

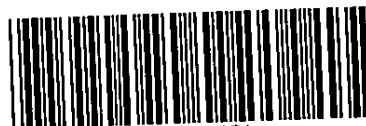
Greencore UK Holdings plc

Directors' Report and Financial Statements

Year Ended 24 September 2010

Registered Number 2614349

WE WEDNESDAY



AI254TUQ

A42	04/05/2011	182
COMPANIES HOUSE		
ALHUTTG8		
A58	20/04/2011	1
COMPANIES HOUSE		

CONTENTS

	Page
DIRECTORS AND OTHER INFORMATION	2
DIRECTORS' REPORT	3 - 4
INDEPENDENT AUDITOR'S REPORT	5 - 6
PROFIT AND LOSS ACCOUNT	7
BALANCE SHEET	8
NOTES TO THE FINANCIAL STATEMENTS	9 - 15

DIRECTORS AND OTHER INFORMATION

Directors

WH Barratt
C O'Leary (Irish) (Appointed 04/06/2010)
PF Coveney (Irish)
AM Hynes
M Evans (Appointed 09/12/2009)
CM Bergin (Irish) (Resigned 04/06/2010)

Registered Office

Greencore Group, UK Centre,
Midland Way, Barlborough Links Business Park,
Barlborough,
Chesterfield S43 4XA

Secretary

WH Barratt

Auditor

KPMG
1 Stokes Place
St Stephen's Green
Dublin 2

Solicitors

Slaughter & May
35 Basinghall Street
London EC2V 5DB

Bankers

National Westminster Bank
PO Box No 34
15 Bishopsgate
London EC2P 2AP

Registered number of incorporation: 02614349

DIRECTORS' REPORT

The directors present their report and the financial statements for Greencore UK Holdings plc ("the company") for the year ended 24 September 2010

Principal activity

The company is an investment holding company and also provides consultancy services to other Group companies

Principal risks and uncertainties

The principal risks and uncertainties are set out below

The company's ability to repay its loan obligations and continue as a going concern

The majority of the company's borrowings are provided by fellow group undertakings and are repayable on demand. The ability of the company to continue as a going concern should such a demand be received would depend on the company's ability to source alternative financing. The directors are comfortable that such financing facilities would be available if required.

The financial position of the company could be materially impacted by the failure to recover amounts owed by debtors

The majority of the company's receivables are due from fellow Group undertakings and are payable on demand. The directors are comfortable that if required the fellow subsidiaries could source alternative finance. The directors are satisfied as to the recoverability and value of the company's assets. The directors are satisfied that the company's financial assets are stated at at least their recoverable amounts.

Financial risks

The principal financial risks including interest rate, foreign currency, liquidity and credit risks are actively managed by the Group's central Treasury Department which operates within strict Greencore Group plc Board approved policies and guidelines.

Results for the year and state of affairs

The profit and loss account for the year ended 24 September 2010 and the balance sheet at that date are set out on pages 7 and 8. The profit for the year was £71,343,321 (2009 profit of £53,959,619). Shareholders' deficit at 24 September 2010 amounted to £13,717,951 (2009 deficit of £85,061,272). The company's ultimate controlling party, Greencore Group plc, has confirmed that it will provide financial support if required to allow the company to meet its debts as they fall due.

Review of business and future developments

The performance of the company for the year is in line with expectation. The company will continue to review acquisition opportunities in the coming year.

Dividends and transfers to reserves

The directors do not recommend the payment of a dividend.

Directors' and secretary and their interests

The present directors are listed on page 2 and have served throughout the year.

The directors who held office at the year end, and their beneficial interests (including family interests) in the ordinary share capital of the company's ultimate parent company, Greencore Group plc, were as follows:

	24 September 2010		25 September 2009*	
	Ordinary Number	Options Number	Ordinary Number	Options Number
Ordinary shares of €0.63 each				
PF Coveney	404,500	440,880	404,500	440,880
A Hynes	58,798	500,000	58,798	500,000
C O'Leary	-	170,880	-	170,880
WH Barratt	-	10,538	-	10,538
M Evans	-	-	-	-

*Or date of appointment, if later

Details of the Deferred Bonus Plan awards are available in the Greencore Group Annual Report

DIRECTORS' REPORT - continued

Post Balance Sheet Events

There were no important events since the year end, which would require amendment to, or disclosure in the financial statements

Transactions involving directors

There were no contracts of any significance in relation to the business of the company or the Group in which the directors had any interest, as defined in the Companies Act 2006, at any time during the year ended 24 September 2010

Statement of directors' responsibilities

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 year. Under that law the directors have elected to prepare the financial statements in accordance with UK Accounting Standards.

The financial statements are required by law to 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 judgments 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, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that its financial statements comply with the Companies Act 2006. They 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.

Under applicable law the directors are also responsible for preparing a Directors' Report that complies with that law.

Disclosure of information to auditor

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditor is unaware, and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG will therefore continue in office.

On behalf of the board

Director



WH BARRATT

17 December 2010



KPMG
Chartered Accountants
1 Stokes Place
St. Stephens Green
Dublin 2
Ireland

Independent auditor's report to the members of Greencore UK Holdings plc

We have audited the financial statements of Greencore UK Holdings plc for the year ended 24 September 2010 which comprise the profit and loss account, the balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom accounting standards (UK Generally Accepted Accounting Practice).

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.

Respective responsibilities of directors and auditor

As explained more fully in the statement of directors' responsibilities set out on page 4, the directors are responsible for preparing the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

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 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. Further details of the scope of an audit of financial statements are provided on the Auditing Practices Board's website at <http://www.apb.org.uk/apb/scope>.

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 24 September 2010 and of its profit for the year then ended,
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006



Independent auditor's report to the members of Greencore UK Holdings plc - *continued*

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the directors' report 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

David Meagher (Senior Statutory Auditor)
For and on behalf of KPMG, Statutory Auditor
KPMG
1 Stokes Place
St Stephen's Green
Dublin 2

17 December 2010

PROFIT AND LOSS ACCOUNT
Year Ended 24 September 2010

	Notes	24 September 2010 £	25 September 2009 £
Operating income	2	64,248,847	97,676,182
Administration income/expenses	3	<u>4,160,368</u>	<u>(12,389,459)</u>
Operating profit		68,409,215	85,286,723
Exceptional Item	6	37,314,562	-
Profit on ordinary activities before interest and taxation	4	105,723,777	85,286,723
Interest payable and similar charges	5	<u>(39,950,519)</u>	<u>(42,341,684)</u>
Profit on ordinary activities before taxation		65,773,258	42,945,039
Taxation on profit on ordinary activities	7	<u>5,570,063</u>	<u>11,014,579</u>
Profit for the financial year	13/14	71,343,321	53,959,618

All of the above amounts relate to continuing activities, excluding the exceptional item, which arose as a result of the sale of the investment in Pauls Malt Limited. The company has no recognised gains and losses other than those included in the results above, and therefore no separate statement of total recognised gains and losses has been presented.

BALANCE SHEET
Year Ended 24 September 2010

		24 September 2010 £	25 September 2009 £
	Notes		
Fixed assets			
Financial assets	8	323,202,009	334,835,388
Current assets			
Debtors amounts falling due within one year	9	298,580,384	314,270,895
Cash in hand and at bank		-	4,359,911
		298,580,384	318,630,806
Current liabilities			
Creditors amounts falling due within 1 year	10	(635,500,344)	(738,527,466)
Net current liabilities		(336,919,960)	(419,896,660)
Net liabilities		(13,717,951)	(85,061,272)
Capital and reserves			
Called up share capital	11	2,885,977	2,885,977
Share premium	12	62,375,208	62,375,208
Profit and loss account	13	(78,979,136)	(150,322,457)
Shareholders' deficit	14	(13,717,951)	(85,061,272)

The financial statements were approved by the Board of Directors on
 On behalf of the board

17th January 2010



Director

WH BARRATT

NOTES TO THE FINANCIAL STATEMENTS

1 Accounting policies

The significant accounting policies adopted by the company are as follows

Basis of preparation

The financial statements have been prepared under the historical cost accounting in accordance with accounting standards generally accepted in the United Kingdom and United Kingdom statute comprising the Companies Acts, 2006. Accounting standards generally accepted in the United Kingdom in preparing financial statements giving a true and fair view are those published by the Institute of Chartered Accountants in England and Wales and issued by the Accounting Standards Board.

Financial assets

Investments in subsidiary undertakings are held at cost less provision for impairment. The company assesses financial assets for impairment whenever events or changes in circumstances indicate that the carrying value of a financial asset may not be recoverable. If any such indication of impairment exists, the company makes an estimate of its recoverable amount. When the carrying amount of a financial asset exceeds its recoverable amount, the financial asset is considered impaired and is written down to its recoverable amount. Income from financial assets is recognised in the profit and loss account in the year in which it is receivable.

Foreign currency

Foreign currency transactions are booked in the functional currency at the exchange rate ruling on the date of the transaction. Foreign currency monetary asset and liabilities are translated into the functional currency at rates of exchange ruling at the balance sheet date. Exchange differences are included in profit or loss for the year.

Taxation

Current tax is provided on the company's taxable profits at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantially enacted by the balance sheet date.

Deferred taxation is recognised in respect of all timing differences which have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date.

Timing differences are temporary differences between profit as computed for taxation purposes and profit as stated in the financial statements which arise because certain items of income and expenditure in the financial statements are dealt with in different periods for taxation purposes.

Deferred tax assets are recognised to the extent which they are regarded as recoverable. Recoverability is assessed on the basis that it is more likely than not there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Dividends

Interim dividends payable are recognised as a liability of the company when the Board of Directors resolves to pay the dividend and the shareholders have been notified in accordance with the company's Articles of Association. Final dividends of the company are recognised as a liability when they have been approved by the company's shareholders.

Cash flow statement

Financial Reporting Standard Number 1 (Revised 1996) 'Cash Flow Statements', exempts subsidiary undertakings from the requirement to prepare a cashflow statement where 90% or more of the voting rights are controlled by a group that prepares publicly available consolidated financial statements in which the subsidiary undertakings results are included. The company has availed of this exemption.

Consolidation

The company is exempt from preparing consolidated financial statements under the provisions of the Companies Act, 2006.

NOTES TO THE FINANCIAL STATEMENTS – continued

2 Operating Income	24 September 2010 £	25 September 2009 £
Intragroup interest income	2,422,569	3,676,182
Dividends received	61,826,278	94,000,000
	<u>64,248,847</u>	<u>97,676,182</u>

3 Administration income/expenses	24 September 2010 £	25 September 2009 £
Administration income/expenses is made up of the following		
Foreign exchange gain/(loss)	5,158,229	(12,257,238)
Other expenses	<u>(997,861)</u>	<u>(132,221)</u>
	<u>4,160,368</u>	<u>(12,389,459)</u>

4 Statutory and other information

Directors' remuneration and auditor's remuneration for the current and prior years were borne by another group company. The company had no employees during the current or prior year.

5 Interest payable	24 September 2010 £	25 September 2009 £
Intragroup interest payable	24,630,856	39,088,749
Amortisation of issue costs of finance facility	1,123,502	818,035
Interest on loans repayable within 5 years	<u>14,196,161</u>	<u>2,434,900</u>
	<u>39,950,519</u>	<u>42,341,684</u>

6 Exceptional item	
During the year, the company disposed of its investment in Pauls Malt Limited which generated a profit on disposal of £37,314,562 (2009 Nil)	

7 Taxation	24 September 2010	25 September 2009
Analysis of credit in year		
Current tax		
UK corporation tax	(5,771,283)	(10,547,790)
Adjustments in respect of prior years	201,220	(466,790)
Total current tax credit	<u>(5,570,063)</u>	<u>(11,014,580)</u>

NOTES TO THE FINANCIAL STATEMENTS – continued

7 Taxation - continued

The tax assessed for the period is lower than that resulting from applying the standard rate of corporation tax in the UK of 28% (2009 28%) The differences are explained below

	24 September 2010 £	25 September 2009 £
Profit on ordinary activities before tax	<u>65,773,258</u>	<u>42,945,039</u>
Profit by standard rate of corporation tax of 28%	<u>18,416,512</u>	<u>12,024,611</u>
<i>Effects of</i>		
Expenses not deductible for tax purposes	97,476	-
Interest not deductible for tax purposes	3,474,164	3,747,600
Non-taxable dividend income	(17,311,358)	(26,320,000)
Non taxable profit on disposal of investment in Pauls Malt Limited	(10,448,077)	-
Adjustments in respect of prior years	<u>201,220</u>	<u>(466,790)</u>
Current tax credit for the year	<u>(5,570,063)</u>	<u>(11,014,580)</u>

A deferred tax asset of £1,174,794 (2009 £1,226,060) in relation to tax losses has not been recognised in these financial statements due to uncertainty regarding its future recoverability

8 Financial assets - shares held in group undertakings

	24 September 2010 £	25 September 2009 £
At beginning of year	334,835,388	334,866,594
Dissolution of subsidiary	-	(50,000)
Acquisition of shares in subsidiary	-	18,794
Disposal of Investments	<u>(11,633,379)</u>	<u>-</u>
At end of year	<u>323,202,009</u>	<u>334,835,388</u>

The directors are satisfied that the financial assets are not impaired at 24 September 2010

NOTES TO THE FINANCIAL STATEMENTS – continued

8 Financial assets - continued

Financial assets represent shares held in the following group undertakings

Name of subsidiary	Nature of business	Percentage of share capital owned	Registered Office
Armer Machinery Limited	Non-trading	100%	Greencore Group UK Centre Midland Way Barlborough Links Business Park Barlborough Chesterfield S43 4XA
Greencore Group Limited	Non-trading	100%	Mills Selig Solicitors 21 Arthur Street Belfast BT1 4GA Northern Ireland
Encore Knockmore Limited	Non-trading	100%	Mills Selig Solicitors 21 Arthur Street Belfast BT1 4GA Northern Ireland
Knockmore Limited	Non-trading	100%	Mills Selig Solicitors 21 Arthur Street Belfast BT1 4GA Northern Ireland
Greencore Sugars Limited	Non-trading	100%	Greencore Group UK Centre Midland Way Barlborough Links Business Park Barlborough Chesterfield S43 4XA
Greensub Limited	Holding company	100%	Greencore Group UK Centre Midland Way Barlborough Links Business Park Barlborough Chesterfield S43 4XA
Kears Group Limited	Holding company	100%	Greencore Group UK Centre Midland Way Barlborough Links Business Park Barlborough Chesterfield S43 4XA
Duntah Limited	Non-trading	100%	Bigger and Straham Solicitors 89 Royal Avenue Belfast BT 1 1EX Northern Ireland
Greencore PF plc	Non-trading	100%	Greencore Group UK Centre Midland Way Barlborough Links Business Park Barlborough Chesterfield S43 4XA
Sugar Distributors (Holdings) Limited	Holding company	100%	2 Northwood Avenue Northwood Business Park Santry, Dublin 9 Republic of Ireland

NOTES TO THE FINANCIAL STATEMENTS – continued

8 Financial assets – continued

The Robert's Group Limited	Food processors	100%	Midland Road, Hunslet, Leeds, LS10 2RJ
Hazlewood Foods Limited	Holding company	100%	Greencore Group UK Centre Midland Way Barlborough Links Business Park Barlborough Chesterfield S43 4XA
Kears Family Ltd	Holding company	97%	Greencore Group UK Centre Midland Way Barlborough Links Business Park Barlborough Chesterfield S43 4XA
Kears Executives Ltd	Holding company	100%	Greencore Group UK Centre Midland Way Barlborough Links Business Park Barlborough Chesterfield S43 4XA
Oldfields Limited	Food processors	100%	Greencore Group UK Centre Midland Way Barlborough Links Business Park Barlborough Chesterfield S43 4XA
Sushi San Limited	Food processors	100%	Greencore Group UK Centre Midland Way Barlborough Links Business Park Barlborough Chesterfield S43 4XA

9 Trade and other receivables

	24 September 2010 £	25 September 2009 £
<i>Amounts falling due within one year</i>		
Amounts owed by subsidiary undertakings	291,362,810	302,986,935
Other debtors	-	35,665
Corporation tax asset	7,217,574	11,248,295
	298,580,384	314,270,895

Amounts due from and to subsidiary undertakings are classified as current, as all inter-company receivables are repayable on demand. However, the company has no present intention of demanding repayment of amounts due from subsidiaries, nor does the company expect amounts due to subsidiaries to be repayable in the foreseeable future.

10 Creditors - amounts falling due within one year

	24 September 2010 £	25 September 2009 £
Bank overdraft	41,974,885	-
Value added tax	2,579	-
Amounts due to parent and fellow subsidiary undertaking (note 9)	589,920,942	734,800,748
Group Relief tax balance	101,739	-
Other payables	3,500,199	3,726,718
	635,500,344	738,527,466

The bank overdraft is secured by a cross guarantee by Greencore Group plc and its subsidiaries

NOTES TO THE FINANCIAL STATEMENTS – continued

11 Called up share capital	24 September 2010 £	25 September 2009 £
Authorised:		
Ordinary shares of £1 each	<u>10,000,000</u>	<u>10,000,000</u>
Issued, called up and fully paid		
Ordinary shares of £1 each	<u>2,885,977</u>	<u>2,885,977</u>
12 Share premium account	24 September 2010 £	25 September 2009 £
At beginning and end of year	<u>62,375,208</u>	<u>62,375,208</u>
13 Reconciliation of profit and loss account	24 September 2010 £	24 September 2009 £
At beginning of year	(150,322,457)	(204,282,076)
Profit for the financial year	<u>71,343,321</u>	<u>53,959,619</u>
At end of year	<u>(78,979,136)</u>	<u>(150,322,457)</u>
14 Reconciliation of movements in shareholders' deficit	24 September 2010 £	24 September 2009 £
Opening shareholders' deficit	(85,061,272)	(139,020,891)
Profit for the financial year	<u>71,343,321</u>	<u>53,959,619</u>
Closing shareholders' deficit	<u>(13,717,951)</u>	<u>(85,061,272)</u>

15 Parent undertaking, controlling party and going concern

The ultimate holding company is Greencore Group plc, a company incorporated in the Republic of Ireland with a registered office at 2 Northwood Avenue, Northwood Business Park, Santry, Dublin 9, Republic of Ireland. 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 plc. Copies of the group financial statements may be obtained from Greencore Group plc at 2 Northwood Avenue, Northwood Business Park, Santry, Dublin 9.

As noted in the directors' report, the accounts are prepared on a going concern basis as the directors have received assurances of continuing financial support from the ultimate parent undertaking.

16 Related party transactions

The company has availed of the exemption provided in Financial Reporting Standard 8, "Related Party Disclosures", from disclosing intra-group transactions, as it is a wholly-owned subsidiary of its ultimate parent undertaking, Greencore Group plc, whose financial statements are publicly available.

NOTES TO THE FINANCIAL STATEMENTS – continued

17 Reporting currency

The currency used in these financial statements is pound sterling denoted by the symbol £

18 Approval of financial statements

The financial statements were approved by the board of directors on *17th December* 2010