

HAVI Global Solutions Europe Limited
(Registered number: 05319761)

Annual report and financial statements

For the year ended 31 December 2022



HAVI Global Solutions Europe Limited

(Registered number: 05319761)

Annual report and financial statements

31 December 2022

Contents	Page
Directors and Advisers	1
Strategic report for the year ended 31 December 2022	2
Directors' report for the year ended 31 December 2022	5
Statement of directors' responsibilities in respect of the financial statements	8
Independent auditors' report to the members of HAVI Global Solutions Europe Limited	9
Profit and loss account	12
Balance sheet as at 31 December 2022	13
Statement of changes in equity	14
Notes to the financial statements	15

HAVI Global Solutions Europe Limited

(Registered number: 05319761)

Annual report and financial statements

31 December 2022

DIRECTORS AND ADVISERS

DIRECTORS

Alexander Markus Bialek
Stephen Christopher Thate

REGISTERED OFFICE

One Fleet Place
London
EC4M 7WS

INDEPENDENT AUDITORS

PricewaterhouseCoopers LLP
One Kingsway
Cardiff
CF10 3PW

SOLICITORS

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

TAX ADVISOR

KPMG LLP
15 Canada Square
London
E14 5GL

KPMG AG
Tersteegenstr. 19-31
40474 Düsseldorf

HAVI Global Solutions Europe Limited

(Registered number: 05319761)

Annual report and financial statements

31 December 2022

Strategic report

For the year ended 31 December 2022

The directors presents their Strategic report on HAVI Global Solutions Europe Limited for the year ended 31 December 2022.

Principal activities

HAVI Global Solutions Europe Limited (the “Company”) 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.

Business review

The Gross profit decrease in 2022 is mainly driven by Sourcing business. Operating profit margin decreased by 4% mainly linked to lower revenue for local market activities. Based on the latest forecast for FY 2023, the management expects around 5% increase of gross margin versus 2022, mainly linked to Sourcing business driven by growth categories.

As at the date of these financial statements, the net asset position is €1,139,598 (2021: €2,671,959).

Key performance indicators

- Turnover of €115,309,428 (2021: €76,915,825)
- Gross profit of €14,160,527 (2021: €14,758,839)
- Operating profit of €1,315,589 (2021: €3,164,847)
- Operating profit margin of 1.14% (2021: 4.1%)

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.

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.

HAVI Global Solutions Europe Limited

(Registered number: 05319761)

Annual report and financial statements

31 December 2022

Strategic report

For the year ended 31 December 2022 (continued)

Going concern

The Company continues to adopt the going concern basis in preparing its financial statements.

As at the date of these financial statements, the Company is not aware of any material impact on the financial statements arising from the COVID-19 outbreak. Further the Company's performance is beyond the level prior to Covid across all categories.

In addition to their assessment of the Company's position the directors have also received confirmation from the parent and ultimate parent that the intercompany liabilities will not be called in until such a time as the entity has liquid funds to facilitate its payment and access to the cash pooling facility will continue to enable the entity to meet its obligations as they fall due for a period of at least 12 months from the date of signing of these financial statements.

Future outlook

Based on the latest forecast for FY 2023, management expects around 5% increase of gross margin versus 2022, mainly linked to Sourcing business driven by growth categories.

S172(1) Statement

In accordance with section 172 of the Companies Act 2006, the Board acknowledges its duties and responsibilities to act, individually and collectively, in good faith, on behalf of the company in a way to promote the success of the company for the benefit of its key stakeholders.

In doing so having regard, amongst other matters, to:

- The likely consequences of any decision in the long term
- The interests of the company's employees
- The need to foster the company's business relationships with suppliers, customers and others
- The impact of the company's operations on the community and the environment
- The desirability of the company maintaining a reputation for high standards of business conduct
- The need to act fairly between members of the company

The Directors also take into account the views and interests of a wider set of stakeholders when making decisions.

The Directors' regard to these matters is embedded in their decision-making process, through the Company's business strategy, culture, governance framework, management information flows and stakeholder engagement processes.

The Board acknowledge that not every decision will necessarily result in a positive outcome for all stakeholders and that there is frequently a need to make difficult and complex decisions based on balancing any number of competing priorities. By considering the company's strategic priorities, purpose, values and cultures and ensuring a robust decision-making process is in place, it does however, aim to balance those different perspectives, in order to promote the success of the company for the benefit of its key stakeholders.

The Directors consider the likely consequences of any decision in the long-term. The company is bound by policies consistent with the organisation's culture in key areas including, but not limited to, supplier management, customer conduct, human resources, inclusion, sustainability and the environment.

The Board regularly receives information to enable them to consider the impact of the company's decisions on its key stakeholders. This information can be in a variety of different formats, covering financial and operational performance, key transactions, KPIs, both financial and non-financial, and risk indicators.

The Directors and management ensure the business is operated in a responsible manner with the aim of ensuring that the company maintains its reputation for high standards of business conduct, quality of both product and service, as well as good governance.

The impact of the company's activities on our stakeholders, including but not limited to colleagues, customers and suppliers is an important consideration when making decisions. The Board will often engage directly with stakeholders on certain issues, often at an operational or site level, alternatively at group level if required to do so, in order to best understand their interests and views.

HAVI Global Solutions Europe Limited

(Registered number: 05319761)

Annual report and financial statements

31 December 2022

Strategic report

For the year ended 31 December 2022 (continued)

S172(1) Statement (continued)

The Company's business strategy is focused on achieving success for the Company in the long-term. In setting this strategy the Board takes into account the impact of relevant factors and stakeholder interests on the Company's performance. Furthermore the Board also identifies principal risks facing the business and sets risk management objectives.

The Board promotes a culture of upholding the highest standards of both business and regulatory conduct and standards. It ensures these core values are communicated to the Company's employees and embedded in the Company's policies and procedures, employee induction and training and its risk control framework.

The Board also recognises that building strong and lasting relationships with all stakeholders will help deliver our strategy in line with our long-term values, and furthermore operate a sustainable business. The Directors endeavour to understand and appreciate the importance of fully understanding their duties and obligations under all relevant and current legislation

On behalf of the Board



Alexander Markus Bialek

Director

22 September 2023

HAVI Global Solutions Europe Limited

(Registered number: 05319761)

Annual report and financial statements

31 December 2022

Directors' report

For the year ended 31 December 2022

The directors present their report and the audited financial statements of the Company for the year ended 31 December 2022.

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 €990,905 (2021: €2,523,266). A dividend of €2,523,266 was paid to HAVI Global Solution Europe GmbH during the year (2021: €1,022,154). The Company does not recommend the payment of a final dividend.

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 directors review and agree on the 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 operation 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 counter party 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.

Streamlined Energy and Carbon Reporting (SECR)

The Company has not disclosed information in respect of greenhouse gas emissions, energy consumption and energy efficiency action as its energy consumption in the United Kingdom for the year is 40,000kWh or lower.

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 is given below:

Douglas Moody-Stuart (resigned on 13 April 2023)

Alexander Markus Bialek (appointed on 13 April 2023)

Stephen Christopher Thate (appointed on 13 April 2023)

HAVI Global Solutions Europe Limited

(Registered number: 05319761)

Annual report and financial statements

31 December 2022

Directors' report

For the year ended 31 December 2022 (continued)

Principal risks and uncertainties facing the business

Details of the principal risks and uncertainties facing the business can be found in the Strategic report on page 2.

Political contributions

The Company made no political donations during the year (2021: €nil).

Charitable contributions

The Company made no charitable donations during the year (2021: €nil).

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 basis.

Engagement with suppliers, customers and others in a business relationship with the Company

Stakeholders

The Board understands the importance of engagement with all its stakeholders and gives appropriate weighting to the outcome of its decisions for the relevant stakeholder in weighing up how best to promote the success of the Company. The Board regularly discusses issues concerning stakeholders such as employees, customers, suppliers, community and environment, and regulators, which it takes into account in its discussions and in its decision-making process. Below summarises the key stakeholders and how we engage with each:

Employees

Our employees contribute to a positive working culture and healthy working environment and are paramount to the success of the business. The company strives to be a responsible employer in our approach to pay and benefits, constantly engaging with the team to ascertain which training and development opportunities should be made available to improve both productivity as well as individual employees' potential within the business. We continually invest in employee development and wellbeing to create and encourage an inclusive culture within the organisation. Employee appraisal programmes encourage employee feedback and facilitate the opportunity for both employees and managers to agree on setting performance goals on a regular basis.

Our culture invites different perspectives, new ideas and opportunities for growth. We work hard to ensure employees feel welcome and are valued and recognised for their hard work.

Customers

Customers are at the centre of our business and it is essential that the account management teams focus on building long-term partnerships with current and potential customers in order to fully understand their objectives and requirements.

Suppliers

The company works with a wide range of suppliers both UK and continental and remains committed to being fair and transparent in dealings with all suppliers. The Company has procedures requiring due diligence of suppliers, as to their internal governance. The Company has systems and processes in place to ensure suppliers are paid in a fair and timely manner.

Community and environment

The Board's approach to social responsibility, diversity and the community is of high importance. Corporate social responsibility principles are part of our culture and decision-making process and we take a consultative approach focused on building long-term relationships and solving business problems.

Regulators

We work closely with Trade Associations and relevant government departments in an open and proactive manner in order to help develop regulations that meet the needs of all our stakeholders. The Board's intention is to behave responsibly and to ensure that the management team operates the business in a responsible manner, acting with the high standards and good governance expected of a business like The Marketing Store Worldwide (Europe) Limited.

HAVI Global Solutions Europe Limited

(Registered number: 05319761)

Annual report and financial statements

31 December 2022

Directors' report

For the year ended 31 December 2022 (continued)

Branches

The Company has branches in Paris and Munich.

Directors' indemnities

The directors have the benefit of an indemnity, which is a qualifying third party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force. The Company has purchased and maintained throughout the financial year Directors' and Officers' liability insurance in respect of itself and its directors.

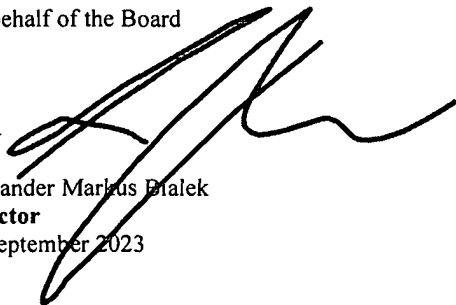
Statement of disclosure of information to auditors

The directors who held office at the date of approval of this Directors' report confirm that, so far as they are aware, there is no relevant audit information of which the Company's auditors are unaware; and the directors have taken all steps that they ought to have taken as directors to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Independent Auditors

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

On behalf of the Board



Alexander Markus Bialek

Director

22 September 2023

HAVI Global Solutions Europe Limited

(Registered number: 05319761)

Annual report and financial statements

31 December 2022

Statement of directors' responsibilities in respect of the financial statements

The directors are responsible for preparing the Annual report and the financial statements in accordance with applicable law and regulation.

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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law).

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 the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; 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 safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

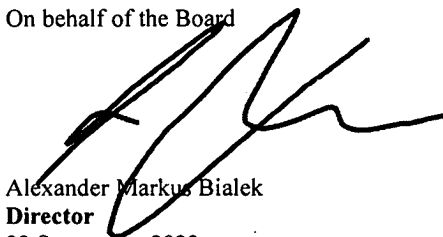
The directors are also responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006.

Directors' confirmations

In the case of each director in office at the date the directors' report is approved:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information

On behalf of the Board



Alexander Markus Bialek

Director

22 September 2023

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

Report on the audit of the financial statements

Opinion

In our opinion, HAVI Global Solutions Europe Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report, which comprise: Balance sheet as at 31 December 2021; the Profit and loss account and Statement of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the company's ability to continue as a going concern.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for 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 to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic report and Directors' report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Independent auditors' report (continued)

Strategic report and Directors' report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' report for the year ended 31 December 2022 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of director's responsibilities in respect of the financial statements, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. *The directors are also responsible for 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.*

In preparing the financial statements, the directors are responsible for 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 the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' 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 auditors' 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to employment regulation, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as tax legislation and the UK Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to manipulate financial results. Audit procedures performed by the engagement team included:

- Enquiry with management and consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Review of meeting minutes of those charged with governance;
- Identifying and testing journal entries, in particular any journal entries posted with unusual account combinations; and
- Obtaining third party confirmations of all the Company's banking arrangements.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Independent auditors' report (continued)

Use of this report

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.

Other required reporting

Companies Act 2006 exception reporting

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

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

We have no exceptions to report arising from this responsibility.



Jason Clarke (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Cardiff
22 September 2023

HAVI Global Solutions Europe Limited

(Registered number: 05319761)

Annual report and financial statements

31 December 2022

Profit and loss account

For the year ended 31 December 2022

	<i>Note</i>	2022 €	2021 €
Turnover	3	115,309,428	76,915,825
Cost of sales		(101,148,901)	(62,156,986)
Gross profit		14,160,527	14,758,839
Administrative expenses		(12,844,938)	(11,593,992)
Operating profit	4	1,315,589	3,164,847
Profit before taxation		1,315,589	3,164,847
Tax on profit	6	(324,684)	(641,581)
Profit for the financial year		990,905	2,523,266

All activities are derived wholly from continuing operations.

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 15 to 29 are an integral part of these financial statements.

HAVI Global Solutions Europe Limited

(Registered number: 05319761)

Annual report and financial statements

31 December 2022

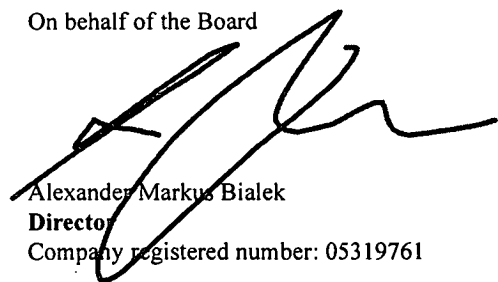
Balance sheet

As at 31 December 2022

	<i>Note</i>	2022 €	2021 €
Fixed assets			
Intangible assets	7	-	-
Tangible assets	8	42,933	62,399
		<u>42,933</u>	<u>62,399</u>
Current assets			
Debtors	9	17,670,167	24,466,442
Cash at bank and in hand		2,539,165	1,029,938
Inventories	10	10,622,978	18,723,652
		<u>30,832,310</u>	<u>44,220,032</u>
Creditors: amounts falling due within one year	11	<u>(29,735,645)</u>	<u>(41,610,472)</u>
Net current assets		<u>1,096,665</u>	<u>2,609,560</u>
Total assets less current liabilities		<u>1,139,598</u>	<u>2,671,959</u>
Net assets		<u>1,139,598</u>	<u>2,671,959</u>
Capital and reserves			
Called up share capital	13	1,470	1,470
Profit and loss account		1,138,128	2,670,489
Total shareholders' funds		<u>1,139,598</u>	<u>2,671,959</u>

The financial statements on pages 12 to 29 were approved and signed by the director on 22 September 2023.

On behalf of the Board



Alexander Markus Bialek

Director

Company registered number: 05319761

HAVI Global Solutions Europe Limited

(Registered number: 05319761)

Annual report and financial statements

31 December 2022

Statement of changes in equity

For the year ended 31 December 2022

	<i>Note</i>	Called up share capital	Profit and loss account	Total shareholders' funds
		€	€	€
Balance as at 1 January 2021	13	1,470	1,169,377	1,170,847
Total comprehensive income for the year				
Profit for the financial year		-	2,523,266	2,523,266
Transactions with owners, recorded directly in equity				
Dividends	17	-	(1,022,154)	(1,022,154)
Balance as at 31 December 2021		1,470	2,670,489	2,671,959
Balance as at 1 January 2022	13	1,470	2,670,489	2,671,959
Total comprehensive income for the year				
Profit for the financial year		-	990,905	990,905
Transactions with owners, recorded directly in equity				
Dividends	17	-	(2,523,266)	(2,523,266)
Balance as at 31 December 2022		1,470	1,138,128	1,139,598

HAVI Global Solutions Europe Limited

(Registered number: 05319761)

Annual report and financial statements

31 December 2022

Notes to the financial statements

For the year ended 31 December 2022

1. Accounting policies

HAVI Global Solutions Europe Limited ("the Company") is a private company limited by shares, incorporated, domiciled and registered in England and Wales in the UK. The registered number is 05319761 and the registered address is One Fleet Place, London, EC4M 7WS.

These financial statements were prepared in accordance with the Financial Reporting Standard 102 *The Financial Reporting Standard applicable* in the UK and Republic of Ireland ("FRS 102") and the Companies Act 2006. The presentation currency of these financial statements is Euros. All amounts in the financial statements have been rounded to the nearest €1.

The Company's parent undertaking, HAVI Global Solutions Europe GmbH, includes the Company in its consolidated financial statements. The Consolidated financial statements of HAVI Global Solutions Europe GmbH are available to the public and may be obtained from Geitlingstrasse 20, 47228 Duisburg, Germany. In these financial statements, the Company is considered to be a qualifying entity for the purposes of this FRS and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Reconciliation of the number of shares outstanding from the beginning to end of the period;
- Certain disclosures required by FRS 102.26 Share Based Payments; and
- Cash Flow Statement and related notes; and
- Key Management Personnel compensation.

As the consolidated financial statements of HAVI Global Solutions Europe GmbH include the disclosures equivalent to those required by FRS 102, the Company has also taken the exemptions available in respect of the following disclosures:

- The disclosures required by FRS 102.11 Basic Financial Instruments and FRS 102.12 Other Financial Instrument Issues in respect of financial instruments not falling within the fair value accounting rules of Paragraph 36(4) of Schedule 1.

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

Judgements made by the directors, in the application of these accounting policies that have significant effect on the financial statements and estimate with a significant risk of material adjustment in the next year are discussed in note 2.

1.1 Measurement convention

These financial statements are prepared on the historical cost basis, 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.

HAVI Global Solutions Europe Limited

(Registered number: 05319761)

Annual report and financial statements

31 December 2022

Notes to the financial statements (continued)

For the year ended 31 December 2022

1. Accounting policies (continued)

1.2 Going concern

The Company continues to adopt the going concern basis in preparing its financial statements.

As at the date of these financial statements, the Company is not aware of any material impact on the financial statements arising from the COVID-19 outbreak. Further the Company's performance is beyond the level prior to Covid across all categories.

In addition to their assessment of the Company's position the directors have also received confirmation from the parent and ultimate parent that the intercompany liabilities will not be called in until such a time as the entity has liquid funds to facilitate its payment and access to the cash pooling facility will continue to enable the entity to meet its obligations as they fall due for a period of at least 12 months from the date of signing of these financial statements.

1.3 Foreign currency

The Company's functional currency is the pound sterling and the Company's presentation currency of these financial statements is the Euros. The rationale behind using euros as different presentation currency is in view of the fact that the Company maintains branches in the UK, France and Germany. Euro is used as leading currency across the entity to keep a standard currency. The parent entity HAVI Global Solutions Europe GmbH in Germany also uses the euro as functional currency.

Transactions in foreign currencies are translated to the Company's functional currency at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated to the functional currency at the foreign exchange rate ruling at that date. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated to the functional currency at foreign exchange rates ruling at the dates the fair value was determined. Foreign exchange differences arising on translation are recognised in the profit and loss account.

1.4 Classification of financial instruments issued by the Company

In accordance with FRS 102.22, financial instruments issued by the Company are treated as equity only to the extent that they meet the following two conditions:

- They include no contractual obligations upon the Company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the Company; and
- Where the instrument will or may be settled in the Company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the Company's own equity instruments or is a derivative that will be settled by the Company's exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the Company's own shares, the amounts presented in these financial statements for called up share capital exclude amounts in relation to those shares.

HAVI Global Solutions Europe Limited

(Registered number: 05319761)

Annual report and financial statements

31 December 2022

Notes to the financial statements (continued)

For the year ended 31 December 2022

1. Accounting policies (continued)

1.5 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 publicly 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 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.

HAVI Global Solutions Europe Limited

(Registered number: 05319761)

Annual report and financial statements

31 December 2022

Notes to the financial statements (continued)

For the year ended 31 December 2022

1. Accounting policies (continued)

1.5 Financial instruments (continued)

(ii) Financial liabilities (continued)

HAVI Global Solutions LTD concluded forward exchange transactions with a nominal value of EUR 67.3 million as of 31 December 2022 (prior year EUR 75.3 million). Unrealized profits amount to EUR 7.3 million (prior year EUR 3.2 million); unrealised losses amount to EUR nil (prior year nil thousand). The purchase transactions exclusively serve the hedging of future purchase commitments for goods already entered into; there are corresponding purchase commitments by the customers for the transactions thus hedged.

There are therefore no risks to the Company from these forward transactions; unchanged to prior year, the forward transactions are recorded in the balance sheet; they are accounted for under other assets and other accruals, respectively. The accruals for unrealized losses amount to EUR nil. Corresponding unrealized profits are with EUR 7.3 million included in other assets. The net balance of EUR 7.3 million is disclosed within the balances with the customer due to the existing purchase commitment. 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.

1.6 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.

1.7 Tangible assets

Tangible fixed assets are stated at historic purchase cost less accumulated depreciation and accumulated impairment losses. 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%

HAVI Global Solutions Europe Limited

(Registered number: 05319761)

Annual report and financial statements

31 December 2022

Notes to the financial statements (continued)

For the year ended 31 December 2022

1. Accounting policies (continued)

1.8 Intangible assets

Other intangible assets that are acquired by the Company are stated at cost less accumulated amortisation and less accumulated impairment losses.

Amortisation is charged to the profit or loss on a straight-line basis over the estimated useful lives of intangible assets. Intangible assets are amortised from the date they are available for use. The estimated useful lives are as follows:

Computer software	33.3%
-------------------	-------

1.9 Inventories

Inventories are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is based on the weighted average principle and includes expenditure incurred in acquiring the inventory, production or conversion costs and other costs in bringing them to their existing location and condition.

1.10 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.

1.11 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)

Annual report and financial statements

31 December 2022

Notes to the financial statements (continued)

For the year ended 31 December 2022

1. Accounting policies (continued)

1.12 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.

1.13 Share capital

Ordinary shares are classified as equity.

1.14 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.

1.15 Turnover

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.

The Company 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.

HAVI Global Solutions Europe Limited

(Registered number: 05319761)

Annual report and financial statements

31 December 2022

Notes to the financial statements (continued)

For the year ended 31 December 2022

1. Accounting policies (continued)

1.16 Expenses

Operating lease

Payments (excluding costs for services and insurance) made under operating leases are recognised in the profit and loss account on a straight-line basis over the term of the lease unless the payments to the lessor are structured to increase in line with expected general inflation; in which case the payments related to the structured increases are recognised as incurred. Lease incentives received are recognised in profit and loss over the term of the lease as an integral part of the total lease expense.

Interest receivable and Interest payable

Interest payable and similar charges include interest payable, finance charges and net foreign exchange losses that are recognised in the profit and loss account (see foreign currency accounting policy).

Other interest receivable and similar income include interest receivable on funds invested and net foreign exchange gains.

1.17 Taxation

Tax on the profit or loss for the year comprises current and deferred tax. Tax is recognised in the Profit and Loss Account except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised directly in equity or other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided on timing differences which arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements. The following timing differences are not provided for: differences between accumulated depreciation and tax allowances for the cost of a fixed asset if and when all conditions for retaining the tax allowances have been met; and differences relating to investments in subsidiaries, [associates, branch, joint ventures] to the extent that it is not probable that they will reverse in the foreseeable future and the reporting entity is able to control the reversal of the timing difference. Deferred tax is not recognised on permanent differences arising because certain types of income or expense are non-taxable or are disallowable for tax or because certain tax charges or allowances are greater or smaller than the corresponding income or expense.

Deferred tax is measured at the tax rate that is expected to apply to the reversal of the related difference, using tax rates enacted or substantively enacted at the balance sheet date. Deferred tax balances are not discounted.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

2. Accounting estimates and judgements

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.

In the opinion of the Directors, there are no estimates and judgments that have a risk of causing a material adjustment to the carrying value of assets and liabilities within the next financial period in addition to the assessment reflected in the Strategic and Directors' report.

HAVI Global Solutions Europe Limited

(Registered number: 05319761)

Annual report and financial statements

31 December 2022

Notes to the financial statements (continued)

For the year ended 31 December 2022

3. Turnover

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

	2022 €	2021 €
UK	105,558,677	69,526,363
Germany	2,959,040	2,164,482
France	1,651,441	1,324,824
Russia	565,280	794,996
Austria	302,238	317,230
Other	4,272,752	2,787,930
	<u>115,309,428</u>	<u>76,915,825</u>

4. Operating profit

	2022 €	2021 €
Operating profit is stated after charging:		
Depreciation of fixed assets	32,644	50,075
Operating leases	273,173	275,100
Foreign exchange (gain)/loss	(305,928)	365,342
Auditors' remuneration:		
Audit of these financial statements	<u>62,933</u>	<u>56,316</u>

There is no remuneration paid to the auditor in respect of non-audit services (2021: £nil).

5. Staff numbers and costs

The average monthly number of persons (excluding the directors) during the year analysed by category, was as follows:

	Number of Employees	
	2022	2021
Administration	13	1
Sales and distribution	51	50
	<u>64</u>	<u>51</u>

HAVI Global Solutions Europe Limited

(Registered number: 05319761)

Annual report and financial statements

31 December 2022

Notes to the financial statements (continued)

For the year ended 31 December 2022

5. Staff numbers and costs (continued)

The aggregate payroll costs of these persons were as follows:

	2022 €	2021 €
Wages and salaries	6,688,811	5,120,280
Social security costs	622,455	813,132
Other pension costs	227,141	220,270
	<u>7,538,407</u>	<u>6,153,682</u>

Certain of the Company's employees have been granted performance units by the ultimate parent company, HAVI Group LP. HAVI Group LP has a phantom equity appreciation plan that allows participants to share in the growth and value of HAVI Group LP through performance units. The performance units vest over a period of four years and are exercisable and payable upon vesting up to a period of ten years from grant date. Amounts payable under the plan within HAVI Group LP are based on a calculated value tied to EBITDA, gross margin, and net debt, as defined under the plan, and are variable until the exercise date. HAVI Group LP makes annual grants on 1 January each year. No recharge is made by HAVI Group LP to the Company.

Director

The director's emoluments were as follows:

	2022 €	2021 €
Aggregate remuneration	617,365	527,061
Amounts receivable (excluding shares) under long term incentive schemes	-	629,886

One director (2021: one) was a member of defined contribution pension scheme. No directors (2021: one) exercised shares under a long-term incentive scheme. One director (2021: one) received shares under a long-term incentive scheme.

Highest paid director

The highest paid director's emoluments were as follows:

	2022 €	2021 €
Total amount of emoluments and amounts (excluding shares) receivable under long-term incentive schemes	617,365	1,156,947
Defined contribution scheme		
Employers pension contribution	<u>6,327</u>	<u>7,592</u>

The highest paid director has not exercised share options in 2022 (2021: one). The highest paid director received shares under a long-term incentive scheme in 2022 and 2021.

HAVI Global Solutions Europe Limited

(Registered number: 05319761)

Annual report and financial statements

31 December 2022

Notes to the financial statements (continued)

For the year ended 31 December 2022

6. Tax on profit

Tax expense included in profit and loss account;

	2022 €	2021 €
Analysis of tax charge for the year		
Current tax		
UK corporation tax on profit for the year	248,657	626,684
Adjustments in respect of previous years	(20,312)	5,907
Double taxation relief	(50,703)	(63,066)
Overseas tax	87,405	99,040
Adjustments in respect of prior periods (foreign tax)	9,935	(3,085)
Adjustments in respect of foreign exchange rate differences	35,143	-
Total current tax	310,125	665,480
Deferred tax		
Origination and reversal of timing differences	3,607	(9,926)
Adjustment in respect of prior periods	9,813	-
Effect of tax rate change on opening balance	1,139	(13,973)
Total deferred tax (see note 12)	14,559	(23,899)
Tax on profit	324,684	641,581

Factors affecting tax charge for the year

The tax assessed for the year is higher (2021: higher) than the standard rate of corporation tax in the UK applicable to the Company of 19% (2021: 19%). The differences are explained below:

	2022 €	2021 €
Profit before taxation	1,315,589	3,164,847
Profit before taxation multiplied by the relevant standard rate of corporation tax in the UK at 19% (2021: 19%)	249,962	601,321
Expenses not deductible for tax purposes	282	2,084
Income not taxable for tax purposes	-	(18)
Adjustments in respect of prior years - deferred tax	9,813	-
Adjustments to tax charge in respect of previous periods	(3,723)	(9,512)
Fixed assets differences	2,019	3,034
Remeasurement of deferred tax for changes in tax rates	1,139	(16,355)
Current tax (current period) exchange difference arising on movement between opening and closing spot rates	-	12,719
Foreign tax credits not used	36,702	35,974
Current tax (prior period) exchange difference arising on movement between opening and closing spot rates	(6,653)	12,334
Adjustment in respect of foreign exchange rate differences	35,143	-
Total tax charge	324,684	641,581

HAVI Global Solutions Europe Limited

(Registered number: 05319761)

Annual report and financial statements

31 December 2022

Notes to the financial statements (continued)

For the year ended 31 December 2022

6. Tax on profit (continued)

Factors affecting the tax rate changes

The standard rate of tax applied to reported profit on ordinary activities is 19% (2021: 19%). Changes to the UK corporation tax rates were substantively enacted as part of Finance Act 2021 (published on 24 May 2021, with royal assent received on 10 June 2021). This legislated for an increase to the corporation tax rate to 25% with effect from 1 April 2023. As such, deferred taxes at the Balance Sheet date have been calculated based on the corporation tax rate of 25%.

7. Intangible assets

	Computer software €	Total €
Cost		
At 1 January 2022	39,184	39,184
Disposal	(39,184)	(39,184)
	<u>-</u>	<u>-</u>
Accumulated amortisation		
At 1 January 2022	39,184	39,184
Disposal	(39,184)	(39,184)
	<u>-</u>	<u>-</u>
Net book amount		
At 31 December 2022	<u>-</u>	<u>-</u>
At 31 December 2021	<u>-</u>	<u>-</u>

HAVI Global Solutions Europe Limited

(Registered number: 05319761)

Annual report and financial statements

31 December 2022

Notes to the financial statements (continued)

For the year ended 31 December 2022

8. Tangible assets

	Computer equipment €	Office equipment €	Total €
Cost			
At 1 January 2022	566,729	437,629	1,004,358
Additions	30,200	-	30,200
Disposals	(455,953)	(432,076)	(888,029)
At 31 December 2022	140,976	5,553	146,529
Accumulated depreciation			
At 1 January 2022	520,407	421,552	941,959
Charge for the year	32,262	382	32,644
Disposals	(452,391)	(418,616)	(871,007)
At 31 December 2022	100,278	3,318	103,596
Net book amount			
At 31 December 2022	40,698	2,235	42,933
At 31 December 2021	46,322	16,077	62,399

9. Debtors

	2022 €	2021 €
Trade debtors	7,068,649	16,300,225
Amounts owed by group undertakings	2,397,761	2,226,174
Other debtors	557,338	330,907
Deferred tax asset (note 12)	53,589	68,148
Prepayments and accrued income	7,592,830	5,540,988
	17,670,167	24,466,442

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

HAVI Global Solutions Europe Limited

(Registered number: 05319761)

Annual report and financial statements

31 December 2022

Notes to the financial statements (continued)

For the year ended 31 December 2022

10. Inventories

	2022 €	2021 €
Finished goods	<u>10,622,978</u>	<u>18,723,652</u>
Finished goods recognised as cost of sales in year amounted to €99,615,380 (2021: €60,973,626)		

11. Creditors: amounts falling due within one year

	2022 €	2021 €
Bank loans and overdrafts	15,890,905	33,417,736
Trade creditors	1,410,345	1,837,712
Amounts owed to group undertakings	891,013	3,146,384
Corporation tax	10,317	689,509
Other taxation and social security	1,361,083	1,256,340
Other creditors	-	160
Accruals and deferred income	10,171,982	1,262,631
	<u>29,735,645</u>	<u>41,610,472</u>

Bank loans amount relates to an intergroup cash pooling arrangement. All amounts due to group undertakings are interest free, unsecured and repayable on demand.

12. Deferred taxation

	2022 €	2021 €
At 1 January	68,148	44,249
Charge/(credit) for the year	(14,559)	23,899
At 31 December	<u>53,589</u>	<u>68,148</u>

The deferred tax asset is made up as follows:

	2022 €	2021 €
Capital allowances less than depreciation	12,381	27,081
Short term timing differences	41,208	41,067
	<u>53,589</u>	<u>68,148</u>

HAVI Global Solutions Europe Limited

(Registered number: 05319761)

Annual report and financial statements

31 December 2022

Notes to the financial statements (continued)

For the year ended 31 December 2022

12. Deferred taxation (continued)

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.

13. Called up share capital

	2022 €	2021 €
Authorised		
1,000 (2021: 1,000) ordinary shares of £1 each	<u>1,470</u>	<u>1,470</u>
Allotted and fully paid		
1,000 (2021: 1,000) ordinary shares of £1 each	<u>1,470</u>	<u>1,470</u>

14. Operating leases

Non-cancellable operating lease rentals are payable as follows:

	2022 €	2021 €
Not later than one year	8,354	13,619
Later than one year and not later than five years	<u>273,173</u>	<u>275,100</u>
	<u>281,527</u>	<u>288,719</u>

15. Related party transactions

See note 5 for disclosure of the directors' remuneration.

The Company is exempt from disclosing other related party transactions as they are with other companies that are wholly owned within the HAVI Group LP.

16. 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 €227,141 (2021: €220,270) for the year. There were no amounts receivable or payable as at 31 December 2022.

HAVI Global Solutions Europe Limited

(Registered number: 05319761)

Annual report and financial statements

31 December 2022

Notes to the financial statements (continued)

For the year ended 31 December 2022

17. Equity dividend

	2022 €	2021 €
Final dividends €2,523 paid (2021: €1,022) per £1 share	<u>2,523,266</u>	<u>1,022,154</u>

18. 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 Geitlingstrasse 20, 47228 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, a company registered in 345 N Morgan Chicago 60607, 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.

19. Events after the balance sheet date

There were no material events subsequent to 31 December 2022 and up until the authorisation of the financial statements for issue.