

Danko (UK) Limited

Unaudited Financial Statements

For Filing with Registrar

For the year ended 31 December 2017



Company Registration No. 02215830 (England and Wales)

Danko (UK) Limited

Company Information

| | |
|--------------------------|--|
| Directors | A. de France S.D. Primat B. Primat |
| Secretary | B. Primat |
| Company number | 02215830 |
| Registered office | 4 Victoria Square St Albans Hertfordshire AL1 3TF |
| Accountants | Kingston Smith LLP 4 Victoria Square St Albans Hertfordshire AL1 3TF |
| Business address | Family Office Primwest 210 Route de Jussy 1243 Presinge Switzerland |

Danko (UK) Limited

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Danko (UK) Limited

Balance Sheet

As at 31 December 2017

| | Notes | 2017 € | 2016 € |
|---|-------|---------------------|---------------------|
| Fixed assets | | | |
| Tangible assets | 3 | 4,750,314 | 4,730,443 |
| Current assets | | | |
| Stock | 4 | 1,083,285 | 1,111,969 |
| Debtors | 5 | 219,781 | 56,745 |
| Cash at bank and in hand | | 179,495 | 29,398 |
| | | <u>1,482,561</u> | <u>1,198,112</u> |
| Creditors: amounts falling due within one year | 6 | <u>(12,947,956)</u> | <u>(12,527,407)</u> |
| Net current liabilities | | <u>(11,465,395)</u> | <u>(11,329,295)</u> |
| Total assets less current liabilities | | <u>(6,715,081)</u> | <u>(6,598,852)</u> |
| Capital and reserves | | | |
| Called up share capital | 7 | 13,255 | 13,255 |
| Profit and loss reserves | | <u>(6,728,336)</u> | <u>(6,612,107)</u> |
| Total equity | | <u>(6,715,081)</u> | <u>(6,598,852)</u> |

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

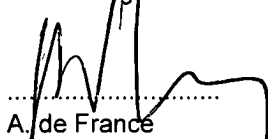
For the financial year ended 31 December 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

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

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the board of directors and authorised for issue on 11/12/18 and are signed on its behalf by:


A. de France
Director

Company Registration No. 02215830

Danko (UK) Limited

Notes to the Financial Statements

For the year ended 31 December 2017

1 Accounting policies

Company information

Danko (UK) Limited is a private company limited by shares incorporated in England and Wales. The registered office is 4 Victoria Square, St Albans, Hertfordshire, AL1 3TF.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime.

The financial statements are prepared in euros, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest euro.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Turnover

Turnover represents the invoiced value of livestock and farming services provided net of TVA.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

| | |
|--------------------------------|--------------------------|
| Freehold land and buildings | Not depreciated |
| Fixtures, fittings & equipment | 3-10 years straight line |

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Danko (UK) Limited

Notes to the Financial Statements (Continued)

For the year ended 31 December 2017

1 Accounting policies

(Continued)

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

1.6 Stock

Stock of piquets, lisses and other consumables are valued at the lower of cost and net realisable value.

Stock of cattle is valued at fair value in accordance with French Agricultural Law and the Association pour l'identification du Cheptel du Calvados.

1.7 Cash and cash equivalents

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.8 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments'.

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities, including trade and other payables, and loans, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Danko (UK) Limited

Notes to the Financial Statements (Continued)

For the year ended 31 December 2017

1 Accounting policies

(Continued)

1.9 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

1.10 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.11 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Leases

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

1.13 Government grants

Development grants in respect of capital expenditure are credited to a deferred income account and are then released to profit over the expected useful lives of the assets by equal instalments. Revenue grants are released to profit over the life of the project to which they relate.

Danko (UK) Limited

Notes to the Financial Statements (Continued)

For the year ended 31 December 2017

1 Accounting policies

(Continued)

1.14 Foreign exchange

The financial statements are stated in euros. Transactions denominated in foreign currencies are translated into euros at the rate of exchange ruling date of the transaction. Assets and liabilities in foreign currencies are translated into euros at the rates of exchange ruling at the end of the financial year. All exchange differences are dealt with in the profit and loss account. The exchange rate applied at the balance sheet date was €1.1266 to £1.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 6 (2016: 4).

3 Tangible fixed assets

| | Land and buildings | Plant and machinery etc | Total |
|------------------------------------|-----------------------|-------------------------------|-----------|
| | € | € | € |
| Cost | | | |
| At 1 January 2017 | 4,308,873 | 903,261 | 5,212,134 |
| Additions | 5,584 | 90,146 | 95,730 |
| Disposals | (6,994) | (66,000) | (72,994) |
| At 31 December 2017 | 4,307,463 | 927,407 | 5,234,870 |
| Depreciation and impairment | | | |
| At 1 January 2017 | - | 472,189 | 472,189 |
| Depreciation charged in the year | - | 74,403 | 74,403 |
| Eliminated in respect of disposals | - | (62,036) | (62,036) |
| At 31 December 2017 | - | 484,556 | 484,556 |
| Carrying amount | | | |
| At 31 December 2017 | 4,307,463 | 442,851 | 4,750,314 |
| At 31 December 2016 | 4,301,930 | 428,513 | 4,730,443 |

Danko (UK) Limited

Notes to the Financial Statements (Continued)

For the year ended 31 December 2017

4 Stock

| | 2017 € | 2016 € |
|----------------------------|------------------|------------------|
| Stock of biological assets | 925,750 | 908,550 |
| Other stock | 157,535 | 203,419 |
| | <u>1,083,285</u> | <u>1,111,969</u> |

Movements in stock of biological assets during the year were as follows:

| | 2017 € |
|--|----------------|
| Stock as at 1 January 2017 | 908,550 |
| Increase resulting from purchases | 280,000 |
| Decrease attributable to sales | (217,600) |
| Gain/(loss) arising from changes in fair value | (45,200) |
| Stock as at 31 December 2017 | <u>925,750</u> |

5 Debtors

| | 2017 € | 2016 € |
|---|----------------|---------------|
| Amounts falling due within one year: | | |
| Trade debtors | 74,814 | 9,490 |
| Amounts due from group undertakings | 43,121 | - |
| Other debtors | 101,846 | 47,255 |
| | <u>219,781</u> | <u>56,745</u> |

6 Creditors: amounts falling due within one year

| | 2017 € | 2016 € |
|------------------------------------|-------------------|-------------------|
| Trade creditors | 59,322 | 32,732 |
| Corporation tax | 5 | 31 |
| Other taxation and social security | 11,957 | - |
| Other creditors | 12,876,672 | 12,494,644 |
| | <u>12,947,956</u> | <u>12,527,407</u> |

Danko (UK) Limited

Notes to the Financial Statements (Continued)

For the year ended 31 December 2017

7 Called up share capital

| | 2017 | 2016 |
|-----------------------------------|----------------------|----------------------|
| | € | € |
| Ordinary share capital | | |
| Issued and fully paid | | |
| 10,000 Ordinary shares of €1 each | 13,255 | 13,255 |
| | <u>13,255</u> | <u>13,255</u> |
| | <u><u>13,255</u></u> | <u><u>13,255</u></u> |

8 Related party transactions

Included within creditors: amounts falling due within one year is an amount of €2,936,218 (2016: €2,300,388) due to Mrs B Primat. Also included in this category was an amount of €9,780,590 (2016: €9,780,590) owed to Primwest Holding N.V., a company controlled by the eight heirs of Mr D Primat.