Company Registration Number: 00621482

UNIQ (HOLDINGS) LIMITED

Directors' Report and Financial Statements
Period ended 27 September 2019

DIRECTORS' REPORT AND FINANCIAL STATEMENTS
Period ended 27 September 2019

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DIRECTORS AND OTHER INFORMATION

DIRECTORS
M Evans
E Tonge (Irish) (resigned on 24 April 2020)
P Haden (appointed 01 August 2019, resigned 10 January 2020)
N Blakey (appointed 01 August 2019, resigned 10 January 2020)
C Robinson (appointed 01 August 2019)
C Bradshaw (resigned on 01 August 2019)
K Moore (appointed 24 April 2020)
C Evans (appointed 24 April 2020)
C O'Leary (resigned 29 January 2019)

SECRETARY
M Evans

REGISTERED OFFICE
Greencore Group UK Centre
Midland Way, Barlborough Links Business Park
Barlborough
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BANKERS
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SOLICITORS
Eversheds LLP
Bridgewater Place
Water Lane
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5DR

AUDITOR
Deloitte Ireland LLP
Chartered Accountants & Statutory Audit Firm
Deloitte & Touche House
Earlsfort Terrace
Dublin 2

DIRECTORS' REPORT

The directors present their directors' report and the financial statements for Uniq (Holdings) Limited ("the Company") for the period ended 27 September 2019.

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS

The directors are responsible for preparing 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 period. Under that law they have elected to prepare the financial statements in accordance with 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 assets, liabilities and financial position of the Company and of its profit or loss 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.
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements.
- assess the Company's ability to continue as a going concern, disclosing as applicable matter 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 controls as they determine 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. The directors are also responsible for preparing a directors' report that complies with the requirements of the Companies Act 2006.

GOING CONCERN
The financial statements have been prepared on the going concern basis. In the opinion of the directors, no material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern.

PRINCIPAL ACTIVITIES, REVIEW OF THE BUSINESS AND FUTURE DEVELOPMENTS
The Company is a member of Greencore Group pic ("the Group"). The Company's principal activity is that of a holding Company for the Group. There are no plans in place which would significantly change the activities in the Company in the future.

RESULTS AND DIVIDENDS
The loss for the period after taxation was £0.5 million (2018: £0.4 million loss). Dividends of £nil were paid during the period (2018: £nil).

POST BALANCE SHEET EVENTS
There are no significant post balance sheet events that require disclosure in the financial statements.

PRINCIPAL RISKS AND UNCERTAINTIES
The Company's operations expose it to a variety of commercial risks that include the effects of credit risk and the recoverability of investments.

Credit Risk

The Company's receivables from fellow Group undertakings are payable on demand. The directors are satisfied that these could be repaid using alternative sources of finance if required.

DIRECTORS' REPORT (continued)

FINANCIAL RISK MANAGEMENT

The Company is financed by fellow Group undertakings and these loans are repayable on demand. The ability of the Company to continue as a going concern should such a demand be received depends on the Company's ability to source alternative financing. The directors are satisfied that such financing facilities would be available if required.

Interest rate, foreign currency and liquidity risk are actively managed by the Group's Treasury Department which operates within strict Greencore Group pic Board approved policies and guidelines. This is discussed further in the Group's annual report which does not form part of this report.

CHARITABLE AND POLITICAL DONATIONS

Charitable donations during the period amounted to £nil (2018: £nil). No political donations or contributions were made by the Company (2018: £nil).

DIRECTORS

The directors who held office during the period and during the period to the date of approval of these financial statements are as follows:
M Evans
E Tonge (Irish) (resigned on 24 April 2020)
P Haden (appointed 01 August 2019, resigned 10 January 2020)
N Blakey (appointed 01 August 2019, resigned 10 January 2020)
C Robinson (appointed 01 August 2019)
C Bradshaw (resigned on 01 August 2019)
K Moore (appointed 24 April 2020)
C Evans (appointed 24 April 2020)
C O'Leary (resigned 29 January 2019)

DIRECTORS' AND COMPANY SECRETARY'S INTERESTS

None of the directors or the Company secretary have any beneficial interest in the share capital of the Company.

The Company has taken out insurance for the directors and officers against liabilities which may be incurred in relation to the Company.

STRATEGIC REPORT

The Company has availed of the exemption under the Companies Act 2006 (Strategic Report and Directors Report) Regulations 2013 from implementing the Strategic Report requirements as the Company qualifies as a small Company for Company law purposes.

DISCLOSURE OF INFORMATION TO AUDITOR

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as he/she is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- he/she has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

This information is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006.

AUDITOR

The auditor, Deloitte Ireland LLP, Chartered Accountants and Statutory Audit Firm, was appointed during the period and pursuant to Section 487 of the Companies Act 2006, will be deemed to be reappointed and therefore continue in office.

By order of the board

M Evans
Director
17 June 2020

Deloitte.

Independent auditor's report to the members of Uniq Holdings Limited

Report on the audit of the financial statements

Opinion
In our opinion the financial statements of Uniq Holdings Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 27 September 2019 and of its loss for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 101 "Reduced Disclosure Framework"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the profit and loss account and other comprehensive income;
- the balance sheet;
- the statement of changes in equity;
- the accounting policies set out in note 1; and
- the related notes 1 to 14.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion
We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (the 'FRC's') Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern
We are required by ISAs (UK) to report in respect of the following matters where:

- the directors' use of the going concern basis of accounting in preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of these matters.

Other information
The directors are responsible for the other information. The other information comprises the information included in the directors' report and financial statements, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in respect of these matters.

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Independent auditor's report to the members of Uniq Holdings Limited

Responsibilities of directors
As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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

As part of an audit in accordance with ISAs (UK), the auditor exercises professional judgment and maintains professional scepticism throughout the audit. The auditor also:

- Identifies and assesses the risks of material misstatement of the entity's (or where relevant, the consolidated) financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence that is sufficient and appropriate to provide a basis for the auditor's opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's (or where relevant, the group's) internal control.
- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Concludes on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's (or where relevant, the group's) ability to continue as a going concern. If the auditor concludes that a material uncertainty exists, the auditor is required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. The auditor's conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the entity (or where relevant, the group) to cease to continue as a going concern.
- Evaluates the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation (i.e gives a true and fair view).

The auditor communicates with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that the auditor identifies during the audit.

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Independent auditor's report to the members of Uniq Holdings Limited

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006
In our opinion, based on the work undertaken in the course of the audit:

- the information given in [the strategic report and] the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

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

Matters on which we are required to report by exception
Under the Companies Act 2006 we are required to report in respect of the following matters 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 respect of these matters.

Use of our report
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.

John Kehoe FCA (Senior statutory auditor)
For and on behalf of Deloitte Ireland LLP
Statutory Auditor
Dublin, Ireland

19 June 2020

PROFIT AND LOSS ACCOUNT AND OTHER COMPREHENSIVE INCOME
For the period ended 27 September 2019

	Note	2019 £'000	2018 £'000
Administration (expense) / income		**(30)**	5
Operating (loss)/ profit before interest and taxation		**(30)**	5
Interest payable and similar charges	4	**(351)**	(331)
Loss on ordinary activities before taxation		**(381)**	(326)
Taxation	5	-	-
Loss for the period financial period		**(381)**	(326)
OTHER COMPREHENSIVE INCOME			
Items that will not be reclassified to profit or loss			
Actuarial loss on defined benefit pension schemes	11	**(89)**	(111)
Other comprehensive loss		**(89)**	(111)
TOTAL COMPREHENSIVE LOSS		**(470)**	(437)

The results for the period are wholly attributable to the continuing operations of the Company.

UNIQ (HOLDINGS) LIMITED

BALANCE SHEET
As at 27 September 2019

	Note	£'000	2019 £'000	£'000	2018 £'000
Current Assets					
Trade and other receivables					
- due within one year	6	**81,175**		81,172	
		81,175		81,172	
Trade and other payables					
Amounts falling due within one year	7	**(9,999)**		(9,563)	
Net Assets Excluding Pension Liability			**71,176**		71,609
Pension liability	11		**(842)**		(805)
Total Net Assets			**70,334**		70,804
Share Capital and Reserves					
Called up share capital	8		**70,000**		70,000
Capital redemption reserve	9		**2,865**		2,865
Profit and loss account			**(2,531)**		(2,061)
Shareholders' Funds			**70,334**		70,804

These financial statements were approved by the board of directors on 17 June 2020 and were signed on its behalf by:

M Evans
Director

17 June 2020

Company number: 00621482

STATEMENT OF CHANGES IN EQUITY

For period ended 27 September 2019

	Note	Share capital £'000	Capital redemption reserve £'000	Profit and loss account £'000	Total equity £'000
At 29 September 2017		70,000	2,865	(1,624)	71,241
Loss for the financial period		-	-	(326)	(326)
Other comprehensive income					
Net actuarial loss on defined benefit pension schemes	11	-	-	(111)	(111)
Total comprehensive loss		-	-	(437)	(437)
At 28 September 2018		70,000	2,865	(2,061)	70,804
Loss for the financial period		-	-	**(381)**	**(381)**
Other comprehensive income					
Net actuarial loss on defined benefit pension schemes	11	-	-	**(89)**	**(89)**
Total comprehensive loss				**(470)**	**(470)**
At 27 September 2019		**70,000**	**2,865**	**(2,531)**	**70,334**

1. ACCOUNTING POLICIES

Uniq (Holdings) Limited (the "Company") is a limited liability Company incorporated and domiciled in the United Kingdom. The registered number of the Company is 00621482 and the registered address is Greencore Group UK Centre, Midland Way, Barlborough Links Business Park, Barlborough, Chesterfield, S43 4XA.

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements.

Basis of preparation
These financial statements were prepared in accordance with Financial Reporting Standard 101 *Reduced Disclosure Framework* ("FRS 101").

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs"), but makes amendments where necessary in order to comply with the Companies Acts 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

The Company's ultimate parent undertaking, Greencore Group plc, includes the Company in its consolidated financial statements. The consolidated financial statements of Greencore Group plc are prepared in accordance with International Financial Reporting Standards and are available to the public and may be obtained from Greencore Group plc, 2 Northwood Avenue, Northwood Business Park, Santry, Dublin, Ireland.

In these financial statements, the Company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- a Cash Flow Statement and related notes.
- disclosures in respect of the compensation of Key Management Personnel.
- disclosures in respect of capital management.
- comparative period reconciliations for share capital and tangible fixed assets.
- disclosures in respect of transactions with wholly owned subsidiaries.
- the effects of new but not yet effective IFRSs.
- disclosures in respect of financial instruments and certain disclosures in respect of revenue from contracts with customers.

As the consolidated financial statements of Greencore Group plc include the equivalent disclosures, the Company has also taken the exemption under FRS 101 available in respect of the following disclosures:

- Certain disclosures required by IFRS 13 *Fair Value Measurement* and the disclosures required by IFRS 7 *Financial Instruments Disclosures*: and
- Certain disclosures required by IAS 36 *Impairment of Assets*.

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

The financial statements of the Company are prepared to the last Friday in September each period. Accordingly, these financial statements were prepared for the 52-week period ended 27 September 2019. Comparatives are for the 52-week period ended 28 September 2018. The balance sheets for 2019 and 2018 were prepared as at 27 September 2019 and 28 September 2018, respectively.

Basis of measurement
The financial statements have been prepared on the basis of historical costs, except where assets and liabilities are stated at fair value in accordance with relevant accounting policies.

Functional currency
The financial statements are presented in sterling, which is the Company's functional currency, and are rounded to the nearest thousand except when otherwise indicated.

Foreign currency
Transactions in foreign currencies are translated to the functional currency of the Company at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated to the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated to the functional currency at the exchange rate when fair value was determined. Foreign currency differences are generally recognised in profit or loss.

Going concern
The Company's business activities, together with the factors likely to affect its future development, performance and position are set out in the Directors' Report.

1. ACCOUNTING POLICIES (continued)

After making enquiries, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing these financial statements.

New Standards and Interpretation
The following new standards, interpretations and standard amendments became effective for the Group from 29 September 2018:

- IFRS 9 Financial Instruments

IFRS 9 Financial Instruments

IFRS 9 Financial Instruments was effective for the Company from 29 September 2018 and replaces IAS 39 Financial Instruments: Recognition and Measurement. The new standard introduces new classification and measurement for financial assets, new rules for hedge accounting and a new impairment model for financial assets. The Company has transitioned to the new standard using the modified retrospective transition option and in accordance with the provisions of the new standard. Comparative figures have not been restated. The Company's evaluation of the effect of IFRS 9 is outlined below.

The Company has assessed the business models and contractual cash flows which apply to its financial assets and liabilities and classified them into the appropriate IFRS 9 categories. The classification under IFRS 9 did not impact the measurement or carrying amount of the financial assets on transition.

The new impairment model requires the recognition of impairment provisions based on expected credit losses rather than just incurred credit losses. The standard provides a simplified approach as a practical expedient in assessing impairment of trade receivables, which the Company has adopted on transition. The Company assessed its historic credit loss experience on aged trade receivables adjusting for future economic conditions however this did not result in any change to the trade receivables impairment provision.

Interest receivable and Interest payable
Interest payable and similar expenses include interest payable, finance expense on shares classified as liabilities and finance leases recognised in profit or loss using the effective interest method, unwinding of the discount on provisions, and net foreign exchange losses that are recognised in the profit and loss account (see foreign currency accounting policy). Borrowing costs that are directly attributable to the acquisition, construction or production of an asset that takes a substantial time to be prepared for use, are capitalised as part of the cost of that asset. Other interest receivable and similar income include interest receivable on funds invested and net foreign exchange gains.

Interest income and interest payable is recognised in profit or loss as it accrues, using the effective interest method. Foreign currency gains and losses are reported on a net basis

Trade and other receivables
Trade and other receivables are initially recognised at fair value and subsequently carried at amortised cost net of allowance for expected credit losses. An allowance is made when there is objective evidence that the Company will be unable to recover balances in full. Balances are written off when the probability of recovery is assessed as being remote.

The Company applies the simplified approach to providing for expected credit losses ('ECL') permitted by IFRS 9 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the trade receivables. The Company uses an allowance matrix to measure the ECL's of trade receivables based on its credit loss rates. Expected loss rates are based on historical payment profiles of sales and the corresponding historical credit loss experience. The historical loss rates are adjusted to reflect current and forward economic factors if there is evidence to suggest these factors will affect the ability of the customer to settle receivables.

The Company has determined the ECL default rate using market default risk probabilities with regards its key customers. Balances are written off when the probability of recovery is assessed as being remote.

The Company's receivables at 27 September 2019 amounted to £81.2 (2018: £81.2m). None of these balances include an allowance for expected credit losses and all amounts are expected to be recoverable in full.

Any trade and other receivables included in non-current assets are carried at amortised cost in accordance with the effective interest rate method.

1. ACCOUNTING POLICIES (continued)

Trade and other payables

Trade and other payables are initially recorded at fair value and subsequently at the higher of cost or payment or settlement amounts. Where the time value of money is material, payables are initially recorded at fair value and subsequently carried at amortised cost.

Intra-Group Guarantees

Where the Company enters into financial guarantee contracts to guarantee the indebtedness of other companies within its group, the Company considers these to be insurance arrangements and accounts for them as such. In this respect, the Company treats the guarantee contract as a contingent liability until such time as it becomes probable that the Company will be required to make a payment under the guarantee.

Taxation

The expense charge for the period comprises current and deferred tax. Tax is recognised in the Income Statement except to the extent that it relates to items recognised in the Statement of Other Comprehensive Income or directly in equity, in which case the tax is also recognised in the Statement of Comprehensive Income or directly in equity.

Current tax represents the expected tax payable on the taxable income for the period, using tax rates and tax laws enacted or substantively enacted, at the financial position date along with any adjustment to tax payable in respect of previous period.

The Company provides in full for deferred tax assets and liabilities (using the liability method), arising from temporary differences between the tax base of assets and liabilities and their carrying amounts in the Financial Statements except where they arise from the initial recognition of goodwill or from the initial recognition of an asset or liability that at the date of initial recognition does not affect accounting or taxable profit or loss on a transaction that is not a business combination. Such differences result in an obligation to pay more tax or a right to pay less tax in future periods.

A deferred tax asset is only recognised where it is probable that future taxable profits will be available against which the temporary differences giving rise to the asset can be utilised.

Deferred tax assets and liabilities are not subject to discounting and are measured at the tax rates that are enacted or substantively enacted at the financial position date. Deferred tax is provided on temporary differences arising on investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Defined Benefit Pension Schemes

For defined benefit schemes the amounts charged to operating profit are the current service costs and gains and losses on settlements and curtailments. They are included as part of staff costs. Past service costs are recognised immediately in the profit and loss account if the benefits have vested. If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs. The interest cost and the expected return on assets are shown as a net amount of other finance costs or credits adjacent to interest. Actuarial gains and losses are recognised immediately in the statement of other comprehensive income.

Defined Contribution Pension Schemes

For defined contribution schemes, 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 in the period and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

2. JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

In preparing these financial statements management has made judgements, estimates and assumptions that affect application of the Company accounting policies and the reported amounts of assets, liabilities, income and expenses. Such estimates and judgements are based on historical experience and other factors, including expectation of future events that are believed to be reasonable. Actual outcomes may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively. There are no significant judgements in these financial statements.

Critical Accounting Estimates

The Company has identified Post-Retirement Benefits as a significant source of estimation uncertainty in the preparation of the Financial Statements. The estimation of, and accounting for, retirement benefit obligations involves assessments made in conjunction with independent actuaries.

2. JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY (continued)

These involve estimating the actuarial assumptions including mortality rates of members, increase in pension payments and inflation linked to certain obligations and discount rates used in estimating the present value of the schemes assets and liabilities.

3. STATUTORY INFORMATION

The directors are remunerated by other Group undertakings in respect of their services to the Group. It is not possible to ascertain the amounts paid in respect of their services to the Company. Mr E Tonge and Mr P Hayden are directors of the ultimate parent and their emolument are disclosed in the Greencore Group Plc Annual Report.

Auditor's remuneration is borne by a fellow Group undertaking. There were no employees in the current or prior period.

4. INTEREST

	2019 £'000	2018 £'000
Interest payable and similar charges		
Interest payable to Group undertakings	329	311
Interest on defined benefit obligation	22	20
	351	331

5. TAX ON LOSS ON ORDINARY ACTIVITIES

(a) Analysis of tax (charge)/credit for the period

	2019 £'000	2018 £'000
Current tax		
United Kingdom corporation tax	-	-
Total current tax	-	-

(b) Factors affecting tax (charge)/credit for the period

The tax assessed for the period differs from that resulting from applying the standard rate of corporation tax in the UK of 19% (2018: 19%). The differences arise as follows:

	2019 £'000	2018 £'000
Loss on ordinary activities before tax	(381)	(326)
Tax @ 19% (: 19.0%) thereon:	(72)	(62)
Differences between capital allowances and depreciation	(43)	(52)
Pension adjustment	(10)	(7)
UK-UK transfer pricing adjustment	137	163
Group relief	(12)	(42)
Tax charge for the period	-	-

Finance Act 2015 was substantially enacted on 26 October 2015 and reduced the UK corporation tax rate from 20% to 19% from 01 April 2017 and to 18% from 01 April 2020. Finance Act 2016 was substantively enacted on 06 September 2016 and further reduced the rate to 17% from 01 April 2020, instead of the reduction to 18% as originally planned. However, in March 2020, the UK Government announced their intention to reverse the previously enacted cut in the rate of corporation tax from 19% to 17%.
The reversal was substantively enacted on 17 March 2020.

5. TAX ON LOSS ON ORDINARY ACTIVITIES (continued)

Deferred tax has been recognised to the extent that the directors believe it is recoverable. Unrecognised deferred tax assets at 17% (2018: 17%) comprise the following amounts:

	2019 £'000	2018 £'000
Capital allowances in excess of depreciation	**173**	258
Other timing differences	**143**	144
	316	402

6. TRADE AND OTHER RECEIVABLES

	2019 £'000	2018 £'000
Amounts falling due within one year:		
Amounts owed by Group undertakings	**81,129**	81,129
Prepayments	**46**	43
	81,175	81,172

All amounts due from Group undertakings are unsecured and are repayable on demand.

7. TRADE AND OTHER PAYABLES: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019 £'000	2018 £'000
Bank overdrafts	**946**	43
Accruals	**2**	2
Amounts owed to Group undertakings	**9,051**	9,518
	9,999	9,563

Amounts due to Group undertakings are unsecured, bear interest at rates based on LIBOR and are repayable on demand.

8. SHARE CAPITAL

	2019 £'000	2018 £'000
Authorised share capital		
320,006,923 Ordinary shares at £0.25 each	**80,002**	80,002
120,000,000 Ordinary Redeemable shares of £0.25 each	**30,000**	30,000
	110,002	110,002
Allotted, called up and fully paid share capital		
229,481,756 Ordinary shares of £0.25 each	**57,371**	57,371
50,518,244 Ordinary Redeemable shares of £0.25 each	**12,629**	12,629
	70,000	70,000

There has been no movement in share capital in the current period and prior periods. The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company.

9. MOVEMENT ON RESERVES

	2019 £'000	2018 £'000
At beginning of period	**2,865**	2,865
At end of period	**2,865**	2,865

There has been no movement in the capital redemption reserve in the period.

10. FINANCIAL COMMITMENTS & CONTINGENCIES

Commitments on behalf of group undertakings

The Company, along with other members of the Group, has provided guarantees in relation to the payment of borrowings of the Group from several banks. Details of these borrowings are set out in the Group's annual report which does not form part of this report.

Guarantees

The Company has provided a bank guarantee for £0.9 million to guarantee the performance of the Company of its payment obligations in respect of the assignment of the lease of an office building.

11. RETIREMENT BENEFIT OBLIGATIONS

The Company operates two defined benefit schemes in the UK, one being an unfunded pension over cap scheme in respect of certain former senior employees and the other the provision of post-retirement medical benefits to certain former employees. Details of the latest valuation are set out in the accounts of Greencore Group Plc.

Full actuarial valuations were carried out between 31 March 2016 and 31 March 2017. In general, actuarial valuations are not available for public inspection, however, the results of valuations are advised to the members of the various schemes.
This scheme had a net deficit at 27 September 2019 of £0.8 million (2018: £0.8 million) as measured on an IAS 19 employee benefits basis. The contribution by the Group for the period was £0.074 million (2018: £0.158 million).

Amounts included in the balance sheet arising from the Company's obligations in respect of these defined benefit schemes are as follows:

	2019 £'000	2018 £'000
Present value of defined benefit obligations	**(842)**	(805)
Deficit in scheme	**(842)**	(805)

Assumptions

Assumptions regarding future mortality experience are set based on information from published statistics and experience in all geographic regions and are selected to reflect the characteristics and experience of the membership of the relevant plans. In relation to the UK, this has been done by adjusting standard mortality tables to reflect recent research into mortality experience in the UK (S2YOB CMI) tables combined with an underpin for improvement factors. The average life expectancy, in periods, of a pensioner retiring at 65 is 22 years (2018: 23-24 years) for a male and 23-24 years (2018: 23-24 years) for a female.

The following are the principal actuarial assumptions at the reporting date (expressed as weighted averages)

	2019 %	2018 %
Discount rate	**1.8**	2.9
Pension increases in payment (LPI 5%)	**0.0**	3.0
Inflation	**3.0**	3.2

The overall expected return on assets is calculated as the weighted average of the expected return of each asset class. The expected return on equities is the sum of dividend growth and capital growth net of investment expenses. The return on gilts and bonds is the current market yield on long term bonds. Expected return on property has been set equal to that expected on equities less a margin. The expected return on other assets is the rate earned by the scheme on cash.

11. RETIREMENT BENEFIT OBLIGATIONS (continued)

The information disclosed below is in respect of the whole of the plans for which the Company is either the sponsoring employer or has been allocated a share of cost under an agreed group policy throughout the periods shown.

Interest on scheme
Amounts recognised in interest in respect of these defined benefit schemes are as follows:

	2019 £'000	2018 £'000
Interest cost	(22)	(20)

Actuarial remeasurements

Amounts recognised in the statement of other comprehensive income in respect of these defined benefit schemes are as follows:

	2019 £'000	2018 £'000
Actuarial loss arising on scheme liabilities	89	111
	89	111

Movements in the fair value of scheme assets were as follows:

	2019 £'000	2018 £'000
At the beginning of period	-	-
Contributions from scheme members	74	154
Benefits paid	(74)	(154)
At end of period	-	-

Movements in the present value of defined benefit obligations were as follows:

	2019 £'000	2018 £'000
At the beginning of period	805	828
Interest costs	22	20
Actuarial losses	89	111
Benefits paid	(74)	(154)
At the end of period	842	805

12. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The immediate holding Company is Hazlewood Foods Limited, a Company incorporated in the UK, with a registered office at Greencore Group UK Centre, Midland Way, Barlborough Links Business Park, Barlborough, Chesterfield S43 4XA.

The parent undertaking of the smallest and largest group of undertakings for which group financial statements are drawn up, and of which the Company is a member, is Greencore Group pic. The ultimate controlling party is Greencore Group Plc. Copies of the Group financial statements may be obtained from Greencore Group pic at 2 Northwood Avenue, Northwood Business Park, Santry, Dublin 9.

13. SUBSEQUENT EVENTS
There are no significant post balance sheet events that require disclosure in the financial statements.

14. APPROVAL OF THE FINANCIAL STATEMENTS
The financial statements were approved by the board of directors and authorised them for issue on 17 June 2020