

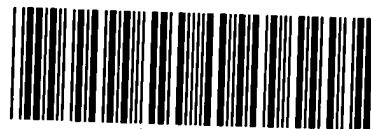
Kettle Grower Services Limited

Annual report and financial statements

Period ended 31 March 2020

Registered number: 10767968 (England and Wales)

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Kettle Grower Services Limited

Directors' report and financial statements

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Kettle Grower Services Limited

Directors and other information

Directors

A J Hicks
I C Ainsworth
A D Driscoll
K S Atkinson

Registered office

38 Barnard Road
Bowthorpe
Norwich
Norfolk
NR5 9JP

Auditor

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

Bankers

NatWest
21 Gentleman's Walk
Norwich
Norfolk
NR2 1NA

Registered number

10767968 (England and Wales)

Kettle Grower Services Limited

Directors' report

The directors present their report with the financial statements of the company for the period ended 31 March 2020.

This report has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

Review of business

The principal activity of the company was the sourcing of agricultural and farming quality control services alongside support to the farmers who supply product to the company's parent (Kettle Foods Limited).

	Period ended 31 March 2020 £'000	Year ended 31 July 2019 £'000	Method of calculation
Financial performance			
Turnover	132	249	Taken from profit and loss account
Operating Profit	14	56	Taken from profit and loss account

Principal risks and uncertainties

The management of the business and execution of its strategy are subject to a number of risks. Risks are formally reviewed by the board and appropriate processes put in place to monitor and mitigate them.

(i) Price risk

The company monitors changes in market conditions on an ongoing basis and tailors its pricing accordingly.

(ii) Health and safety

Health and safety issues are reviewed and monitored on a regular basis.

(iii) Coronavirus (Covid-19)

Coronavirus (COVID-19) has been and continues to be a very significant social economic event around the world and its effect are subject to unprecedented levels of uncertainty, with a full range of possible effects unknown.

Like all businesses, the company will be affected by the global pandemic. However, it is the opinion of the directors that the company is well placed to withstand the dramatic changes to the economic environment, and to the food production sector.

Kettle Grower Services Limited

Directors' report (Continued)

Post balance sheet events

No significant events occurred since the balance sheet date which would affect or require disclosure in the financial statements.

Directors

The directors shown below have held office during the whole of the period from 1 August 2019 to the date of this report unless otherwise stated.

A J Hicks
C A Abrams-Rivera (resigned 11 October 2019)
A D Driscoll
T Smith (resigned 11 October 2019)
K S Atkinson
P K Briant (appointed 11 October 2019, resigned 31 January 2020)
O Khelladi (appointed 11 October 2019, resigned 31 January 2020)

J S Rodrigues (appointed 11 October 2019, resigned 31 January 2020)
I C Ainsworth (appointed 31 January 2020)

Future developments

The directors do not intend to change the scope or nature of the company's activities in the future.

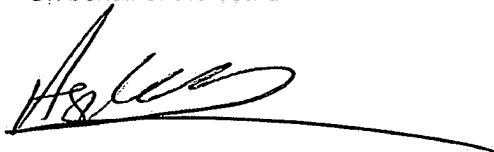
Strategic report exemption

In preparing the directors' report, the directors have taken the small companies exemption under Section 414(6) of the Companies Act 2006 (Strategic and Directors' Report) Regulations 2013, not to prepare a strategic report for presentation with these financial statements.

Auditor

During the period KPMG, Chartered Accountants, were appointed as auditor pursuant to Section 485 of the Companies Act 2006 and will continue in office, in accordance with Section 487 of the Companies Act 2006

On behalf of the board



A J Hicks
Director

10/12/ 2020

Kettle Grower Services Limited

Statement of directors' responsibilities in respect of the directors' report and the financial statements

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

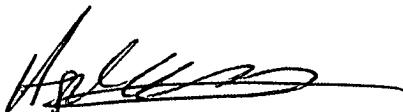
Company law requires the directors to prepare financial statements for each financial period. Under that law they have elected to prepare the financial statements in accordance with FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

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

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

On behalf of the board



A J Hicks
Director

12/12/ 2020



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

Independent auditor's report to the members of Kettle Grower Services Limited

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Kettle Grower Services Limited ("the company") for the period ended 31 March 2020 set out on pages 8 to 17, which comprise the statement of comprehensive income, the balance sheet, the statement of changes in equity and related notes, including the summary of significant accounting policies set out in note 3. The financial reporting framework that has been applied in their preparation is UK Law and FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*.

In our opinion, the accompanying financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2020 and of its profit for the period then ended;
- have been properly prepared in accordance with FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; and
- have been properly prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

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

Other matter – Prior period financial statements

We note that the prior period financial statements were not audited. Consequently, International Standards on Auditing (UK) require the auditor to state that the corresponding figures contained within these financial statements are unaudited. Our opinion is not modified in respect of this matter.

We have nothing to report on going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the company or to cease its operations, and as they have concluded that the company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least a year from the date of approval of the financial statements. In our evaluation of the directors' conclusions, we considered the inherent risks to the company's business model, including the impact of Brexit, and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period. We have nothing to report in these respects. However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the company will continue in operation.



Independent auditor's report to the members of Kettle Grower Services Limited (continued)

Report on the audit of the financial statements (continued)

Other information

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

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

Based solely on our work on the other information;

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

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.

We have nothing to report in these respects.

Respective responsibilities and restrictions on use

Responsibilities of directors for the financial statements

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



Independent auditor's report to the members of Kettle Grower Services Limited
(continued)

Respective responsibilities and restrictions on use (continued)

Auditor's responsibilities for the audit of the financial statements

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

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

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

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

David Meagher (**Senior Statutory Auditor**)
for and on behalf of KPMG, Statutory Auditor
Chartered Accountants
1 Stokes Place
St. Stephen's Green
Dublin 2

15 December 2020

Kettle Grower Services Limited

Statement of comprehensive income for the period ended 31 March 2020

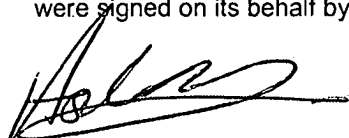
	<i>Note</i>	Period ended 31 March 2020 £	Unaudited Year ended 31 July 2019 £
Turnover	4	132,419	249,137
Cost of sales		(41,918)	(65,835)
		<hr/>	<hr/>
Gross profit		90,501	183,302
Administrative expenses		(76,958)	(127,052)
		<hr/>	<hr/>
Operating profit		13,543	56,250
Tax on profit		(4,024)	(5,503)
		<hr/>	<hr/>
Profit for the financial period/year		9,519	50,747
Other comprehensive income		-	-
		<hr/>	<hr/>
Total comprehensive income for the period/year		9,519	50,747
		<hr/>	<hr/>

Kettle Grower Services Limited

Balance sheet as at 31 March 2020

	Note	31 March 2020 £	Unaudited 31 July 2019 £
Fixed assets			
Tangible assets	9	14,101	26,587
Current assets			
Debtors	10	207,979	264,998
Creditors: amounts falling due within one year	11	(90,884)	(169,908)
Net current assets		117,095	95,090
Net Assets		131,196	121,677
Capital and reserves			
Called up share capital	13	100	100
Retained earnings	14	131,096	121,577
Shareholder's funds		131,196	121,677

The financial statements on pages 8 to 17 were approved by the board of directors on 16/12 2020 and were signed on its behalf by:



A J Hicks
Director

Company registration number: 10767968

Kettle Grower Services Limited

Statement of changes in equity for the period ended 31 March 2020

	Called up share capital £	Retained earnings £	Total equity £
Balance at 31 July 2018	100	70,830	70,930
Changes in equity			
Profit for the year	-	50,747	50,747
	<hr/>	<hr/>	<hr/>
Balance at 31 July 2019 (unaudited)	100	121,577	121,677
	<hr/>	<hr/>	<hr/>
Changes in equity			
Profit for the period	-	9,519	9,519
	<hr/>	<hr/>	<hr/>
Balance at 31 March 2020	100	131,096	131,196
	<hr/>	<hr/>	<hr/>

Kettle Grower Services Limited

Notes

forming part of the financial statements

1 General information

The principal activity of the company was the sourcing of agricultural and farming quality control services alongside support to the farmers who supply product to the group.

Kettle Grower Services Limited is a private company, limited by shares, incorporated, domiciled, and registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2 Statement of compliance

The financial statements of Kettle Grower Services 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 Accounting policies

Basis of preparing the financial statements

The financial statements have been prepared in accordance with Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 3.

Financial Reporting Standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemption in preparing these financial statements, as permitted by FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*:

- the requirements of Section 7 *Statement of Cash Flows*
- the requirement to disclose *Key Management Personnel Compensation*
- the requirement to disclose *Financial Instruments*

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Tangible fixed assets

Tangible assets are stated at cost less accumulated depreciation and accumulated impairment losses. Cost includes the original purchase price and any costs directly attributable to bringing the asset to a working condition for its intended use.

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant and machinery	5 to 10 year life - Straight line
Office equipment	3 to 5 year life - Straight line

Kettle Grower Services Limited

Notes *(continued)*

3 Accounting policies *(continued)*

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

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 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.

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.

Leased assets

Rentals paid under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

Critical accounting judgements and estimation uncertainty

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

Critical accounting estimates and assumptions

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

Useful economic lives of tangible assets

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See note 9 for the carrying value of the tangible assets and note 3 for the useful economic lives for each class of assets.

Impairment of debtors

The company makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and historical experience. See note 10 for the net carrying amount of the debtors and associated impairment provision.

Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of the new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Kettle Grower Services Limited

Notes (continued)

3 Accounting policies (continued)

Defined contribution pension scheme

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to the profit or loss account in the period to which they relate.

Going concern

The directors have prepared the financial statements on the going concern basis. The directors have considered the liabilities of the company and based upon the current level of activity, the company would be able to meet its liabilities as they fall due for the foreseeable future, which is not less than 12 months from the date of signing of these financial statements.

4 Turnover

Turnover derives solely from the company's principal activities, undertaken in the United Kingdom. Turnover by geographical segment by destination is the United Kingdom only.

5 Employees and directors

	Period ended 31 March 2020 £	Unaudited Year ended 31 July 2019 £
Wages and salaries	39,391	101,092
Social security costs	4,890	7,824
Other pension costs	2,371	4,577
	<hr/>	<hr/>
	46,652	113,493
	<hr/>	<hr/>

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

	Period ended 31 March 2020 £	Unaudited Year ended 31 July 2019 £
Administration	3	3
	<hr/>	<hr/>

The company operates a defined contribution retirement benefit scheme for all qualifying employees. The total expense charged to the profit or loss account in the period ended 31 March 2020 was £2,371 (for the year ended 31 July 2019: £4,577).

The amount outstanding as at 31 March 2020 was £667 (for the year ended 31 July 2019: £452).

The directors did not receive any emoluments in respect of their services to the company. Three of the directors are employed and remunerated through Kettle Foods Ltd, without recharge. The remaining director is employed and remunerated through Rowse Honey Limited, without recharge.

Kettle Grower Services Limited

Notes (continued)

6 Operating profit

The operating profit is stated after charging:

	Period ended 31 March 2020 £	Unaudited Year ended 31 July 2019 £
Operating lease charges – other	8,523	11,396
Depreciation - owned assets	12,486	18,551
	<hr/>	<hr/>

7 Auditor's remuneration

	Period ended 31 March 2020 £	Unaudited Year ended 31 July 2019 £
Fees payable to the company's auditors for the audit of the company's financial statements	3,100	-
	<hr/>	<hr/>

There were no non-audit fees in the current financial period.

8 Taxation

Analysis of the tax charge

The tax charge on the profit for the period was as follows:

	Period ended 31 March 2020 £	Unaudited Year ended 31 July 2019 £
Current tax		
UK Corporation tax	4,087	8,656
Deferred tax	(63)	(3,153)
	<hr/>	<hr/>
Tax on profit	4,024	5,503
	<hr/>	<hr/>

UK corporation tax was charged at 19% in 2019.

Kettle Grower Services Limited

Notes (continued)

8 Taxation (continued)

Reconciliation of total tax charge included in profit and loss

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

	Period ended 31 March 2020 £	Unaudited Year ended 31 July 2019 £
Profit before tax	13,543	56,250
Profit multiplied by the standard rate of corporation tax in the UK of 19 % (2019: 19%)	2,573	10,688
Effects of:		
Depreciation in excess of capital allowances	-	18,851
Group relief receivable for Nil consideration	-	(24,036)
Expenses not allowable for tax	206	-
Adjustments in respect of prior year	1,245	-
Total tax charge	4,024	5,503

9 Tangible fixed assets

	Plant and machinery	Office equipment	Total
Cost			
At 1 August 2019	46,062	19,305	65,367
At 31 March 2020	46,062	19,305	65,367
Depreciation			
At 1 August 2019	25,013	13,767	38,780
Charge for the period	8,448	4,038	12,486
At 31 March 2020	33,461	17,805	51,266
Net book value			
31 March 2020	12,601	1,500	14,101
1 August 2019	21,049	5,538	26,587

Kettle Grower Services Limited

Notes (continued)

10 Debtors: amounts falling due within one year	2020	Unaudited
	£	2019
		£
Amounts owed by group undertakings	194,344	253,995
Deferred tax asset	6,655	6,592
Prepayments and other debtors	6,980	4,411
	<u>207,979</u>	<u>264,998</u>

Amounts owed by group undertakings are unsecured and are repayable on demand. No interest is charged.

11 Creditors: amounts falling due within one year	2020	Unaudited
	£	2019
		£
Corporation Tax	4,087	-
Other taxation and social security	667	550
Accruals	86,130	169,358
	<u>90,884</u>	<u>169,908</u>

12 Deferred tax Asset	£
Balance at 1 August 2019	6,592
Credit to statement of comprehensive income during period	63
	<u>6,655</u>
Balance at 31 March 2020	6,655

Changes to the UK corporation tax rates were substantively enacted as part of Finance Bill 2016 (on 6 September 2016), these include reductions to the main rate to reduce the rate to 17% from 1 April 2020. However, since the enactment of the Finance Bill 2016 it has been confirmed that the corporation tax rate for FY20 will remain at 19% and this will be introduced in the Finance Bill 2020.

13 Called up share capital	2020	Unaudited
	£	2019
		£
Allotted, issued and fully paid		
100 ordinary shares of £1 each	100	100
	<u>100</u>	<u>100</u>

Kettle Grower Services Limited

Notes (continued)

14 Ultimate parent company

Valeo Foods Group is regarded by the directors as being the company's ultimate parent company.

The company's immediate parent undertaking is Kettle Foods Ltd, which is incorporated in the United Kingdom.

As at the balance sheet date, the ultimate controlling party and parent undertaking of the largest group of undertakings of which the Company is a member and for which financial statements are prepared is Valeo Foods Group Limited, a company incorporated in Jersey, with its registered office at 44 Esplanade, St Helier, Jersey, JE4 9WG. The smallest group in which they are consolidated is that headed by DFKA Intermediate Limited incorporated in the UK. The consolidated financial statements of DFKA Intermediate Limited are available to the public and may be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ, DX 33050 Cardiff.

15 Related party disclosures

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*, not to disclose related party transactions with wholly owned subsidiaries within the group.

16 Post balance sheet events

No significant events occurred since the balance sheet date which would affect or require disclosure in the financial statements.

17 Commitments and contingencies

As at 31 March 2020 the company had no commitments or contingencies (2019: Nil).

18 Financial statements approval

The financial statements were approved by the board on

14/12/ 2020.