

Company Registration Number:

03194496

THE SANDWICH FACTORY HOLDINGS LIMITED

Directors' Report and Financial Statements for
period ended 28 September 2018



THE SANDWICH FACTORY HOLDINGS LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

Period ended 28 September 2018

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THE SANDWICH FACTORY HOLDINGS LIMITED

DIRECTORS AND OTHER INFORMATION

DIRECTORS

MEvans
CO'Leary (resigned 29 January 2019)
C Bradshaw
K Moore
E Tonge

SECRETARY

MEvans

REGISTERED OFFICE

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

BANKERS

HSBC
69 Pall Mall
London
SW1Y5EY

SOLICITORS

Eversheds LLP
Bridgewater Place
Water Lane
Leeds
LS11 5DR

AUDITOR

KPMG
Chartered Accountants
1 Stokes Place
St Stephen's Green
Dublin 2

THE SANDWICH FACTORY HOLDINGS LIMITED

DIRECTORS' REPORT

The directors present their report and the financial statements for The Sandwich Factory Holdings Limited ("the company") for the twelve months ended 28 September 2018. As a result of a change in the accounting period end in the previous financial year, the comparatives are for the eighteen month period ended 29 September 2017.

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

The directors are responsible for preparing the strategic report, the directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial period. Under that law they have elected to prepare the financial statements in accordance with FRS 101 *Reduced Disclosure Framework*.

Under company law, the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the company and of its profit or loss for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the company's ability to continue as a going concern, disclosing as applicable matters relating to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or cease operations, or have no realistic alternative but to do so.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are responsible for such internal controls as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

PRINCIPAL ACTIVITIES, REVIEW OF THE BUSINESS AND FUTURE DEVELOPMENTS

On 01 October 2017, the net assets of the company were transferred Greencore Food to Go Limited at their carrying value. On 2 July 2018, the ordinary share capital and share premium were converted to distributable reserves by way of a capital reduction and subsequently distributed to the Company's parent undertaking leaving £1 in the company.

The company then became dormant. Previously, the principal activity of the company was the manufacture and supply of packed sandwiches and related products.

RESULTS AND DIVIDENDS

The result for the 12 month period after taxation was £nil (18 months ended 29 September 2017: loss of £1.0 million). A dividend of £5.9 million was paid during the period (18 months ended 29 September 2017: £4.0 million). The directors do not propose the payment of a further dividend.

POST BALANCE SHEET EVENTS

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

PRINCIPAL RISKS AND UNCERTAINTIES

The Company does not have any significant risks or uncertainties.

GOING CONCERN

The directors intend to liquidate or apply to have the company voluntarily struck off. Accordingly, these financial statements are presented on a wind-up basis of accounting where all assets are stated at their estimated net recoverable amounts. The directors are satisfied that the company has adequate resources to discharge its liabilities in full.

CREDITOR PAYMENT POLICY

The company's policy is to comply with the terms of payment agreed with a supplier. Where terms are not negotiated, the company endeavours to adhere to the supplier's standard terms.

THE SANDWICH FACTORY HOLDINGS LIMITED

DIRECTORS' REPORT (continued)

CHARITABLE AND POLITICAL DONATIONS

Charitable donations during the period amounted to £nil (18 months ended 29 September 2017: £0.001 million). No political donations or contributions were made by the company (18 months ended 29 September 2017: £nil).

DIRECTORS

The directors who held office during the period and during the period to the date of approval of these financial statements are as follows:

MEvans

CO'Leary (resigned 29 January 2019)

C Bradshaw

K Moore

E Tonge

STRATEGIC REPORT

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

DIRECTORS' AND COMPANY SECRETARY'S INTERESTS

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

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

DISCLOSURE OF INFORMATION TO AUDITOR

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

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

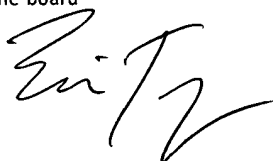
This information is given and should be interpreted in accordance with the provisions of Section 418 of the Companies Act 2006.

AUDITOR

It was approved by the Board that Deloitte will replace KPMG as external auditor for the financial year ended 27 September 2019.

On behalf of the board

E Tonge
Director



20 June 2019



KPMG
Audit
1 Stokes Place
St. Stephen's Green
Dublin 2
D02 DE03
Ireland

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE SANDWICH FACTORY HOLDINGS LIMITED

1 Report on the audit of the financial statements

Opinion

We have audited the financial statements of The Sandwich Factory Holdings Limited ('the company') for the year ended 28 September 2018, which comprise the profit and loss account and of other comprehensive income, balance sheet, statement of changes in equity and related notes, including the summary of significant accounting policies set out in note 1. The financial reporting framework that has been applied in their preparation is UK law and FRS 101 *Reduced Disclosure Framework*.

In our opinion, the accompanying financial statements:

- give a true and fair view of the assets, liabilities and financial position of the company as at 28 September 2018 and of its results for the period then ended;
- have been properly prepared in accordance with FRS 101 *Reduced Disclosure Framework*; and
- have been properly prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with ethical requirements that are relevant to our audit of financial statements in the UK, including the Financial Reporting Council (FRC)'s Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter – non going concern basis of preparation

We draw attention to the disclosure made in note 1 to the financial statements which explains that the financial statements are not prepared on the going concern basis for the reason set out in that note. Our opinion is not modified in respect of this matter.

Other information

The directors are responsible for the other information presented in the Annual Report together with the financial statements. The other information comprises the information included in the strategic and directors' report. The financial statements and our auditor's report thereon do not comprise part of the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work, we have not identified material misstatements in the other information.

Based solely on our work on the other information;

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



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE SANDWICH FACTORY HOLDINGS LIMITED (continued)

Matters on which we are required to report by exception

Under the Companies Act 2006, we are required to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in these respects.

2 Respective responsibilities and restrictions on use

Responsibilities of directors for the financial statements

As explained more fully in the directors' responsibilities statement set out on page 4, the directors are responsible for: the preparation of the financial statements including being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities

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

Our 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.

Colm O'Sé (Senior Statutory Auditor)
for and on behalf of KPMG, Statutory Auditor
Chartered Accountants
1 Stokes Place
St Stephen's Green
Dublin

25 June 2019

THE SANDWICH FACTORY HOLDINGS LIMITED

PROFIT AND LOSS ACCOUNT AND OTHER COMPREHENSIVE INCOME

For the year ended 28 September 2018

		Year ended 28 September 2018 £'000	18 months ended 29 September 2017 £'000
	Note		
Turnover	3	-	96,004
Cost of sales		-	(78,587)
Gross profit		-	17,417
Distribution costs		-	(5,337)
Administration costs		-	(7,398)
Profit on ordinary activities before exceptional items			4,682
Exceptional items	5	-	(5,629)
(Loss) on ordinary activities before interest and taxation			(947)
Interest receivable and similar income	6	-	35
(Loss) on ordinary activities before taxation		-	(912)
Taxation	8	-	(52)
(Loss) for the financial period		-	(964)
TOTAL COMPREHENSIVE LOSS		-	(964)

The results for the period are wholly attributable to the continuing operations of the company. The company had no other comprehensive gains or losses in the current or prior financial period and accordingly no statement of other comprehensive income is presented.

THE SANDWICH FACTORY HOLDINGS LIMITED

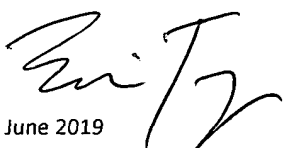
BALANCE SHEET

As at 28 September 2018

	Note	2018 £'000	2018 £'000	2017 £'000	2017 £'000
Non-current assets					
Tangible assets	10		-		4,505
			-		4,505
Current assets					
Stocks	12	-		734	
Debtors					
- due within one year	13	-		11,019	
Cash at bank and in hand		-		6,616	
		-		18,369	
Creditors: Amounts falling due within one year	14	-		(15,691)	
Net current assets			-		2,678
Total assets less current liabilities			-		7,183
Provisions			-		(1,234)
Total net assets			-		5,949
Share capital and reserves					
Called up share capital	16		-		2,252
Share premium account	16		-		3,928
Profit and loss account			-		(231)
Shareholders' funds			-		5,949

These financial statements were approved by the board of directors on 20 June 2019 and were signed on its behalf by:

E Tonge
Director, 20 June 2019



Registered number: 03194496

THE SANDWICH FACTORY HOLDINGS LIMITED

STATEMENT OF CHANGES IN EQUITY

For year ended 28 September 2018

	Note	Share capital £'000	Share premium account £'000	Share-based payments £'000	Profit and loss account £'000	Total equity £'000
At 31 March 2016		2,252	3,928	436	4,771	11,387
Loss for the financial period		-	-	-	(964)	(964)
Items of income and expense taken directly to equity						
Share save reserve adjustment through exceptional items	5	-	-	(480)	-	(480)
Deferred tax related to changes in equity	8	-	-	-	(38)	(38)
Share based payments	19	-	-	44	-	44
		-	-	(436)	(38)	(474)
Transactions with owners recorded directly in equity						
Dividends paid	7	-	-	-	(4,000)	(4,000)
At 29 September 2017		2,252	3,928	-	(231)	5,949
Loss for the financial period		-	-	-	-	-
Transactions with owners recorded directly in equity						
Capital reduction		(2,252)	-	-	2,252	-
Transferred to retained earnings		-	(3,928)	-	3,928	-
Dividends paid	7	-	-	-	(5,949)	(5,949)
		(2,252)	(3,928)	-	231	(5,949)
At 28 September 2018		-	-	-	-	-

THE SANDWICH FACTORY HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the twelve months ended 28 September 2018

1. ACCOUNTING POLICIES

The Sandwich Factory Holdings Limited (the “company”) is a limited liability company incorporated and domiciled in the United Kingdom. The registered number of the company is 03194496 and its registered address is Greencore Group UK Centre, Midland Way, Barlborough Links Business Park, Barlborough, Chesterfield, S43 4XA.

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

Basis of preparation

These financial statements were prepared in accordance with Financial Reporting Standard 101 *Reduced Disclosure Framework* (“FRS 101”) as issued in August 2014. The amendments to FRS 101 (2014/15 Cycle), issued in July 2015 have been applied. In preparing these financial statements, the company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU (“Adopted IFRSs”), but makes amendments where necessary in order to comply with the Companies Acts 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

The company’s ultimate parent undertaking, Greencore Group plc, includes the company in its consolidated financial statements. The consolidated financial statements of Greencore Group plc are prepared in accordance with International Financial Reporting Standards and are available to the public and may be obtained from Greencore Group plc, 2 Northwood Avenue, Northwood Business Park, Santry, Dublin 9, Ireland.

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

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

The financial statements are presented in sterling, which is the company’s functional currency, and are rounded to the nearest thousand except when otherwise indicated. The financial statements have been prepared on the basis of historical costs, except where assets and liabilities are stated at fair value in accordance with relevant accounting policies.

The financial statements of the company are prepared to the last Friday in September each period. Accordingly, these financial statements were prepared for the twelve months ended 28 September 2018. Comparatives are for the eighteen month period from 1 April 2016 to 29 September 2017. The balance sheets were prepared as at 28 September 2018 and 29 September 2017 respectively.

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

Going concern

The directors intend to liquidate or apply to have the company voluntarily struck off. Accordingly these financial statements are presented on a wind-up basis of accounting where all assets are stated at their estimated net recoverable amounts. The directors are satisfied that the company has adequate resources to discharge its liabilities in full.

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 local currency at rates of exchange ruling at the balance sheet date. Exchange differences are included in profit or loss for the period.

Turnover

Turnover represents sales to third party customers at invoiced amounts less value added tax. Sales revenue is recognised when substantially all the risks and rewards of ownership have passed to the customer, which normally occurs on delivery.

1. ACCOUNTING POLICIES (continued)

Exceptional items

Exceptional items are those that are separately disclosed by virtue of their nature or amount in order to highlight such items within the profit and loss account and other comprehensive income and results for the year. Examples of such items may include but are not limited to, significant reorganisation programmes, profits or losses on termination of operations, impact of significant plant development and related onboarding of businesses, significant impairment of assets, transaction and integration costs related to acquisition activity, transaction costs related to disposal activity and litigation costs and settlements. Management exercises judgement in assessing each particular item which, by virtue of its scale or nature, should be highlighted and disclosed in the profit and loss account and other comprehensive income and notes to the financial statements as exceptional items. Exceptional items are included within the profit and loss account and other comprehensive income caption to which they relate and are separately disclosed in the notes to the financial statements.

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less accumulated depreciation. Cost includes directly attributable costs and appropriate commissioning costs. Depreciation is provided on all tangible fixed assets, except land and work in progress, at rates calculated to write off the cost, less estimated residual value, of each asset on a straight line basis over its expected useful life, as follows:

Freehold land & buildings: buildings over 50 years
Leasehold land & buildings: Between 40 and 50 years or lease term if shorter
Plant & machinery: 10 years

An impairment of value is determined necessary where the post-tax realisable value and continuing use value are less than the net book value of an asset. Any impairment loss is recognised in the profit and loss account.

Goodwill

Goodwill is the excess of the fair value of the consideration paid for a business over the fair value of the identifiable assets, liabilities and contingent liabilities acquired. Goodwill is capitalised and subject to an impairment review, both annually and when there are indications that the carrying value may not be recoverable.

Trade and other debtors

Trade and other debtors are recognised initially at fair value. Subsequent to initial recognition, they are measured at amortised cost using the effective interest method, less any impairment losses.

Trade and other creditors

Trade and other creditors are recognised initially at fair value. Subsequent to initial recognition, they are measured at amortised cost using the effective interest method.

Stock

Stocks are valued at the lower of cost or net realisable value. Cost is calculated on first-in, first-out (FIFO) or weighted average basis as appropriate. Cost includes raw materials, direct labour expenses and related production and other overheads. Net realisable value is the estimated selling price, in the ordinary course of business, less costs to completion and appropriate selling and distribution expenses.

Provision is made for obsolete, slow-moving or defective items where appropriate.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the company's cash management are included as a component of cash and cash equivalents for the purpose only of the cash flow statement.

Taxation

Current tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted at the balance sheet date.

THE SANDWICH FACTORY HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the twelve months ended 28 September 2018

1. ACCOUNTING POLICIES (continued)

Taxation (continued)

Deferred tax is provided in full on timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply on crystallisation based on current tax rates and law.

Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in the financial statements. Deferred tax is not provided on timing differences arising from the revaluation of fixed assets where there is no commitment to sell the asset, or on unremitted earnings of subsidiaries and associates where there is no commitment to remit these earnings. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

Share-based payment

The company's ultimate parent may grant rights to its equity instruments to the company's employees, which are accounted for as equity-settled in the consolidated financial statements of the ultimate parent company. The company accounts for these share-based payments as cash-settled, therefore amounts recharged by the parent are recognised as a recharge liability with a corresponding debit to employee costs within the profit and loss account.

Dividends

Dividends unpaid at the balance sheet date are recognised as a liability at that date only to the extent that they are appropriately authorised and are no longer at the discretion of the company. Unpaid or proposed dividends which do not meet these criteria are disclosed in the notes to the financial statements.

Operating leases

Rentals payable under operating leases are charged in the profit and loss account on a straight line basis over the lease term.

Defined Contribution Pension Schemes

For defined contribution schemes, the amount charged to the profit and loss account in respect of pension costs and other post-retirement benefits is the contributions payable in the period. Differences between contributions payable in the period and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

2. JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of the financial statements in conformity with FRS 101 requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively. The judgements in applying accounting policies that have the most significant effect on amounts recognised in the financial statements are:

Share based payments	Note 20 – measurement of share based payments
Trade receivable provisions	Note 13 – provision for impairment of trade receivables

3. TURNOVER

Turnover, all of which is derived from the sale of goods, the principal activity of the company. A breakdown by market supplied is as follows:

	12 months ended 28 September 2018 £'000	18 months ended 29 September 2017 £'000
United Kingdom	-	96,004

THE SANDWICH FACTORY HOLDINGS LIMITED
NOTES TO THE FINANCIAL STATEMENTS
For the twelve months ended 28 September 2018

4. STATUTORY INFORMATION

	12 months ended 28 September 2018 £'000	18 months ended 29 September 2017 £'000
Operating profit is stated after charging / (crediting):		
Profit on disposal of fixed assets	-	(2)
Cost of inventory recognised as an expense (included in cost of sales)	-	65,548
Depreciation tangible fixed assets: Owned	-	739
Research and development: current period expenditure	-	34
Operating lease rentals:		
- Plant and machinery	-	454
- Land and buildings	-	348
(Decrease) / increase in provision for inventory	-	(14)
Share based payments	-	44
Auditor's remuneration: audit services	-	9

The directors are remunerated by other Group undertakings in respect of their services to the Group. It is not possible to ascertain the amounts paid in respect of their services to the company. Mr E Tonge is a director of the ultimate parent and his emoluments are disclosed in the Greencore Group Plc Annual Report.

The company has taken advantage of the exemption available to it not to disclose separately information about fees for non-audit services provided to the company as this information is available in the consolidated financial statements of Greencore Group plc.

5. EXCEPTIONAL ITEMS

	12 months ended 28 September 2018 £'000	18 months ended 29 September 2017 £'000
Post-acquisition integration costs	-	409
Share save reserve adjustments	-	(480)
Goodwill Impairment	-	3,247
Property, Plant & Equipment Impairment	-	394
Other provisions	-	2,059
	-	5,629

Post-acquisition exceptional items

In the prior year, as a result of a change in parent company ownership in the period, the company incurred an amount of £0.4 million in post-acquisition integration costs.

Share save reserve adjustments

During the prior period, as a result of a change in parent company, the share save reserve was transferred from equity through the profit and loss account and other comprehensive income.

Goodwill impairment

Following a goodwill impairment review in the prior period, the goodwill of £3.2m previously recognised, was written off in full through exceptional items in the profit and loss account and other comprehensive income.

Property, Plant & Equipment Impairment

A review of property, plant and equipment in the prior period, resulted in an impairment of £0.4m to correctly reflect the fair value of the assets.

Other Provisions

Due to a significant change in the business in the prior period due to a change in parent company, other provisions of £2.1 million were recognised. An amount of £1.2 million was related to a dilapidations provision.

THE SANDWICH FACTORY HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the twelve months ended 28 September 2018

6. INTEREST

	12 months ended 28 September 2018 £'000	18 months ended 29 September 2017 £'000
Interest receivable and similar income		
Bank interest receivable	-	9
Interest receivable from Group undertakings	-	26
	-	35

7. DIVIDENDS

Dividends that were approved and paid in the period are as follow

	12 months ended 28 September 2018 £'000	18 months ended 29 September 2017 £'000
Equity dividends on ordinary shares:		
Final dividend of distributable reserves	5,949	-
Interim dividend for the period	-	4,000
	5,949	4,000

The aggregate amount of dividends proposed is £Nil (18 months ended 29 September 2017: £Nil).

8. TAXATION

(a) Analysis of tax charge for the period

	12 months ended 28 September 2018 £'000	18 months ended 29 September 2017 £'000
Current tax		
United Kingdom corporation tax	-	-
Adjustments in respect of previous periods	-	5
Total current tax	-	5
Deferred tax		
Timing differences – origination and reversal	-	48
Adjustment in respect of prior periods	-	(1)
Effect of change in tax rate	-	-
Total deferred tax	-	47
Tax charge for the period	-	52
Tax relating to items charged to other comprehensive income or directly to equity		
Recognised in the statement of changes in equity:		
Current tax	-	-
Deferred tax	-	38
	-	38

THE SANDWICH FACTORY HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the twelve months ended 28 September 2018

8. TAXATION (continued)

(b) Factors affecting tax charge for the period

The tax assessed for the period differs from that resulting from applying the standard rate of corporation tax in the UK of 19.0% (18 months ended 29 September 2017: 19.67%). The differences arise as follows:

	12 months ended 28 September 2018 £'000	18 months ended 29 September 2017 £'000
(Loss) / profit on ordinary activities before tax	-	(912)
Tax @ 19.0% (18 months ended 29 September 2017: 19.67%) thereon:	-	(179)
Expenses not deductible for tax purposes	-	93
Goodwill impairment	-	639
Group relief surrendered / claimed for nil payment	-	(433)
Employee share options	-	(63)
Difference between current and deferred tax rate	-	(8)
Adjustments in respect of previous periods	-	3
Tax charge for the period	-	52

Finance Act 2015 was substantially enacted on 26 October 2015 and reduced the UK corporation tax rate from 20% to 19% from 01 April 2017 and to 18% from 01 April 2020. Finance Act 2016 was substantively enacted on 06 September 2016 and further reduced the rate to 17% from 01 April 2020, instead of the reduction to 18% as originally planned.

(c) Deferred tax asset

	12 months ended 28 September 2018 £'000	18 months ended 29 September 2017 £'000
The deferred tax balance comprises the following:		
Capital allowances in excess of depreciation	-	56
Other timing differences	-	(2)
Deferred tax liability at end of period	-	54

The deferred tax balance at the balance sheet date has been calculated based on the rate of 17% substantively enacted at the balance sheet date. There is no unrecognised deferred tax asset in respect of tax losses (2017: £0.12m).

	12 months ended 28 September 2018 £'000
Deferred Tax Liability at beginning of period	54
Deferred tax liability transferred to fellow group entity	(54)
Deferred tax liability at the end of the period	-

THE SANDWICH FACTORY HOLDINGS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the twelve months ended 28 September 2018

9. TANGIBLE ASSETS

	Leasehold land & buildings £'000	Plant & machinery £'000	Total £'000
Cost or valuation			
At the beginning of period	2,894	8,517	11,411
Disposals	(2,894)	(8,517)	(11,411)
At end of period	-	-	-
Depreciation			
At the beginning of period	966	5,940	6,906
Disposals	(966)	(5,940)	(6,906)
At the end of period	-	-	-
Net book value			
At beginning of period	1,928	2,577	4,505
At end of period	-	-	-

On 1 October 2017, the net assets in the company transferred to Greencore Food to Go Limited at their carrying value. All tangible assets were disposed of by the Company as part of this transfer.

10. STOCKS

	2018 £'000	2017 £'000
Raw materials	-	437
Work in progress	-	128
Finished goods	-	169
	-	734

None of the above carrying amounts have been pledged as security for liabilities.

11. DEBTORS

	2018 £'000	2017 £'000
Amounts falling due within one year:		
Trade debtors	-	8,481
Amounts owed by Group undertakings	-	1,855
Other debtors	-	356
Prepayments and accrued income	-	327
	-	11,019

Trade receivables are non-interest bearing and are generally on 30 to 60 day terms and are shown net of any provision for impairment. Amounts owed by Group undertakings are unsecured, interest free and repayable on demand.

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12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018 £'000	2017 £'000
Trade creditors	-	10,824
Amounts owed to Group undertakings	-	1,465
Current corporation tax	-	4
Deferred tax liability	-	54
Other taxation and social security	-	184
Other creditors	-	761
Accruals	-	2,399
	-	15,691

All amounts due to Group undertakings are unsecured, interest free and are repayable on demand

13. PROVISIONS

	2018 £'000	2017 £'000
At beginning of period	1,234	-
Provisions charged in the period	-	1,234
Provisions disposed of in the period	(1,234)	-
At end of period	-	1,234

During the period, the trade and assets of the company transferred to Greencore Food to Go Limited at their carrying value.

14. SHARE CAPITAL

(a) Called up share capital

	2018 £'000	2017 £'000
Allotted, called up and fully paid share capital		
225,206,185 Ordinary shares of £0.000000005 each		
(2017: 225,206,185 Ordinary shares of £0.01 each)	-	2,252

On 2 July 2018, the nominal value of shares was reduced from £0.01 per share to £0.000000005 per share which reduced the overall share capital from £2,252,061.85 to £1.13. The Share Capital Reduction was credited to the company's retained earnings.

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the company.

THE SANDWICH FACTORY HOLDINGS LIMITED

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(b) Share Premium

	2018 £'000	2017 £'000
Share premium at opening	3,928	3,928
Transferred to retained earnings	(3,928)	-
Share premium at closing	-	3,928

On 2 July 2018, Share Premium was reduced from £3,928,000 to £nil. The Share Premium Reduction was credited to retained earnings.

15. DISPOSAL OF TRADE AND ASSETS

On 1 October 2017, the net assets of the company were transferred to a follow group entity at their carrying value. The effect of the disposal on the financial statements is as follows:

	£'000
Tangible assets	(4,505)
Stocks	(734)
Debtors – due within one year	(11,019)
Cash at bank and in hand	(6,616)
Creditors due within one year	15,691
Provisions	1,234
Net assets and liabilities disposed of	(5,949)
Consideration received	5,949
Net cash inflows	-

16. OPERATING LEASES

The future minimum lease payments under non-cancellable leases are as follows:

	2018		2017	
	Land and buildings £'000	Other £'000	Land and buildings £'000	Other £'000
- Within one year	-	-	196	226
- Between two and five years	-	-	647	70
- After more than five years	-	-	372	-
	-	-	1,215	296

17. COMMITMENTS

Capital commitments

The company had the following capital commitments which were contracted at the period end but not provided.

	2018 £'000	2017 £'000
Capital expenditure	-	-

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18. EMPLOYEES

The average number of persons (including executive directors) employed by the company during the financial period was:

		12 months ended 28 September 2018	18 months ended 29 September 2017
	Note	Number	Number
Average number of employees			
Production		-	510
Selling and distribution		-	58
Administration		-	35
		-	603

The aggregate payroll costs of these persons were as follows:

		12 months ended 28 September 2018	18 months ended 29 September 2017
		£'000	£'000
Wages and salaries		-	19,767
Social security costs		-	1,253
Other pension costs	21	-	204
Share-based payments	20	-	44
		-	21,269

19. SHARE-BASED PAYMENTS

The company is availing of the exemption under FRS 101 to disclose share based payments as equivalent disclosures were provided in the group annual report of Greencore Group Plc. Certain employees of the company are members of the, UK Share Save Scheme and a long-term incentive plan (LTIP), both of which are equity settled. Details of these schemes are set out in the Group's annual report which does not form part of this report.

The charge recognised for the period for the cost of these employee share schemes was £nil (18 months ended 29 September 2017: £0.04 million).

20. PENSIONS

The company also made contributions to a defined contribution scheme. Contributions amounting to £nil were made in the period (29 September 2017: £0.066 million). Included in creditors at 28 September 2018 is £nil owed to the pension scheme (29 September 2017: £0.045 million).

21. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

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

The parent undertaking of the smallest and largest group of undertakings for which group financial statements are drawn up, and of which the company is a member, is Greencore Group Plc. The ultimate controlling party 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.

22. APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved by the board of directors and authorised them for issue on 20 June 2019.