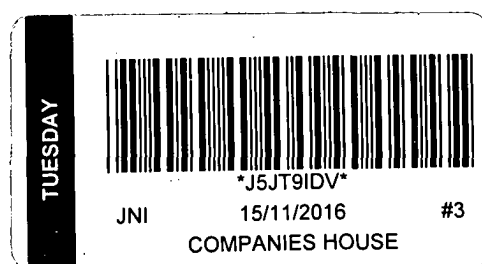


HAVI Global Solutions Europe Limited
(Registered number: 05319761)

Annual report and financial statements

For the year ended 31 December 2015



HAVI Global Solutions Europe Limited

(Registered number: 05319761)

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HAVI Global Solutions Europe Limited

(Registered number: 05319761)

DIRECTORS AND ADVISERS

DIRECTORS

Michael Bungers (resigned 19th of June 2015)
Keith Damarell
Douglas Moody-Stuart

REGISTERED OFFICE

One Fleet Place
London
EC4M 7WS

INDEPENDENT AUDITORS

PricewaterhouseCoopers LLP
Waterfront Plaza
8 Laganbank Road
Belfast
BT1 3LR

SOLICITORS

Dentons UKMEA LLP
The Pinnacle
170 Midsummer Boulevard
Milton Keynes
MK9 1FE

TAX ADVISOR

KPMG LLP
St Peter's Square
Manchester
M2 3AE

KMPG AG
Tersteegenstr. 19-31
40474 Düsseldorf

HAVI Global Solutions Europe Limited

(Registered number: 05319761)

Strategic report for the year ended 31 December 2015

The directors present their strategic report on the Company for the year ended 31 December 2015.

Statement of compliance

The financial statements of HAVI Global Solutions Europe Limited have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and the Companies Act 2006.

Business review and future developments

The level of business was satisfactory in 2015, and the directors expect that the investments carried out during the last two years and in 2016 will deliver profitable growth for the future.

Turnover increased compared to the prior year. Operating profit and operating profit margin fell compared to the prior year as the Company invested in additional resources to support the future growth of the business. Based on the latest forecast the management expects an increase in total turnover as well as operating profit for the financial year 2016 driven by local packaging business. Based on the latest forecast profit on ordinary activities before taxation shall exceed € 1 million for the year ending 31 December 2016.

Key performance indicators

- Turnover of €9,370,331 (2014: €8,955,527)
- Operating profit of €381,360 (2014: €874,807)
- Operating profit margin of 4.1% (2014: 9.8%)

Principal risks and uncertainties

The management of the business and the execution of the Company's strategy are subject to a number of risks.

The key business risks and uncertainties affecting the Company are considered to relate to employee retention and the fact that the Company's sales are substantially with the European McDonald's group, its licensees, or its distributors.

Employee retention

Company policy is to remunerate its personnel in line with market rates and practice. In addition to competitive salaries, annual bonus schemes and other benefits are offered. Succession planning is considered regularly by management. The Company is able to offer employees appropriate training and opportunities for advancement and has a demonstrable track record of internal promotion.


HAVI Global Solutions Europe Limited

(Registered number: 05319761)

Relationships with McDonald's

The importance of relationships with McDonald's is recognised and managed by the directors and senior personnel who have direct and regular access to their counterparts at McDonald's and ensure that an excellent level of customer service is maintained.

On behalf of the Board



Douglas Moody Stuart

Director

11 November 2016

HAVI Global Solutions Europe Limited

(Registered number: 05319761)

Directors' report for the year ended 31 December 2015

The directors present their report and the audited financial statements of the Company for the year ended 31 December 2015.

Future developments

Future developments are discussed in the strategic report and included in the report by cross reference.

Results and dividends

The profit for the year amounted to €279,778 (2014: €599,777). In the shareholders meeting on 28 September 2015 it was resolved to pay a final dividend in respect of 2014 of €599,777 (€599.78 per share). The dividend was paid and recorded in the financial year 2015. In 2014 the final dividend paid in respect of 2013 amounted to €730,230 (2014: €730.23 per share). No interim or final dividend in respect of 2015 has been proposed.

Financial risk management

The objectives of the Company are to manage the Company's financial risk, secure cost effective funding for the Company's operations and to minimise the adverse effects of fluctuations in the financial markets on the Company's financial assets and liabilities, on reported profitability and on the cash flows of the company.

The main risks arising from the Company's financial instruments are liquidity risk, interest rate cash flow risk, credit risk, and foreign exchange risk. The Board of Directors reviews and agrees policies for managing these risks as summarised below.

Liquidity risk

The Company finances its operations through a mixture of retained profits, working capital and balances with HAVI Group LP group companies that are designed to ensure the Company has sufficient available funds for operations and future growth.

Interest rate cash flow risk

The Company's interest bearing assets include cash balances and short term loans from HAVI Group LP group companies. The Company has a policy of maintaining debt at variable rates. The Company will revisit the appropriateness of this policy should the Company's operations change in size or nature.

Credit risk

Credit risk mainly arises from deposits with banks, outstanding receivables from customers and any committed transactions. For banks, only independently rated parties with a minimum rating of 'A' are accepted. The credit quality of the customer is assessed taking into account its financial position, past experience and other factors. We also select insurers with good credit ratings. The amount of exposure to any individual counterparty is reviewed regularly by management.

Foreign exchange risk

The Company operates internationally and is exposed to foreign exchange risk arising from various currency exposures, primarily in respect to Sterling. Foreign exchange risk arises from future commercial transactions and recognised assets or liabilities that are denominated in a currency that is not the Company's functional currency. Mitigation is achieved by sourcing goods and services in the same currency as the exposure. The Company does not use derivatives to manage its foreign exchange exposure.

HAVI Global Solutions Europe Limited

(Registered number: 05319761)

Directors' report for the year ended 31 December 2015 (continued)

Directors

The directors of the Company who held office during the year and up to the date of signing these financial statements unless otherwise stated are given below:

Michael Bungers (resigned 19th of June 2015)
Keith Damarell
Douglas Moody-Stuart

Post balance sheet events

In September 2016 the share transfer of 49.5% of shares in HAVI Global Solutions Europe Limited from HAVI Global Solutions LLC, Downers Grove, Illinois/USA, to HAVI Global Solutions Europe GmbH, Duisburg/Germany, was completed. Since then, the sole shareholder of the Company is HAVI Global Solutions Europe GmbH.

Employees

The Company informs their employees quarterly during staff meetings on current activities and future plans as well as on the financial success of the Company.

Individual targets are agreed with each employee and achievements reviewed on a regular base.

Branches

The Company has branches in Paris and Munich.

Statement of directors' responsibilities

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 year. Under that law the directors have prepared the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 The Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102).

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 UK Accounting Standards, including FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements
- notify its shareholders in writing about the use of disclosure exemptions, if any, of FRS 102 used in the preparation of 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.

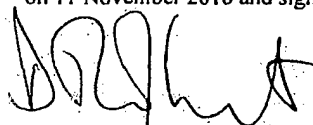
HAVI Global Solutions Europe Limited

(Registered number: 05319761)

Balance sheet as at 31 December 2015

	Note	2015 €	2014 €
Fixed Assets			
Tangible assets	11	279,094	382,088
Current assets			
Debtors	12	2,638,288	3,307,103
Cash at bank and in hand		392,633	209,361
		<u>3,030,921</u>	<u>3,516,464</u>
Creditors – amounts falling due within one year	13	<u>(3,028,757)</u>	<u>(3,297,297)</u>
Net current assets		<u>2,164</u>	<u>219,167</u>
Total assets less current liabilities		<u>281,258</u>	<u>601,255</u>
Net assets		<u>281,258</u>	<u>601,255</u>
Capital and reserves			
Called up share capital	15	1,470	1,470
Profit and loss account		279,786	599,785
Total shareholders' funds		<u>281,256</u>	<u>601,255</u>

The financial statements on pages 10 to 25 were authorised for issue by the Board of Directors on 11 November 2016 and signed on its behalf by:



Douglas Moddy-Stuart
Director
11 November 2016

The notes on pages 13 to 25 are an integral part of these financial statements.

Independent auditors' report to the members of HAVI Global Solutions Europe Limited

Report on the financial statements

Our opinion

In our opinion, HAVI Global Solutions Europe Limited's financial statements (the "financial statements"):

- give a true and fair view of the state of the company's affairs as at 31 December 2015 and of its profit for the year 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.
-

What we have audited

The financial statements, included within the Strategic report (the "Annual Report"), comprise:

- the balance sheet as at 31 December 2015;
- the profit and loss account for the year then ended;
- the statement of changes in equity for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

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

- we have not received all the information and explanations we require for our audit; or
- 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.

We have no exceptions to report arising from this responsibility.

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the Statement of Directors' Responsibilities set out on page 6, 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) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

What an audit of financial statements involves

We conducted our audit in accordance with ISAs (UK & Ireland). 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.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual Report 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.



Orla MacAllister (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Belfast

11 November 2016

HAVI Global Solutions Europe Limited

(Registered number: 05319761)

Profit and loss account for the year ended 31 December 2015

	<i>Note</i>	Year ended 31 December 2015 €	Year ended 31 December 2014 €
Turnover	5	9,370,331	8,955,527
Cost of Sales		(451,916)	(4,441)
Gross profit		8,918,415	8,951,086
Administrative expenses		(8,537,055)	(8,076,279)
Operating profit	6	381,360	874,807
Interest receivable and similar income	8	0	151
Interest payable and similar charges	9	(1,358)	(17,438)
Profit on ordinary activities before taxation		380,002	857,520
Tax on profit on ordinary activities	10	(100,224)	(257,743)
Profit for the financial year		279,778	599,777

For the years stated above, the results have been derived entirely from continuing operations.

There are no material differences between the profit on ordinary activities before taxation and profit for the financial years stated above and their historical cost equivalents.

There were no other items of comprehensive income in either year other than those shown above and therefore no separate statement of other comprehensive income has been presented.

The notes on pages 13 to 25 are an integral part of these financial statements.

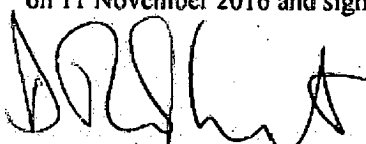
HAVI Global Solutions Europe Limited

(Registered number: 05319761)

Balance sheet as at 31 December 2015

	Note	2015 €	2014 €
Fixed Assets			
Tangible assets	11	279,094	382,088
Current assets			
Debtors	12	2,638,288	3,307,103
Cash at bank and in hand		392,633	209,361
		3,030,921	3,516,464
Creditors – amounts falling due within one year	13	(3,028,759)	(3,297,297)
Net current assets		2,162	219,167
Total assets less current liabilities		281,256	601,255
Net assets		281,256	601,255
Capital and reserves			
Called up share capital	15	1,470	1,470
Profit and loss account		279,786	599,785
Total shareholders' funds		281,256	601,255

The financial statements on pages 10 to 25 were authorised for issue by the Board of Directors on 11 November 2016 and signed on its behalf by:



Douglas Moody-Stuart

Director

11 November 2016

The notes on pages 13 to 25 are an integral part of these financial statements.

HAVI Global Solutions Europe Limited

(Registered number: 05319761)

Statement of changes in equity

	<i>Note</i>	Called-up share capital	Retained earnings	Total
		€	€	€
Balance as at 1 January 2014	15	1,470	730,238	731,708
Profit for the year		-	599,777	599,777
Dividends	19	-	(730,230)	(730,230)
Balance as at 31 December 2014		1,470	599,785	601,255
Balance as at 1 January 2015		1,470	599,785	601,255
Profit for the year		-	279,778	279,778
Dividends	19	-	(599,777)	(599,777)
Balance as at 31 December 2015		1,470	279,786	281,256

HAVI Global Solutions Europe Limited

(Registered number: 05319761)

Notes to the financial statements for the year ended 31 December 2015 (continued)

1 General Information

HAVI Global Solutions Europe Limited is a service business that administers and monitors the packaging needs of the McDonald's group in Europe and other customers. The Company's sales are substantially with the European McDonald's group, its licensees, or its distributors.

The Company is a private Company limited by shares and is incorporated and domiciled in England. The address of its registered office is One Fleet Place, London, EC4M 7WS.

2 Statement of compliance

The individual financial statements of HAVI Global Solutions Europe Limited have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and the companies Act 2006.

3 Summary of significant accounting policies

(a) Basis of preparation and accounting convention

These financial statements are prepared on the going concern basis, under the historical cost convention, as modified by the recognition of certain financial assets and liabilities measured at fair value through profit and loss. The principal accounting policies, which have been applied consistently throughout the year, are set out below.

(b) Going concern

The Company meets its day-to-day working capital requirements through its bank facilities. The Company's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the Company should be able to operate within the level of its current facilities. After making enquiries, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The Company therefore continues to adopt the going concern basis in preparing its financial statements.

(c) Currency

The functional and presentational currency of the Company is Euro as this is as the currency of the primary economic environment in which the Company operates and generates cash flows.

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 translated at the rate of exchange ruling at the balance sheet date. All differences are taken to the profit and loss account. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit and loss account.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the profit and loss account within 'finance (expense)/income'. All other foreign exchange gains and losses are presented in the profit and loss account within 'Other operating (losses)/gains'.

HAVI Global Solutions Europe Limited

(Registered number: 05319761)

Notes to the financial statements for the year ended 31 December 2015 (continued)

(d) Exemptions for qualifying entities under FRS 102

FRS 102 allows a qualifying entity certain disclosure exemptions, subject to certain conditions, which have been complied with, including notification of, and no objection to, the use of exemptions by the Company's shareholders.

The Company has taken advantage of the following exemptions:

- (i) from preparing a statement of cash flows, on the basis that it is a qualifying entity and the consolidated statement of cash flows, included in these financial statements, includes the Company's cash flows;
- (ii) from the financial instrument disclosures, required under FRS 102 paragraphs 11.39 to 11.48A and paragraphs 12.26 to 12.29, as the information is provided in the consolidated financial statement disclosures;
- (iii) from disclosing the Company key management personnel compensation, as required by FRS 102 paragraph 33.7.

Parent of the group in whose consolidated financial statements the financial statements of HAVI Global Solutions Europe Limited are adopted is HAVI Global Solutions Europe GmbH, Duisburg, Germany.

The consolidated financial statements of HAVI Global Solutions Europe GmbH are filed with the German Federal Gazette. The consolidated financial statements can be obtained from the electronic German Federal Gazette (www.unternehmensregister.de).

(e) Revenue recognition

Revenue is measured at the fair value of consideration received or receivable and represents the amount receivable for goods supplied or services rendered, net of returns, discounts and rebates allowed by the Company and value added taxes.

The price is usually fixed and always determinable.

The Company bases its estimate of returns on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement. Where the consideration receivable in cash or cash equivalents is deferred, and the arrangement constitutes a financing transaction, the fair value of the consideration is measured as the present value of all future receipts using the imputed rate of interest.

The Company recognises revenue when (a) the significant risks and rewards of ownership have been transferred to the buyer; (b) the Company retains no continuing involvement or control over the goods; (c) the amount of revenue can be measured reliably; (d) it is probable that future economic benefits will flow to the entity.

HAVI Global Solutions Europe Limited is a service business that administers and monitors the packaging needs of the McDonald's group in Europe and other customers. The Company's sales are substantially with the European McDonald's group, its licensees, or its distributors. The entity sells packaging materials to its customers. Sale of goods are recognised on sale to the customer, which is considered the point of delivery.

(f) Employee benefits

The Company provides a range of benefits to employees, including annual bonus arrangements, paid holiday arrangements and a defined contribution pension plan.

Contributions to the pension plan are charged to the profit and loss account as they become payable in accordance with the rules of the scheme. Any difference between contributions payable and contributions paid are included as either a prepayment or an accrual in the balance sheet.

HAVI Global Solutions Europe Limited

(Registered number: 05319761)

Notes to the financial statements for the year ended 31 December 2015 (continued)

(g) Taxation

Taxation expense for the period comprises current and deferred tax recognised in the reporting period. Tax is recognised in the profit and loss account, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case tax is also recognised in other comprehensive income or directly in equity respectively.

Current or deferred taxation assets and liabilities are not discounted.

(i) Current tax

Current tax is the amount of income tax payable in respect of the taxable profit for the year or prior years. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the period end.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

(ii) Deferred tax

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is recognised on all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

(h) Fixed assets and depreciation

Tangible fixed assets are stated at historic purchase cost less accumulated depreciation. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use. Depreciation is calculated to write off the cost of tangible fixed assets, less their residual values, over their expected useful lives using the straight line basis. The expected useful lives of the assets to the business are reassessed periodically in the light of experience.

Straight line annual rates of depreciation most widely used are:

Office equipment	20.0 %
Computer equipment	20.0 - 33.3 %
Computer software	33.3%

(i) Leases - operating

Leases that do not transfer all the risks and rewards of ownership are classified as operating leases. Payments under operating leases are charged to the profit and loss account on a straight-line basis over the period of the lease.

HAVI Global Solutions Europe Limited

(Registered number: 05319761)

Notes to the financial statements for the year ended 31 December 2015 (continued)

(j) Dividends

Dividend distribution to the Company's shareholders is recognised as a liability in the Company's financial statements in the period in which the dividends are paid or are approved by the Company's shareholders. These amounts are recognised in the statement of changes of equity.

(k) Impairment of non-financial assets

At each balance sheet date non-financial assets not carried at fair value are assessed to determine whether there is an indication that the asset may be impaired. If there is such an indication the recoverable amount of the asset is compared to the carrying amount of the asset.

The recoverable amount of the asset is the higher of the fair value less costs to sell and value in use. Value in use is defined as the present value of the future cash flows before interest and tax obtainable as a result of the asset's continued use. These cash flows are discounted using a pre-tax discount rate that represents the current market risk-free rate and the risks inherent in the asset.

If the recoverable amount of the asset is estimated to be lower than the carrying amount, the carrying amount is reduced to its recoverable amount. An impairment loss is recognised in the profit and loss account, unless the asset has been revalued when the amount is recognised in other comprehensive income to the extent of any previously recognised revaluation.

Thereafter any excess is recognised in profit or loss. If an impairment loss is subsequently reversed, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the revised carrying amount does not exceed the carrying amount that would have been determined (net of depreciation or amortisation) had no impairment loss been recognised in prior periods. A reversal of an impairment loss is recognised in the profit and loss account.

(l) Provisions and contingencies

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount of the obligation can be estimated reliably.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as a finance cost.

Contingent liabilities are not recognised. Contingent liabilities arise as a result of past events when (i) it is not probable that there will be an outflow of resources or that the amount cannot be reliably measured at the reporting date or (ii) when the existence will be confirmed by the occurrence or non-occurrence of uncertain future events not wholly within the company's control. Contingent liabilities are disclosed in the financial statements unless the probability of an outflow of resources is remote.

Contingent assets are not recognised. Contingent assets are disclosed in the financial statements when an inflow of economic benefits is probable.

(m) Share capital

Ordinary shares are classified as equity.

HAVI Global Solutions Europe Limited

(Registered number: 05319761)

Notes to the financial statements for the year ended 31 December 2015 (continued)

(n) Financial instruments

(i) Financial assets

Basic financial assets, including trade and other receivables, cash and bank balances and investments in commercial paper, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is decrease in the impairment loss arising from an event occurring after the impairment was recognised the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, are initially measured at fair value, which is normally the transaction price.

Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publically traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

(ii) Financial liabilities

Basic financial liabilities, including trade and other payables, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

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

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments.

HAVI Global Solutions Europe Limited

(Registered number: 05319761)

Notes to the financial statements for the year ended 31 December 2015 (continued)

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or income as appropriate.

The company does not currently apply hedge accounting for interest rate and foreign exchange derivatives.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

(iii) Offsetting

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

HAVI Global Solutions Europe Limited

(Registered number: 05319761)

Notes to the financial statements for the year ended 31 December 2015 (continued)

4 Critical accounting judgements and estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations on future events that are believed to be reasonable under the circumstances.

Provision is made for dilapidations (€45,485). These provisions require management's best estimate of the costs that will be incurred based on legislative and contractual requirements.

5 Turnover

The Company provides services in the packaging and procurement business. All turnover originates in the UK. Turnover for services by destination is as follows:

	Year ended 31 December 2015 €	Year ended 31 December 2014 €
UK	1,664,898	1,807,802
Germany	1,455,232	1,699,054
France	1,203,555	1,205,599
Russia	451,568	592,218
Austria	437,817	302,165
Other	4,157,261	3,348,688
	9,370,331	8,955,527

6 Operating profit

	Year ended 31 December 2015 €	Year ended 31 December 2014 €
Operating profit is stated after charging/(crediting):		
Wages and salaries	3,966,824	3,512,406
Social security costs	697,211	631,160
Other pension costs (note 18)	135,737	105,178
	4,799,772	4,248,744
Operating lease charges – land and buildings	304,437	314,810
Services provided by the Company's auditors and its associates – fees payable for the audit of the Company's financial statements	29,250	27,250
Loss on disposal of tangible fixed assets	6,908	65
Foreign exchange loss/(gain)	448,071	130,239
Depreciation of fixed assets	132,008	129,044

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Notes to the financial statements for the year ended 31 December 2015 (continued)

7 Employee information and directors' emoluments

The average monthly number of persons (excluding directors) employed by the Company during the year was 40 (2014: 40), all of whom performed office and management duties.

	Year ended 31 December 2015 €	Year ended 31 December 2014 €
Aggregate directors' emoluments	703,091	610,038
Total emoluments of highest paid director	349,350	307,527

Directors' emoluments for two directors are paid by the Company. Emoluments (including pension) for the other director are paid by the parent Company, HAVI Global Solutions Europe GmbH and the portion relating to his UK services recharged at cost to the Company as part of a management charge. One director (2014: one) has accrued benefits under the Company's defined contribution scheme, and in 2015 the Company paid contributions of €27,873 (2014: €19,227) for this director. The one (2014: one) of the directors who is employed by the parent company has accrued benefits under the HAVI Global Solutions Europe GmbH defined benefit scheme. The entirety of this pension benefit is payable by HAVI Global Solutions Europe GmbH and as stated above is included in the management charge. The highest paid director is not a member of any group or company pension scheme.

8 Other interest receivable and similar income

	Year ended 31 December 2015 €	Year ended 31 December 2014 €
Other interest	0	151
	0	151

The interest receivable from group undertakings in prior year relates to short term balances which had been repaid by the year-end.

9 Interest payable and similar charges

	Year ended 31 December 2015 €	Year ended 31 December 2014 €
Interest payable to group undertakings	1,073	14,869
Other interest	285	2,569
	1,358	17,438

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Notes to the financial statements for the year ended 31 December 2015 (continued)

10 Income tax

Tax expense included in profit or loss

	Year ended 31 December 2015 €	Year ended 31 December 2014 €
Analysis of tax charge for the year		
Current tax		
UK corporation tax on profit for the year	93,608	210,082
Adjustments in respect of previous years	(3,319)	30,572
Double tax relief	(46,039)	(44,215)
Overseas tax	58,072	68,158
Total current tax	102,322	264,597
Deferred tax		
Origination and reversal of timing differences	(3,544)	(1,703)
Adjustment in respect of prior periods	(636)	(5,151)
Impact of change in tax rate	2,082	-
Total deferred tax (see note 14)	(2,098)	(6,854)
Tax on profit on ordinary activities	100,224	257,743

Factors affecting tax charge for the year

The tax assessed for the year is higher (2014: higher) than the standard rate of corporation tax in the UK applicable to the Company (20.25% (2014: 21.50%)). The differences are explained below:

	Year ended 31 December 2015 €	Year ended 31 December 2014 €
Profit on ordinary activities before taxation	380,002	857,520
Profit on ordinary activities multiplied by the relevant standard rate of corporation tax in the UK at 20.25% (2014: 21.50%)	76,937	184,367
Effects of:		
Overseas tax	-	23,943
Fixed asset differences	4,523	-
Expenses not deductible for tax purposes	8,162	23,885
Foreign tax credits	12,033	-
Adjustments in respect of prior years	(25,588)	30,572
Adjustments to tax charge in respect of previous periods	(636)	-
Adjust closing deferred tax to average rate of 20.25%	2,780	-
Adjust opening deferred tax to average rate of 20.25%	(257)	-
Current tax exchange difference arising on movement between opening and closing spot rates	4,875	-
Accelerated capital allowances and other timing differences	-	1,830
Total current tax charge	82,829	264,597

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Notes to the financial statements for the year ended 31 December 2015 (continued)

Tax rate changes

Further reductions to the UK Corporation Tax rate were substantively enacted as part of the Finance Act 2015 (substantively enacted on 26 October 2015). These reduce the main rate of tax to 19% from 1 April 2017 and to 18% from 1 April 2020. The deferred tax assets and liabilities reflect these rates.

11 Tangible assets

	Computer equipment €	Office equipment €	Computer Software €	Total €
Cost				
At 1 January 2015	366,002	422,482	40,572	829,056
Additions	35,921	-	-	35,921
Reclassifications	-	-	-	-
Disposals	(76,631)	-	(1,388)	(78,019)
At 31 December 2015	325,292	422,482	39,184	786,958
Accumulated Depreciation				
At 1 January 2015	187,694	223,851	35,423	446,968
Charge for the year	59,129	68,973	3,906	132,008
Disposals	(69,725)	-	(1,387)	(71,112)
At 31 December 2015	177,098	292,824	37,942	507,864
Net Book Amount				
At 31 December 2015	148,194	129,658	1,242	279,094
At 31 December 2014	178,308	198,631	5,149	382,088

12 Debtors

	2015 €	2014 €
Trade debtors	543,101	907,798
Amounts owed by group undertakings	1,389,849	1,984,330
Other debtors	524,859	248,105
Deferred tax asset (note 14)	22,274	20,175
Prepayments and accrued income	158,205	146,695
	2,638,288	3,307,103

All amounts due from group undertakings are unsecured, interest free and repayable on demand.

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Notes to the financial statements for the year ended 31 December 2015 (continued)

13 Creditors - Amounts falling due within one year

	2015	2014
	€	€
Trade creditors	104,061	111,377
Amounts owed to group undertakings	108,456	309,104
Corporation tax	10,580	56,875
Other taxation and social security	228,996	235,049
Other creditors	8,754	20,126
Accruals and deferred income	2,567,912	2,564,766
	<u>3,028,759</u>	<u>3,297,297</u>

The amount owed to group undertakings includes an unsecured short term loan of € 100,000 (2014: € nil). All other amounts due to group undertakings are interest free, unsecured and repayable on demand.

14 Deferred taxation

	2015	2014
	€	€
At 1 January	20,176	13,322
Credit/ (Charge) for the year	2,098	6,854
At 31 December	<u>22,274</u>	<u>20,176</u>

The deferred tax asset is made up as follows:

	2015	2014
	€	€
Short term timing differences	12,658	2,236
Capital allowances less than depreciation	9,616	17,940
	<u>22,274</u>	<u>20,176</u>

The directors consider that it is more likely than not that there will be sufficient taxable profits in the future such as to realise the deferred tax asset, and therefore the asset has been recognised in these financial statements.

15 Called up share capital

	2015	2014
	€	€
Authorised		
1,000 (2014: 1,000) ordinary shares of £1 each	<u>1,470</u>	<u>1,470</u>
Allotted and fully paid		
1,000 (2014: 1,000) ordinary shares of £1 each	<u>1,470</u>	<u>1,470</u>

The Company was incorporated on 22 December 2004 with an authorised share capital of £1,000 made up of 1,000 ordinary shares of £1 each. On 22 December 2004, 1,000 ordinary shares were issued for cash of £1,000. The share capital was converted to Euros at the rate of €1.47/£1 on 22 December 2004.

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Notes to the financial statements for the year ended 31 December 2015 (continued)

16 Financial commitments

The company had the following future minimum lease payments under non-cancellable operating leases for each of the following periods:

Payments due	2015 €	2014 €
Not later than one year	300,793	294,655
Later than one year and not later than five years	1,171,139	1,102,711
Later than five years	365,981	612,265
	<u>1,837,913</u>	<u>2,009,631</u>

17 Related party transactions

During the year ended 31 December 2015, the Company purchased management services for €361,952 (2014: €2,262,406) from fellow subsidiaries of the ultimate parent Company, HAVI Group LP, which are not part of the HAVI Global Solutions Europe GmbH group. The payable outstanding as at 31 December 2015 was €108,456 (2014: €309,104).

During the year ended 31 December 2015, the Company made sales of €3,771,603 (2014: €7,741,013) to fellow subsidiaries of the ultimate parent company, HAVI Group LP, which are not part of the HAVI Global Solutions Europe GmbH group. The receivable outstanding as at 31 December 2015 was €685,614 (2014: €873,987).

18 Pension commitments

The Company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to €135,737 (2014: €105,178) for the year. There were no amounts receivable or payable at the year-end.

19 Equity dividend

	2015 €	2014 €
Final dividends paid in respect of 2015 €599.777 (2014: €730.23) per £1 share	<u>599,777</u>	<u>730,230</u>

In the shareholders meeting on 28 September 2015 it was resolved to pay a final dividend of €599,777 (€599.78 per share) in respect of 2014. The dividend was paid and recorded in the financial year 2015.

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Notes to the financial statements for the year ended 31 December 2015 (continued)

20 Ultimate parent undertaking and controlling party

The immediate parent undertaking, which is also the parent undertaking of the smallest group to consolidate these financial statements is HAVI Global Solutions Europe GmbH. Copies of HAVI Global Solutions Europe GmbH's consolidated financial statements can be obtained from Schifferstrasse 166, 47059 Duisburg, Germany.

The ultimate parent undertaking, which prepares group financial statements for the largest group of undertakings of which the Company is a member, is HAVI Group LP, incorporated in the United States. HAVI Group LP does not publish its consolidated financial statements.

On 1 January 2015 ultimate control was passed from Theodore F. Perlman to Russell P. Smyth and the Directors regard Russell P. Smyth as the ultimate controlling party through his controlling interest in HAVI Group LP.

21 Events after the end of the reporting period

In September 2016 the share transfer of 49.5% of shares in HAVI Global Solutions Europe Limited from HAVI Global Solutions LLC, Downers Grove, Illinois/USA, to HAVI Global Solutions Europe GmbH, Duisburg/Germany, was completed. Since then, the sole shareholder of the Company is HAVI Global Solutions Europe GmbH.

22 Transition to FRS 102

This is the first year that the Company has presented its results under FRS 102. The last financial statements under the UK GAAP were for the year ended 31 December 2014. The date of transition to FRS 102 was 1 January 2015. With the application of FRS 102 no differences in valuation occurred. It resulted only in changes of the report layout and additional notes.