REGISTERED NUMBER: 02411719 (England and Wales)

UNIVEG KATOPE UK LTD

STRATEGIC REPORT,

REPORT OF THE DIRECTORS AND

AUDITED FINANCIAL STATEMENTS

FOR THE PERIOD

1 JANUARY 2015 TO 31 MARCH 2016

CONTENTS OF THE FINANCIAL STATEMENTS
FOR THE PERIOD 1 JANUARY 2015 TO 31 MARCH 2016

UNIVEG KATOPE UK LTD

COMPANY INFORMATION
FOR THE PERIOD 1 JANUARY 2015 TO 31 MARCH 2016

DIRECTORS:	R M Baker M D Harpham A A Forrester H V M Deprez Mrs M Vaesen Miss V M Deprez
SECRETARY:	R M Baker
REGISTERED OFFICE:	C/o Duncan & Toplis Enterprise Way Pinchbeck Spalding Lincolnshire PE11 3YR
REGISTERED NUMBER:	02411719 (England and Wales)
AUDITOR:	Deloitte LLP Deloitte House Station Place Cambridge CB1 2FP

UNIVEG KATOPE UK LTD (REGISTERED NUMBER: 02411719)

STRATEGIC REPORT
FOR THE PERIOD 1 JANUARY 2015 TO 31 MARCH 2016

The directors present their strategic report for the period 1 January 2015 to 31 March 2016.

REVIEW OF BUSINESS

During the period, the company took the opportunity to align the year end to that of the parent group, and so extended to a 15 month period covering the period 1 January 2015 to 31 March 2016. The amounts presented in the financial statements are not entirely comparable due to the 15 month period.

	1 January 2015 to 31 March2016 £'000	Year to 31 December2014 £'000
Turnover	104,308	74,430
Gross profit	9,516	8,104
Administrative expenses (excluding exceptionals)	6,278	5,328
Exceptionals	-	90
Profit after tax	7,312	107
Average number of employees	259	220

Following the successful reorganisation of the Empire World Trade group of companies, the Empire World Trade Ltd business and assets were successfully hived up into Univeg Katope UK Ltd on 14th March 2016.

The company traded satisfactorily during the year with sales growth of 40% compared to the previous trading year of 2014..This increase was in part due to the change of financial year to 31st March, extending the trading period by three months. However, gross trading margins declined from 10.9% in the previous year to 9.1%.

Market conditions remained very challenging due to prevailing economic and trading conditions. During 2015, the traditional Supermarkets continued to be challenged by the Discounters with a momentum of price deflation being the result. The produce industry, particularly the sector supplying the multiple retailers, continued to be highly competitive. The company has maintained a broad base of customers and actively pursued a strategy to further increase market share during 2015.

Administrative expenses increased by 18% compared to the previous year directly related to the increased business. A £6.52m income was recognised during the year which was the result of the hive up activity of Empire World Trade Group.

On 19 June 2015 the ultimate parent company became Greenyard Foods N.V; a company incorporated in Belgium. The parent group continued to pledge its support for the foreseeable future and continued to provide the main borrowing requirement of the company over the course of the period. Subsequent to the period end and prior to the signing of these statements, the Greenyard Foods Group have recapitalised the company's debt by converting £12.5m of parent group borrowings into share capital.

The company also maintains to be committed to pursuing responsible and social practices and continues to offer a large range of Fairtrade and an element of Organic product.

Univeg Katope UK Ltd continues to integrate in the financial strategy at ultimate Greenyard Group level to allow optimum cash utilisation.

STRATEGIC REPORT
FOR THE PERIOD 1 JANUARY 2015 TO 31 MARCH 2016

PRINCIPAL RISKS AND UNCERTAINTIES

The management of the business and the execution of the company's strategy are subject to a number of risks. Risks are formally reviewed by the board and appropriate processes put in place to monitor and mitigate them.
The key risks affecting the company are set out below:

Customers

In order to reduce the potential loss of custom the company values integrity and seeks to conduct its business with professionalism and aspires to provide excellent service in the eyes of its customers. In order to do so the business ensures it is closely aligned to all its customers' objectives and is at the forefront of developing supply chain value for those customers.

Employees

The company respects and cares for its staff and invests in their employment potential in return for loyalty, openness, commitment and performance. The company operates a variety of progression based structures, invests in personal and professional development, provides significant work related benefits and employs an open and honest process of continuous dialogue to ensure employees' interests are aligned with the company. The company believes in remunerating its staff fairly for doing a good job which includes taking on responsibility, working as a team and supporting the company's continuous improvement.

Commodity risk

As a fresh produce supplier the company is also exposed to the vagaries of the climate and consequent impacts upon the price and availability of fresh produce. Consequently the company operates a variety of key mitigating tools to reduce exposure to commodity risk.

Foreign exchange risk

The company imports produce from around the world and so is exposed to fluctuations in the foreign exchange rate. The group enters into forward contracts to purchase foreign currency so reducing the group's exposure to exchange rate movements and give the business a firm sterling value of fruit at the time it is ordered.

Natural resources

A further key risk is the environment and the consumption of natural resources. The company respects the environment in which it operates and works to conserve natural resources and enhance the natural environment. The company also recognises inflationary pressures arising from fossil fuel prices and commodity shortages and works closely with customers and suppliers to mitigate this through supply chain efficiencies.

ON BEHALF OF THE BOARD:

....

R M Baker - Director

Date: 30/12/16

REPORT OF THE DIRECTORS
FOR THE PERIOD 1 JANUARY 2015 TO 31 MARCH 2016

The directors present their report with the financial statements of the company for the period 1 January 2015 to 31 March 2016.

PRINCIPAL ACTIVITY
The principal activity of the company in the period under review was that of importing, packing and distributing produce.

DIVIDENDS
No dividends will be distributed for the period ended 31 March 2016.

FUTURE DEVELOPMENTS
The company intends to continue to develop the core ERP trading system and implement a standard solution for all of the group's UK entities, which are now under common management. In addition, the company structures will be reviewed and optimised as found appropriate by the directors.

EVENTS SINCE THE END OF THE PERIOD
Information relating to events since the end of the period is given in note 21 to the financial statements.

DIRECTORS
The directors set out in the table below have held office during the whole of the period from 1 January 2015 to the date of this report unless otherwise stated.

R M Baker
M D Harpham
A A Forrester
H V M Deprez
Mrs M Vaesen - appointed 21.10.15
Miss V M Deprez - appointed 4.3.16

Other changes in directors holding office are as follows:
F J L J Kint - resigned 31.8.15
P K Gain - resigned 4.3.16

The directors holding office at 31 March 2016 did not hold any beneficial interest in the issued share capital of the company at 1 January 2015 or 31 March 2016.

The directors are covered by a worldwide directors and officers liability insurance programme organised at group level, against liability in respect of proceedings brought by third parties, subject to the conditions set out in section 234 of the Companies Act 2006.

FINANCIAL INSTRUMENTS
The company as a member of the Greenyard Foods N.V. group operates under a centralised finance network allowing the group to optimise the use of cash resources.

The group enters into forward contracts to purchase foreign currency from which the Company takes advantage of. The benefits of using forward contracts are they reduce the group's exposure to exchange rate movements and give the business a firm sterling value of fruit at the time it is ordered.

The financial performance of Univeg Katope UK Limited is impacted year on year by revaluation and exchange differences caused by this function. The Greenyard Foods N.V. group invests in a large number of organisations throughout the world and is aware of the potential financial impact resulting from the currencies used to fund these organisations. It continues to believe that the funding structures that are set up are the most appropriate for the group to operate.

GOING CONCERN
The company's trading position, together with the factors likely to affect its future development and position, are set out in the Review of Business section of the Strategic Report on page 2.

The company's detailed budget analysis to January 2018 shows that it is expected to continue to generate positive cash flows on its own account for the foreseeable future. The company participates in the group's centralised treasury arrangements and so shares banking arrangements with its parent and fellow subsidiaries.

The directors, having assessed the responses of the directors of the company's parent Greenyard Foods N.V. group to their enquiries have no reason to believe that a material uncertainty exists that may cast significant doubt about the ability of the Greenyard Foods N.V. group to continue as a going concern or its ability to continue with the current banking arrangements.

REPORT OF THE DIRECTORS
FOR THE PERIOD 1 JANUARY 2015 TO 31 MARCH 2016

On the basis of their assessment of the company's financial position and of the enquiries made of the directors of the Greenyard Foods N.V. group, the company's directors have a reasonable expectation that the company will be able to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

POLITICAL DONATIONS
No political donations were made during the period.

DISABLED EMPLOYEES
The company gives full consideration to applications for employment from disabled persons where the candidate's particular aptitudes and abilities are consistent with adequately meeting the requirements of the job. Opportunities are available to disabled employees for training, career development and promotion.

Where existing employees become disabled, it is the company's policy to provide continuing employment wherever practicable in the same or an alternative position and to provide appropriate training to achieve this aim.

EMPLOYEE INVOLVEMENT
The company operates a framework for employee information and consultation which complies with the requirements of the Information and Consultation of Employees Regulations 2005. During the period, the policy of providing employees with information, including information relating to the economic and financial factors affecting the performance of the company, has been continued. Regular meetings are held between local management and employees to allow a free flow of information and ideas.

STATEMENT OF DIRECTORS' RESPONSIBILITIES
The directors are responsible for preparing the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including Financial Reporting Standard 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 profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITOR
So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditor is unaware, and each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the company's auditors is aware of that information.

AUDITOR
The auditor, Deloitte LLP, will be proposed for re-appointment at the forthcoming Annual General Meeting.

ON BEHALF OF THE BOARD:

....

R M Baker - Director

Date: 30/12/16

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF UNIVEG KATOPE UK LTD

We have audited the financial statements of Univeg Katope UK Limited for the 15 month period ended 31 March 2016 which comprise the Income Statement, the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and the related notes 1 to 22. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 101 "Reduced Disclosure Framework".

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

Respective responsibilities of directors and auditors
As explained more fully in the Statement of Directors' Responsibilities set out on page five, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements
An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Strategic Report and the Report of the Directors to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements
In our opinion the financial statements:
- give a true and fair view of the state of the company's affairs as at 31 March 2016 and of its profit for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006
In our opinion the information given in the Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception
We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:
- adequate accounting records have not been kept, 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.

Matthew Hall

Matthew Hall (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditors
Cambridge, United Kingdom

30 December 2016

UNIVEG KATOPE UK LTD (REGISTERED NUMBER: 02411719)

INCOME STATEMENT
FOR THE PERIOD 1 JANUARY 2015 TO 31 MARCH 2016

	Notes	Period 1.1.15 to 31.3.16 £	£	Year Ended 31.12.14 £	£
TURNOVER	3		104,308,129		74,429,624
Cost of sales			94,792,499		66,325,905
GROSS PROFIT			9,515,630		8,103,719
Distribution costs		2,713,686		2,171,696	
Administrative expenses		6,278,260		5,418,233	
			8,991,946		7,589,929
OPERATING PROFIT			523,685		513,790
Income from shares in group undertakings		6,530,900		-	
Interest receivable and similar income	5	3,162		2,443	
			6,534,062		2,443
			7,057,746		516,233
Interest payable and similar charges	6		326,570		314,173
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	7		6,731,176		202,060
Tax on profit on ordinary activities	8		(580,472)		95,039
PROFIT FOR THE FINANCIAL PERIOD			7,311,648		107,021

The notes form part of these financial statements

UNIVEG KATOPE UK LTD (REGISTERED NUMBER: 02411719)

OTHER COMPREHENSIVE INCOME
FOR THE PERIOD 1 JANUARY 2015 TO 31 MARCH 2016

	Notes	Period 1.1.15 to 31.3.16 £	Year Ended 31.12.14 £
PROFIT FOR THE PERIOD		7,311,648	107,021
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		7,311,648	107,021

The notes form part of these financial statements

UNIVEG KATOPE UK LTD (REGISTERED NUMBER: 02411719)

BALANCE SHEET
31 MARCH 2016

	Notes	2016 £	2016 £	2014 £	2014 £
FIXED ASSETS					
Intangible assets	9		16,734,597		-
Tangible assets	10		6,254,651		3,689,222
Investments	11		17,306		187,007
			23,006,554		3,876,229
CURRENT ASSETS					
Stocks	12	4,834,262		3,018,677	
Debts discounted without recourse					
Gross debts subject to discounting		14,946,393		7,277,745	
Non-returnable deposits		(11,414,255)		(4,836,436)	
	13	3,532,138		2,441,309	
Debtors	13	10,056,490		7,634,604	
Cash at bank		5,867		2,192,402	
		18,428,757		15,286,992	
CREDITORS					
Amounts falling due within one year	14	29,994,214		15,067,938	
NET CURRENT (LIABILITIES)/ASSETS			(11,565,457)		219,054
TOTAL ASSETS LESS CURRENT LIABILITIES			11,441,097		4,095,283
PROVISIONS FOR LIABILITIES	17		82,866		48,700
NET ASSETS			11,358,231		4,046,583
CAPITAL AND RESERVES					
Called up share capital	18		1,054		1,054
Capital redemption reserve	19		50		50
Retained earnings	19		11,357,127		4,045,479
SHAREHOLDERS' FUNDS			11,358,231		4,046,583

The financial statements were approved by the Board of Directors on ....30/12/16.... and were signed on its behalf by:

RM Baker

....

R M Baker - Director

The notes form part of these financial statements

UNIVEG KATOPE UK LTD (REGISTERED NUMBER: 02411719)

STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD 1 JANUARY 2015 TO 31 MARCH 2016

	Called up share capital £	Retained earnings £	Capital redemption reserve £	Total equity £
Balance at 1 January 2014	1,054	3,938,458	50	3,939,562
Changes in equity				
Total comprehensive income	-	107,021	-	107,021
Balance at 31 December 2014	1,054	4,045,479	50	4,046,583
Changes in equity				
Total comprehensive income	-	7,311,648	-	7,311,648
Balance at 31 March 2016	1,054	11,357,127	50	11,358,231

The notes form part of these financial statements

1. JUDGEMENT AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

The following judgements (including those involving estimates) have had the most significant effect on amounts recognised in the financial statements:

Impairment of goodwill
To assess whether the carrying value of goodwill has been impaired, the company considers expected future cash flows on the relevant cash generating units and applies a discount rate to those cash flows in order to determine whether goodwill requires impairment. In making these assessments, there is estimation uncertainty around the generation of expected future cash flows for which a sensitivity analysis is performed. Estimation is also required on the discount rate used and management make judgements around the appropriateness of using the group weighted average cost of capital in determining the net present value of future cash flows.

Operating lease commitments
The company has entered into commercial property leases and has also obtained the use of property plant and equipment as a lessee. The classification of such leases as operating or finance leases requires the company to determine, based on an evaluation of the terms and conditions of the arrangements, whether it retains or acquires the significant risks and rewards of ownership of these assets and accordingly whether the lease requires an asset and liability to be recognised in the balance sheet.

Taxation
Management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits, together with an assessment of the effects of future tax planning strategies.

2. ACCOUNTING POLICIES

Accounting convention
These financial statements were prepared in accordance with Financial Reporting Standard 101 "Reduced Disclosure Framework". The Company has transitioned to FRS 101 from previously extant UK Generally Accepted Accounting Practice for all periods presented. Transition tables showing all material adjustments are disclosed on page 21. This transition is not considered to have had a material effect on the financial statements. The accounting policies which follow set out those policies which apply in preparing the financial statements for the period ended 31 March 2016.

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 101 "Reduced Disclosure Framework":

- the requirements of paragraph 33(c) of IFRS 5 Non-Current Assets Held for Sale and Discontinued Operations;
- the requirements of IFRS 7 Financial Instruments: Disclosures;
- the requirements of paragraphs 91 to 99 of IFRS 13 Fair Value Measurement;
- the requirement in paragraph 38 of IAS 1 Presentation of Financial Statements to present comparative information in respect of:
  - paragraph 79(a)(iv) of IAS 1;
  - paragraph 73(e) of IAS 16 Property, Plant and Equipment; and
  - paragraph 50 of IAS 41 Agriculture;
- the requirements of 10(d), 10)(f), 39(c) and 134-136 of IAS 1 Presentation of Financial Statements;
- the requirements of IAS 7 Statement of Cash Flows;
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;
- the requirements of paragraphs 17 and 18A of IAS 24 Related Party Disclosures;
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group;
- the requirements of paragraphs 134(d) to 134(f) and 135(c) to 135(e) of IAS 36 Impairments of Assets.

2. **ACCOUNTING POLICIES – continued**

Turnover
Turnover represents sales to external customers and is measured at fair value of the consideration received excluding discounts, rebates, VAT and other sales taxes or duty. Turnover is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on despatch of the goods.

Intangible assets - Goodwill
Goodwill has been recognised as the transfer from the carrying value of fixed asset investments relating to subsidiary undertakings on the hive-up of trade & assets from those underlying subsidiaries and is reviewed for impairment on an annual basis.

Tangible fixed assets
Depreciation is provided at the following annual rates in order to write off the cost less estimated residual value of each asset over its estimated useful life.

Freehold property	-	at varying rates on cost
Plant and machinery	-	33% on cost, 20% on cost and 10% on cost

Impairment of tangible and intangible assets

At each balance sheet date, the Company reviews the carrying amounts of its tangible and intangible 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 to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

An intangible asset with an indefinite useful life is tested for impairment at least annually and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal 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.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

Hive-up of trade and assets

The company has performed a hive-up of trade and assets from its subsidiaries, Empire World Trade Limited and Empire World Trade Holdings Limited during the year, As all entities are under common control, the transaction falls outside the scope of IFRS 3 "Business Combinations" and management have looked to other accounting frameworks for guidance and have determined that FRS 6 "Acquisitions and mergers" provides guidance on group reconstructions such as that performed by the company.

Management have transferred the trade and assets of the subsidiaries to the Company at net book value in accordance with the guidance and have recorded a goodwill value being the transfer of the carrying value of the investments in the subsidiaries before the transaction in order to maintain the value of the business on balance sheet.

2. **ACCOUNTING POLICIES - continued**

The carrying values of fixed assets are reviewed for impairment in periods if events or changes in circumstances indicate the carrying value may not be recoverable.

Investments

Investments in subsidiaries and associates are held at historical cost less any applicable provision for impairment.

Financial instruments

Financial assets

Initial recognition and measurement

Financial assets within the scope of IAS 39 are classified as financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, available-for-sale financial assets, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. The Company determines the classification of its financial assets at initial recognition.

All financial assets are recognised initially at fair value plus, in the case of investments not at fair value through profit or loss, directly attributable transaction costs.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

The Company's financial assets include cash and short-term deposits, trade and other receivables and loan notes.

Subsequent measurement

The subsequent measurement of financial assets depends on their classification as follows:

Financial assets at fair value through profit of loss

Financial assets at fair value through profit or loss include financial assets held for trading and financial assets designated upon initial recognition at fair value through profit or loss. Financial assets are classified as held for trading if they are acquired for the purpose of selling in the near term. This category includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by IAS 39. The Company has not designated any financial assets upon initial recognition as at fair value through profit or loss.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are initially recognised at fair value and subsequently measured at amortised cost using the effective interest (EIR) method, less impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance revenue in the income statement. Losses arising from impairment are recognised in the income statement in other operating expenses.

Financial liabilities

Initial recognition and measurement

Financial liabilities within the scope of IAS 39 are classified as financial liabilities at fair value through profit or loss, loans and borrowings, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. The Company determines the classification of its financial liabilities at initial recognition. All financial liabilities are recognised initially at fair value and in the case of loans and borrowings, plus directly attributable transaction costs.

Subsequent measurement

The measurement of financial liabilities depends on their classification as follows:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss includes financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are acquired for the purpose of selling in the near term. Derivatives, including separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognised in profit or loss.

continued..

2. ACCOUNTING POLICIES - continued

Interest bearing loans and borrowings
Obligations for loans and borrowings are recognised when the Company becomes party to the related contracts and are measured initially at the fair value of consideration received less directly attributable transaction costs.

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method. Gains and losses arising on the repurchase, settlement or otherwise cancellation of liabilities are recognised respectively in finance revenue and finance cost.

Derecognition of financial liabilities
A liability is generally derecognised when the contract that gives rise to it is settled, sold, cancelled or expires. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, such that the difference in the respective carrying amounts together with any costs or fees incurred are recognised in profit or loss.

Stocks
Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Taxation
Current taxes are based on the results shown in the financial statements and are calculated according to local tax rules, using tax rates enacted or substantially enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax, with the following exceptions:

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantially enacted at the balance sheet date.

Income tax is charged or credited to other comprehensive income if it relates to items that are charged or credited to other comprehensive income. Similarly, income tax is charged or credited directly to equity if it relates to items that are credited or charged directly to equity. Otherwise income tax is recognised in the income statement.

Trade and other debtors
Trade debtors are recognised and carried at the lower of their original invoiced value and recoverable amount. Where the time value of money is material, receivables are carried at amortised cost. Provision for impairment is made through profit or loss when there is objective evidence that the Company will not be able to recover balances in full. Balances are written off when the probability of recovery is assessed as being remote.

Foreign currencies
Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the end of the reporting period. All differences are taken to the profit and loss account.

continued...

2. ACCOUNTING POLICIES - continued

Operating leases

Assets held under finance leases, which transfer to the Company substantially all the risks and benefits incidental to ownership of the leased item, are capitalised at the inception of the lease, with a corresponding liability being recognised for the lower of the fair value of the leased asset and the present value of the minimum lease payments. Lease payments are apportioned between the reduction of the lease liability and finance charges in the income statement so as to achieve a constant rate of interest on the remaining balance of the liability. Assets held under finance leases are depreciated over the shorter of the estimated useful life of the asset and the lease term. Leases where the lessor retains a significant portion of the risks and benefits of ownership of the asset are classified as operating leases and rentals payable are charged in the income statement on a straight line basis over the lease term.

3. TURNOVER

The turnover and profit before taxation are attributable to the one principal activity of the company.

The whole of the turnover is attributable to the UK market and to the sale of produce.

continued...

4. **EMPLOYEES AND DIRECTORS**

	Period 1.1.15 to 31.3.16	Year Ended 31.12.14
	£	£
Wages and salaries	8,309,492	5,929,876
Social security costs	821,958	596,310
Other pension costs	156,347	110,133
	9,287,797	6,636,319

The average monthly number of employees during the period was as follows:

	Period 1.1.15 to 31.3.16	Year Ended 31.12.14
Production staff	189	130
Office management	70	90
	259	220

	Period 1.1.15 to 31.3.16	Year Ended 31.12.14
	£	£
Directors' remuneration	931,908	676,371
Company pension contributions to money purchase schemes for directors'	42,180	62,225

The number of directors to whom retirement benefits were accruing was as follows:

Money purchase schemes	3	3

Information regarding the highest paid director is as follows:

	Period 1.1.15 to 31.3.16	Year Ended 31.12.14
	£	£
Emoluments etc	392,890	269,971
Pension contributions to money purchase schemes	3,750	23,000

During the period neither the highest paid director, nor any other directors (2014 £nil) received any amounts under long term incentive plans, exercised share options, received shares for qualifying services or were accruing benefits under a defined benefit scheme.

The remuneration of three directors is paid by Fieldlink NV group. A management fee of £487,084 (2014 £255,319), including amounts in respect of qualifying directorial services to the company, has been charged to the company. Management believes it is not practicable to apportion amounts relating to the qualifying services of these directors.

continued...

5. INTEREST RECEIVABLE AND SIMILAR INCOME

	Period 1.1.15 to 31.3.16	Year Ended 31.12.14
	£	£
Deposit account interest	1,635	2,345
Corporation tax interest received	1,527	98
	3,162	2,443

6. INTEREST PAYABLE AND SIMILAR CHARGES

	Period 1.1.15 to 31.3.16	Year Ended 31.12.14
	£	£
Bank interest	19	228
Factoring charges	134,887	149,376
Loan interest	191,664	164,569
	326,570	314,173

7. PROFIT BEFORE TAXATION

The profit before taxation is stated after charging/(crediting):

	Period 1.1.15 to 31.3.16	Year Ended 31.12.14
	£	£
Cost of inventories recognised as expense	94,724,709	66,325,905
Hire of land and buildings – operating leases	114,210	62,498
Hire of equipment – operating leases	281,388	132,282
Depreciation - owned assets	480,804	414,774
Profit on disposal of fixed assets	(3,400)	-
Auditor's remuneration - audit of the financial statements	30,869	29,119
Foreign exchange differences	(308,642)	175,035
Exceptional items	-	89,907

8. TAXATION

Analysis of tax (income)/expense

	Period 1.1.15 to 31.3.16	Year Ended 31.12.14
	£	£
Current tax:		
Corporation tax	2,185	96,839
Under/over provision in previous years	(272,328)	-
Total current tax	(270,143)	96,839
Deferred tax	(310,329)	(1,800)
Total tax (income)/expense in income statement	(580,472)	95,039

continued...

8. **TAXATION - continued**

Factors affecting the tax expense

The tax assessed for the period is lower (2014 - higher) than the standard rate of corporation tax in the UK. The difference is explained below:

	Period 1.1.15 to 31.3.16 £	Year Ended 31.12.14 £
Profit on ordinary activities before income tax	6,731,176	202,060
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 20% (2014 - 21.500%)	1,346,235	43,443
Effects of:		
Expenses not deductible for tax purposes	25,608	42,071
Depreciation in excess of capital allowances	91,836	9,525
Income not taxable	(1,306,180)	-
Adjustment to prior year tax charge	(215,913)	-
Release of tax creditor acquired on hive up	(56,415)	-
Group loss relief	(121,193)	-
Release of deferred tax provision on hive up	(344,450)	-
Tax (income)/expense	(580,472)	95,039

The UK corporation tax rate was reduced from 21% to 20% effective 1 April 2015. Any deferred tax expected to reverse in the period to 31 March 2016 has been re-measured using the rates substantively enacted at 31 March 2016.

9. **INTANGIBLE FIXED ASSETS**

	Goodwill £
COST	
Reclassification/transfer	16,734,597
At 31 March 2016	16,734,597
NET BOOK VALUE	
At 31 March 2016	16,734,597

continued...

10. **TANGIBLE FIXED ASSETS**

	Freehold property £	Assets in course of construction £	Plant and machinery £	Totals £
COST				
At 1 January 2015	4,338,304	-	2,294,582	6,632,886
Additions	-	87,235	178,487	265,722
Disposals	-	-	(19,662)	(19,662)
Transfer from group company	3,081,373	-	4,650,808	7,732,181
At 31 March 2016	7,419,677	87,235	7,104,215	14,611,127
DEPRECIATION				
At 1 January 2015	1,406,523	-	1,537,141	2,943,664
Charge for period	182,457	-	298,347	480,804
Eliminated on disposal	-	-	(19,662)	(19,662)
Transfer from group company	1,104,945	-	3,846,725	4,951,670
At 31 March 2016	2,693,925	-	5,662,551	8,356,476
NET BOOK VALUE				
At 31 March 2016	4,725,752	87,235	1,441,664	6,254,651
At 31 December 2014	2,931,781	-	757,441	3,689,222

Included in cost of land and buildings is freehold land of £367,265 (2014 - £367,265) which is not depreciated.

11. **INVESTMENTS**

	Shares in group undertakings £	Other investments £	Totals £
COST			
At 1 January 2015	187,007	-	187,007
Additions	16,547,590	17,306	16,564,896
Reclassification/transfer	(16,734,597)	-	(16,734,597)
At 31 March 2016	-	17,306	17,306
NET BOOK VALUE			
At 31 March 2016	-	17,306	17,306
At 31 December 2014	187,007	-	187,007

12. **STOCKS**

	2016 £	2014 £
Finished goods	4,834,262	3,018,677

There is no material difference between the replacement cost of stocks and the amounts stated above.

continued...

13. *DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR*

	2016	2014
	£	£
Trade debtors	3,908,558	1,997,160
Amounts owed by group undertakings	3,561,485	5,258,108
Other debtors	1,298,286	146,729
Tax	213,727	-
Prepayments and accrued income	1,074,434	232,607
	10,056,490	7,634,604

Linked presentation:

The invoice discounting without recourse facility is provided by ING Bank N.V. (see note 16).

14. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2016	2014
	£	£
Trade creditors	16,445,979	6,362,311
Amounts owed to group undertakings	11,635,093	7,821,394
Corporation Tax	-	6,989
Social security and other taxes	320,865	201,605
Other creditors	391,684	223,746
Accruals and deferred income	1,200,593	451,893
	29,994,214	15,067,938

Trade creditors are non-interest bearing and are normally settled on 30 day terms. Other creditors are non-interest bearing and have an average terms of 1 month.

15. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2016	2014
	£	£
Within one year	627,701	43,421
Between one and five years	1,032,972	471,838
	1,660,673	515,259

The company has entered into commercial leases on certain properties, motor vehicles and items of machinery. These leases have an average duration of between 1 and 6 years. Only some of the property leases contain an option for renewal, with such options being exercisable before the expiry of the lease term at rentals based on market prices at the time of the exercise. There are no restrictions placed upon the lessee by entering into these leases.

continued...

16. SECURED DEBTS

At 31 March 2016, the only security in place, and against which borrowing facilities were being actively utilised by the company during the period, was the debenture on fixed and floating assets registered by ING N.V. This was the security instrument adopted in relation to the borrowing facilities provided to Univeg Group, which became part of the Greenyard Foods Group as of 19 June 2015.

17. PROVISIONS FOR LIABILITIES

	31.3.16	31.12.14
	£	£
Deferred tax liability		
Property plant and equipment capital allowances in excess of depreciation	82,866	46,692
Other temporary differences	-	2,008
	82,866	48,700
	82,866	48,700
Disclosed on the balance sheet		
Deferred tax liability	82,866	48,700
	-	-
	82,866	48,700

	Deferred tax
	£
Balance at 1 January 2015	48,700
Deferred tax in the income statement	
Accelerated capital allowances	36,174
Pension accrual movement	(2,008)
Balance at 31 March 2016	82,866

18. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2016	2014
			£	£
1,054	Ordinary	£1	1,054	1,054

19. RESERVES

	Retained earnings	Capital redemption reserve	Totals
	£	£	£
At 1 January 2015	4,045,479	50	4,045,529
Profit for the period	7,311,648	-	7,311,648
At 31 March 2016	11,357,127	50	11,357,177

20. PENSION COMMITMENTS

The company operates three defined contribution schemes to which the company makes contributions.

The first is a separately administered money purchase scheme whose assets are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company and amounted to £108,972 (2014 £82,979). No contributions were payable to the fund at the year end. Contributions paid relating to directors accruing benefits under this scheme were £38,430 (2014 £39,225).

The second is a stakeholder money purchase scheme to which employees and the company contribute. Contributions to the scheme for the period by the company totalled £5,195 (2014 £4,154).

The third is a small self-administered scheme. The company contributions made to this scheme during the period totalled £3,750 (2014 £23,000). Contributions paid relating to directors accruing benefits under this scheme were £3,750 (2014 £23,000).

21. EVENTS AFTER THE REPORTING PERIOD

Subsequent to the period end and prior to the signing of these financial statements, the Greenyard Foods group have recapitalised the company's debt by converting £12.5m of parent group borrowings into share capital of 12,500,000 £1 ordinary shares. The continuing operations of the company are trading profitably and are forecast to continue to do so, hence the financial statements have been prepared on a going concern basis.

Univeg Katope UK Limited have invested £2,200,000 on 15 July 2016 to obtain a 30% share in Bardsley Farms Limited.

22. ULTIMATE CONTROLLING PARTY

The group of undertakings for which group accounts have been drawn up is that headed by Greenyard Foods N.V. which is incorporated in Belgium. Copies of the consolidated accounts can be obtained from the National Bank of Belgium and from the corporate website www.greenyardfoods.com.

Univeg Holding B.V., a company incorporated in the Netherlands, is the company's immediate parent undertaking.

The smallest group of undertakings for which group accounts have been drawn up is that headed by Univeg Holding B.V. which is incorporated in the Netherlands.

RECONCILIATION OF EQUITY
1 JANUARY 2014
(DATE OF TRANSITION TO FRS 101)

	Notes	UK GAAP £	Effect of transition to FRS 101 £	FRS 101 £
FIXED ASSETS				
Tangible assets		3,852,168	-	3,852,168
CURRENT ASSETS				
Stocks		2,922,129	-	2,922,129
Debtors		3,005,283	-	3,005,283
Cash at bank		5,586,950	-	5,586,950
		11,514,362	-	11,514,362
CREDITORS				
Amounts falling due within one year		(11,376,468)	-	(11,376,468)
NET CURRENT ASSETS		137,894	-	137,894
TOTAL ASSETS LESS CURRENT LIABILITIES		3,990,062	-	3,990,062
PROVISIONS FOR LIABILITIES		(50,500)	-	(50,500)
NET ASSETS		3,939,562	-	3,939,562
CAPITAL AND RESERVES				
Called up share capital		1,054	-	1,054
Capital redemption reserve		50	-	50
Retained earnings		3,938,458	-	3,938,458
SHAREHOLDERS' FUNDS		3,939,562	-	3,939,562

continued...

RECONCILIATION OF EQUITY - continued
31 DECEMBER 2014

	Notes	UK GAAP £	Effect of transition to FRS 101 £	FRS 101 £
FIXED ASSETS				
Tangible assets		3,689,222	-	3,689,222
Investments		187,007	-	187,007
		3,876,229	-	3,876,229
CURRENT ASSETS				
Stocks		3,018,677	-	3,018,677
Debtors		10,075,913	-	10,075,913
Cash at bank		2,192,402	-	2,192,402
		15,286,992	-	15,286,992
CREDITORS				
Amounts falling due within one year		(15,067,938)	-	(15,067,938)
NET CURRENT ASSETS		219,054	-	219,054
TOTAL ASSETS LESS CURRENT LIABILITIES		4,095,283	-	4,095,283
PROVISIONS FOR LIABILITIES		(48,700)	-	(48,700)
NET ASSETS		4,046,583	-	4,046,583
CAPITAL AND RESERVES				
Called up share capital		1,054	-	1,054
Capital redemption reserve		50	-	50
Retained earnings		4,045,479	-	4,045,479
SHAREHOLDERS' FUNDS		4,046,583	-	4,046,583

UNIVEG KATOPE UK LTD (REGISTERED NUMBER: 02411719)

RECONCILIATION OF PROFIT
FOR THE YEAR ENDED 31 DECEMBER 2014

	UK GAAP £	Effect of transition to FRS 101 £	FRS 101 £
TURNOVER	74,429,624	-	74,429,624
Cost of sales	(66,325,905)	-	(66,325,905)
GROSS PROFIT	8,103,719	-	8,103,719
Distribution costs	(2,171,696)	-	(2,171,696)
Administrative expenses	(5,418,233)	-	(5,418,233)
OPERATING PROFIT	513,790	-	513,790
Interest receivable and similar income	2,443	-	2,443
Interest payable and similar charges	(314,173)	-	(314,173)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	202,060	-	202,060
Tax on profit on ordinary activities	(95,039)	-	(95,039)
PROFIT FOR THE FINANCIAL PERIOD	107,021	-	107,021