended 31 December 2022, the average effective borrowing rate was 6.5 per cent. Interest rates are fixed at the contract date. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

The fair value of the company's lease obligations is approximately equal to their carrying amount.

The Company's obligations under finance leases are secured by the lessors' rights over the leased assets.

### 19 Pension schemes

#### *Defined contribution schemes*

Selecta UK Holding Limited, UK immediate parent, operates a defined benefit pension scheme in the United Kingdom, which is identified as the Selecta (UK) Pension Plan (the "Plan"). The Group accounts for this plan as a defined benefit plan because it is exposed to risks as explained below.

In August 2021, the Trustees of the Selecta (UK) Pension Plan completed a £250m full scheme buy in agreement with Legal & General Assurance Society ("L&G") by purchasing a bulk annuity policy and securing the benefit payments of pensioners and deferred members. The transaction is part of the Trustee's strategy to reduce as much of the Plan's exposure to risk as possible and provide long term security to the members of the Plan. Under the bulk annuity policy, the Trustee will receive payments from L&G which it will use to pay pensions and other benefits under the Plan. The buy in also significantly reduces future pension and funding risk from the Company's point of view, providing more business certainty for stakeholders and aligns with actions taken in supporting and securing members benefits

#### *Defined contribution schemes*

The Company operates several defined contribution pension schemes. The assets of the schemes are held separately from those of the Company. These plans are accounted for as defined contribution plans because the Group has no other obligation than to pay the annual contribution which is a fixed percentage of the pensionable base and which is for the cost of benefit accrual in the current year. The Group has no legal or constructive obligation for these plans to pay further contributions if the fund does not hold sufficient assets to pay all employees benefits relating to employee service in the current and prior periods nor is the Group entitled to refunds if the fund has a surplus. Membership to the schemes is open to new employees. The total pension cost for these schemes for the year were £586,000 (2021: £525,000). At the balance sheet date, an amount of £nil (2021: £nil) was outstanding for payment.

# **Selecta U.K. Limited**

## **Notes to the financial statements for the year ended 31 December 2022 (continued)**

### **20 Related Parties**

Normal trading transactions occur between the company and companies within the Selecta BV Group. The consolidated financial statements of Selecta BV Group are publicly available and accordingly, as a result of the exemption allowed by FRS 101 "Related Party Disclosures", no disclosure of these transactions is made in the company's financial statements.

### **21 Ultimate controlling party**

Selecta Group BV is the intermediate parent company and parent of the largest and smallest Group for which consolidated financial statements are drawn up for the year ended 31 December 2022 and of which the Company is a member. Selecta Group BV is a company incorporated in The Netherlands, (Company Number: KvK-nummer 34256233).

The financial statements can be obtained from that company's registered address:

Selecta Group BV  
Spicalaan 39  
2132 JG Hoofddorp  
The Netherlands