Company Registration No. 12981254 (England and Wales)

Sunridge UK Limited

Annual report and group financial statements for the year ended 31 August 2022

Sunridge UK Limited

Company information

Directors	Hugues Marchand Philipp Saumweber Michael Voice
Secretary	Hugues Marchand
Company number	12981254
Registered office	318 Harbour Yard Chelsea Harbour London SW10 0XD
Independent auditor	Saffery Champness LLP Westpoint Peterborough Business Park Lynch Wood Peterborough PE2 6FZ

Sunridge UK Limited

Contents

The directors present the strategic report for the year ended 31 August 2022 for Sunridge UK Limited ("the Company") and its subsidiaries ("the Group").

Fair review of the business

The financial statements have been drawn up for the year ended 31 August 2022.

The Group's primary business is the wholesale of citrus fruit in Europe.

The directors consider revenue, profit before taxation, total assets and total liabilities as key performance indicators.

The consolidated results for the year are shown in the consolidated statement of profit or loss on page 10. Revenue for the year ended 31 August 2022 was €59,369k (2021: €31,450k) and profit before taxation was €1,749k (2021: €960k).

The group had total assets of €76,977k (2021: €52,821k) as at 31 August 2022 and total liabilities of €43,374k (2021: €31,646k).

Principal risks and uncertainties

The principal risks facing the Group are credit risk, liquidity risk, interest rate risk. The directors have measures in place to mitigate such risks.

Credit risk – Represents the potential for loss due to the default or deterioration in the credit quality of a counterparty. Credit risk is managed by tight credit control procedures ensuring minimal bad debts.

Liquidity risk – Liquidity needs to be maintained in order to assist the working capital. Liquidity risk is managed by established procedures tracking cash availability as well as working capital facilities. As at 31 August 2022, the Group had €1,616k (2021: €4,997k) in cash balances.

Interest rate risk – Results from exposures to volatilities of interest rates and credit spreads. The interest charged on the Group's bank loans is monitored on a regular basis and the rate negotiated where necessary in order to minimise interest payable.

Future developments

The directors consider that the year end financial position of the Group was satisfactory and do not anticipate any significant changes in its operations in the forthcoming year.

Going concern

The directors have reviewed cashflow forecasts for the 12 month period beyond approval of these financial statements and are satisfied that the business will have the resources to continue in operation for a period of at least 12 months from the date of approval of these financial statements, and hence they adopt the going concern basis in the preparation of these financial statements.

Directors' statement of compliance with duty to promote the success of the group

The directors of the Group consider that they have fulfilled their individual and collective duty under section 172(1) of the Companies Act 2006 to act in the way they consider, in good faith, would be most likely to promote the success of the Group for the benefit of shareholders as a whole and in doing so, have regard to a number of broader matters which are set out below.

The principal activity of the Group in the wholesale of citrus fruit and the Group's success is entirely dependent on its ability to trade.

The Group engages with suppliers on terms appropriate to its size and pays supplier invoices promptly.

The Group's customers are considered its key relationship. This includes having long standing contracts with customers and incorporates regular review meetings with senior management of the customers.

The directors are conscious of the need to maintain the highest standard of business conduct, and compliance to laws and regulations is adhered to at all times.

On behalf of the board

Hugues Marchand
Director

26 May 2023

Sunridge UK Limited

Directors' report
For the year ended 31 August 2022

The directors present their annual report and financial statements for the year ended 31 August 2022.

Principal activities

The principal activity of the Group continued to be that of wholesale of fruit. The principal activity of the Company was a holding company.

Results and dividends

The results for the year are set out on page 10.

Ordinary dividends were paid amounting to €400k. The directors do not recommend payment of a further dividend.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Hugues Marchand
Philipp Saumweber
Michael Voice

Supplier payment policy

The group's current policy concerning the payment of trade creditors is to follow the CBI's Prompt Payers Code (copies are available from the CBI, Centre Point, 103 New Oxford Street, London WC1A 1DU).

The group's current policy concerning the payment of trade creditors is to:

- settle the terms of payment with suppliers when agreeing the terms of each transaction;
- ensure that suppliers are made aware of the terms of payment by inclusion of the relevant terms in contracts; and
- pay in accordance with the company's contractual and other legal obligations.

Trade creditors of the group at the year end were equivalent to XX day's purchases, based on the average daily amount invoiced by suppliers during the year.

Disabled persons

Applications for employment by disabled persons are always fully considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment within the company's continues and that the appropriate training is arranged. It is the policy of the company that the training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

Employee involvement

The group's policy is to consult and discuss with employees, through unions, staff councils and at meetings, matters likely to affect employees' interests.

Information of matters of concern to employees is given through information bulletins and reports which seek to achieve a common awareness on the part of all employees of the financial and economic factors affecting the group's performance.

There is no employee share scheme at present, but the directors are considering the introduction of such a scheme as a means of further encouraging the involvement of employees in the group's performance.

Auditor

The auditor, Saffery Champness LLP, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

Energy and carbon report

As the company has not consumed more than 40,000 kWh of energy in this reporting period, it qualifies as a low energy user under these regulations and is not required to report on its emissions, energy consumption or energy efficiency activities.

Strategic report

Details of the Company's financial risk management objectives and policies, and post-balance sheet events, are disclosed in the Strategic Report as permitted by s414c(11) of the Companies Act.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the Group's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the group's auditor is aware of that information.

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

On behalf of the board

Hugues Marchand
Director

26 May 2023

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the group and parent company financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the United Kingdom.

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 Group and Company and of the profit or loss of the Group for that period.

In preparing these financial statements, International Accounting Standard 1 requires that directors:

- properly select and apply accounting policies;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in IFRSs are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- make an assessment of the company's ability to continue as a going concern.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group and Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Group and Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent auditor's report
To the members of Sunridge UK Limited

Opinion
We have audited the financial statements of Sunridge UK Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 31 August 2022 which comprise the group income statement, the group and parent company statement of financial position, the group and parent company statement of changes in equity, the group statement of cash flows and the group and parent company notes to the financial statements, including significant accounting policies.

The financial reporting framework that has been applied in the preparation of the group financial statements is applicable law and UK adopted international accounting standards. The financial reporting framework that has been applied in the preparation of the parent company financial statements is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 Reduced Disclosure Framework (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:
- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 August 2022 and of the group's profit for the year then ended;
- have been properly prepared in accordance with UK adopted international accounting standards and the parent company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 group and parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the 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.

Conclusions relating to going concern
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.

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 group's and parent 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.

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

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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 course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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 in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and parent company and their environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 5, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors 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 parent 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 parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the group and parent company 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.

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 specific procedures for this engagement and the extent to which these are capable of detecting irregularities, including fraud are detailed below.

Identifying and assessing risks related to irregularities:
We assessed the susceptibility of the group and parent company's financial statements to material misstatement and how fraud might occur, including through discussions with the directors, discussions within our audit team planning meeting, updating our record of internal controls and ensuring these controls operated as intended. We evaluated possible incentives and opportunities for fraudulent manipulation of the financial statements. We identified laws and regulations that are of significance in the context of the group and parent company by discussions with directors, communication with component auditors and by updating our understanding of the sector in which the group and parent company operate.

Laws and regulations of direct significance in the context of the group and parent company include The Companies Act 2006, and UK Tax legislation as well as similar laws and regulations prevailing in each country in which we identified a significant component.

Audit response to risks identified:
We considered the extent of compliance with these laws and regulations as part of our audit procedures on the related financial statement items including a review of group and parent company financial statement disclosures. We reviewed the parent company's records of breaches of laws and regulations, minutes of meetings and correspondence with relevant authorities to identify potential material misstatements arising. We discussed the parent company's policies and procedures for compliance with laws and regulations with members of management responsible for compliance.

During the planning meeting with the audit team, the engagement partner drew attention to the key areas which might involve non-compliance with laws and regulations or fraud. We enquired of management whether they were aware of any instances of non-compliance with laws and regulations or knowledge of any actual, suspected or alleged fraud. We addressed the risk of fraud through management override of controls by testing the appropriateness of journal entries and identifying any significant transactions that were unusual or outside the normal course of business. We assessed whether judgements made in making accounting estimates gave rise to a possible indication of management bias. At the completion stage of the audit, the engagement partner's review included ensuring that the team had approached their work with appropriate professional scepticism and thus the capacity to identify non compliance with laws and regulations and fraud.

As group auditors, our assessment of matters relating to non-compliance with laws or regulations and fraud differed at group and component level according to their particular circumstances. Our communications with component auditors included a request to identify instances of non-compliance with laws and regulations and fraud that could give rise to a material misstatement of the group financial statements in addition to our risk assessment.

There are inherent limitations in the audit procedures described above and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we would become aware of it. 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 is available on the Financial Reporting Council's website at: https://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Use of our report

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

Alistair Hunt (Senior Statutory Auditor)
For and on behalf of Saffery Champness LLP

26 May 2023

Chartered Accountants
Statutory Auditor

Westpoint
Peterborough Business Park
Lynch Wood
Peterborough
PE2 6FZ

Sunridge UK Limited

Group income statement
For the year ended 31 August 2022

	Notes	Year ended 31 August 2022 €'000	Period ended 31 August 2021 €'000
Revenue	4	59,369	31,450
Cost of sales		(36,583)	(21,825)
Gross profit		22,786	9,625
Administrative expenses		(20,072)	(8,471)
Other operating income		175	229
Operating profit	5	2,889	1,383
Finance costs	10	(1,140)	(473)
Finance income	9	-	50
Profit before taxation		1,749	960
Taxation	11	(302)	(123)
Profit for the year		1,447	837
Profit for the financial year is attributable to:			
- Owners of the parent company		1,952	713
- Non-controlling interests		(505)	124
		1,447	837

All profits after taxation arise from continuing operations.

There was no other comprehensive income for 2022.

Sunridge UK Limited

Group statement of financial position
As at 31 August 2022

	Notes	2022 €'000	2021 €'000
Non-current assets			
Property, plant and equipment	**12**	24,287	18,026
Intangible assets	**13**	292	7
Goodwill	**13**	42,791	27,616
Total non-current assets		67,370	45,649
Current assets			
Investments		-	-
Inventories	**15**	1,586	893
Trade and other receivables	**16**	6,405	1,282
Cash and cash equivalents		1,616	4,997
Total current assets		9,607	7,172
Total Assets		76,977	52,821
Current liabilities			
Trade and other payables	**18**	10,584	2,958
Corporation tax payable		285	214
Borrowings	**17**	6,689	2,286
Lease liabilities	**19**	359	-
Total current liabilities		17,917	5,458
Non-current liabilities			
Borrowings	**17**	20,373	19,088
Lease liabilities	**19**	338	-
Deferred tax liabilities	**20**	737	1,237
Other financial liabilities	**18**	4,009	5,863
Total non-current liabilties		25,457	26,188
Total Liabilities		43,374	31,646
Total net assets		33,603	21,175

Sunridge UK Limited

Group statement of financial position (continued)
As at 31 August 2022

	Notes	2022 €'000	2021 €'000
Equity			
Called up share capital	**21**	222	147
Share premium account		22,018	14,571
Retained earnings		2,265	713
Equity attributable to owners of the Group		24,505	15,431
Non-controlling interests		9,098	5,744
Total equity		33,603	21,175

The financial statements were approved by the board of directors and authorised for issue on 26 May 2023 and are signed on its behalf by:

Hugues Marchand
Director

Sunridge UK Limited

Company statement of financial position
As at 31 August 2022

		2022		2021	
	Notes	**€'000**	**€'000**	**€'000**	**€'000**
Non-current assets					
Investments	**28**		22,231		14,718
Current assets					
Trade and other receivables	**29**	5		2	
Cash and cash equivalents		16		38	
		21		40	
Current liabilities	**30**	(49)		(57)	
Net current liabilities			(28)		(17)
Total assets less current liabilities			22,203		14,701
Equity					
Called up share capital	**32**		222		147
Share premium account			22,018		14,571
Retained earnings			(37)		(17)
Total equity			22,203		14,701

As permitted by s408 Companies Act 2006, the company has not presented its own income statement and related notes. The company's loss for the year was €20k (2021 - €17k loss).

The financial statements were approved by the board of directors and authorised for issue on 26 May 2023 and are signed on its behalf by:

Hugues Marchand
Director

Company Registration No. 12981254 (England and Wales)

Sunridge UK Limited

Group statement of changes in equity
For the year ended 31 August 2022

	Notes	Share capital	Share premium account	Retained earnings	Total	Non-controlling interest	Total
		€'000	€'000	€'000	€'000	€'000	€'000
Balance at 28 October 2020		-	-	-	-	-	-
Period ended 31 August 2021:							
Profit and total comprehensive income for the period		-	-	713	713	124	837
Transactions with owners in their capacity as owners:							
Issue of share capital	**21**	147	14,571	-	14,718	-	14,718
Acquisition of subsidiary		-	-	-	-	5,620	5,620
Balance at 31 August 2021		147	14,571	713	15,431	5,744	21,175
Year ended 31 August 2022:							
Profit and total comprehensive income for the year		-	-	1,952	1,952	(505)	1,447
Transactions with owners in their capacity as owners:							
Issue of share capital	**21**	75	7,447	-	7,522	-	7,522
Dividends		-	-	(400)	(400)	-	(400)
Acquisition of subsidiary		-	-	-	-	3,859	3,859
Balance at 31 August 2022		222	22,018	2,265	24,505	9,098	33,603

Sunridge UK Limited

Company statement of changes in equity
For the year ended 31 August 2022

	Notes	Share capital	Share premium account	Retained earnings	Total
		€'000	€'000	€'000	€'000
Balance at 28 October 2020		-	-	-	-
Period ended 31 August 2021:					
Loss and total comprehensive income for the year		-	-	(17)	(17)
Transactions with owners in their capacity as owners:					
Issue of share capital	**32**	147	14,571	-	14,718
Balance at 31 August 2021		147	14,571	(17)	14,701
Year ended 31 August 2022:					
Loss and total comprehensive income for the year		-	-	(20)	(20)
Transactions with owners in their capacity as owners:					
Issue of share capital	**32**	75	7,447	-	7,522
Balance at 31 August 2022		222	22,018	(37)	22,203

Sunridge UK Limited

Group statement of cash flows
For the year ended 31 August 2022

	Notes	€'000	2022 €'000	€'000	2021 €'000
Cash flows from operating activities					
Cash generated from operations	26		5,154		9,129
Interest paid			(1,076)		(473)
Income taxes (paid)/refunded			(250)		1,328
Net cash inflow from operating activities			3,828		9,984
Investing activities					
Purchase of investments		(172)		-	
Purchase of intangible assets		(4)		-	
Purchase of property, plant and equipment		(1,642)		(625)	
Proceeds on disposal of property, plant and equipment		1,142		315	
Purchase of subsidiaries		(10,838)		(40,980)	
Cash acquired with subsidiary		382		2,922	
Deferred consideration payments		(2,033)		(1,229)	
Interest received		-		50	
Other income received from investments		-		785	
Net cash used in investing activities			(13,165)		(38,762)
Financing activities					
Proceeds from issue of shares		7,522		14,718	
Proceeds from issue of shares to non-controlling interest		3,859		-	
Finance costs		-		(473)	
Proceeds of new bank loans		-		22,000	
Repayment of bank loans		(4,847)		(1,615)	
Repayment of finance leases		(178)		-	
Dividends paid to non-controlling interests		(400)		-	
Net cash generated from financing activities			5,956		34,630
Net (decrease)/increase in cash and cash equivalents			(3,381)		4,997
Cash and cash equivalents at beginning of year			4,997		-
Cash and cash equivalents at end of year			1,616		4,997

1 Accounting policies

Company information

Sunridge UK Limited ("the company") is a private limited company incorporated in England and Wales. The registered office is 318 Harbour Yard, Chelsea Harbour, London, SW10 0XD.

The group consists of Sunridge UK Limited and all of its subsidiaries.

1.1 Accounting convention

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted for use in the United Kingdom and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS, except as otherwise stated.

The financial statements are prepared in euros, which is the functional currency of the Group. Monetary amounts in these financial statements are rounded to the nearest €'000.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

As permitted by FRS 101, the Company has taken advantage of the following disclosure exemptions from the requirements of IFRS:

- presentation of a statement of cash flows and related notes;
- disclosure of the objectives, policies and processes for managing capital;
- disclosure of key management personnel compensation;
- disclosure of the categories of financial instrument and the nature and extent of risks arising on these financial instruments;
- the effect of financial instruments on the statement of comprehensive income;
- comparative period reconciliations for the number of shares outstanding and the carrying amounts of property, plant and equipment, intangible assets, investment property and biological assets;
- disclosure of the future impact of new International Financial Reporting Standards in issue but not yet effective at the reporting date;
- a reconciliation of the number and weighted average exercise prices of share options, how the fair value of share-based payments was determined and their effect on profit or loss and the financial position;
- comparative narrative information;
- for financial instruments, investment property and biological assets measured at fair value and within the scope of IFRS 13, the valuation techniques and inputs used to measure fair value, the effect of fair value measurements with significant unobservable inputs on the result for the period and the impact of credit risk on the fair value; and
- related party disclosures for transactions with the parent or wholly owned members of the group.

1 Accounting policies (continued)

1.2 Business combinations

The cost of a business combination is the fair value at the acquisition date of the assets given, equity instruments issued and liabilities incurred or assumed, plus costs directly attributable to the business combination. The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill.

1.3 Basis of consolidation

The consolidated group financial statements consist of the financial statements of the parent Company Sunridge UK Limited together with all entities controlled by the parent company (its subsidiaries) and the G roup's share of its interests in joint ventures and associates.

All financial statements are made up to 31 August 2022. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Subsidiaries are consolidated in the group's financial statements from the date that control commences until the date that control ceases.

1.4 Going concern

The directors have at the time of approving the financial statements, a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

The Group generated a profit during the year of €1,447k (2021: €837k), had net assets of €33,603k (2021: €21,175k) and cash at bank and in hand of €1,616k (2021: €4,997k). The Group generated cashflows from operating activities of £5,154k (2021: €9,129k) during the year.

1.5 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

The Group does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment exceeds one year. As a consequence, the Group does not adjust any of the transaction prices for the time value of money.

The Group monitors the performance obligations in accordance with IFRS 15 considering that the performance obligations are met upon the Group delivering the goods to the customer.

A receivable is recognised when the services are delivered at this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

1 Accounting policies (continued)

Revenue from providing services is recognised in the accounting period in which the services are rendered.

1.6 Goodwill

Acquisitions of subsidiaries and business are accounted for using the acquisition method. The assets and liabilities and contingent liabilities of the subsidiaries are measured at their fair value at the date of acquisition. Any excess of acquisition over fair values of the identifiable net assets acquired is recognised as goodwill. Goodwill arising on consolidation is recognised as an asset and reviewed for impairment at least annually. Any impairment is recognised immediately in profit or loss accounts and is not subsequently reversed. Acquisition related costs are recognised in the income statement as incurred.

1.7 Intangible assets other than goodwill

Intangible assets include goodwill arising on the acquisition of subsidiaries and represents the difference between the fair value of the consideration payable and the fair value of the net assets that have been acquired. The residual element of goodwill is not being amortised but is subject to an annual impairment review.

Other intangible assets purchased by the Group are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses. Amortisation is recognised so as to write off the cost less their residual values over their useful lives, which is considered to be 3 - 5 years straight line.

1.8 Property, plant and equipment

Property, plant and equipment are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Land and buildings	Land is not depreciated. Buildings are 33 years straight line
Technical installations and other items	8 - 33% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the income statement.

The Company had no tangible fixed assets at 31 August 2022.

1.9 Non-current investments

Interests in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

1 Accounting policies (continued)

A subsidiary is an entity controlled by the parent Company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

1.10 Impairment of tangible and intangible assets

Impairment tests on goodwill are undertaken annually at the balance sheet date. The recoverable value of goodwill is estimated on the basis of value in use, defined as the present value of the cash generating units with which the goodwill is associated. This is computed by applying an appropriate discount rate to the estimated value of future cashflows. When value in use is less than the book value, an impairment is recorded and is irreversible.

Other non-financial assets are subject to impairment tests whenever circumstances indicate that their carrying amount may not be recoverable. Where the carrying value of an asset exceeds its estimated recoverable value (i.e. the higher of value in use and fair value less costs to sell), the asset is written down accordingly. Where it is not possible to estimate the recoverable value of an individual asset, the impairment test is carried out on the asset's cash-generating unit. The carrying value of property, plant and equipment is assessed in order to determine if there is an indication of impairment. Any impairment is charged to the statement of comprehensive income. Impairment charges are included under administrative expenses within the consolidated statement of comprehensive income.

1.11 Inventories

Inventories are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition.

Inventories held for distribution at no or nominal consideration are measured at the lower of cost and replacement cost, adjusted where applicable for any loss of service potential.

Net realisable value is the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

1.12 Cash and cash equivalents

Cash and cash equivalents are recognised as financial assets. They comprise cash held by the Group and short-term bank deposits with an original maturity date of three months or less.

1.13 Financial assets

Financial assets are recognised in the Group's statement of financial position when the Group becomes party to the contractual provisions of the instrument. Financial assets are classified into specified categories, depending on the nature and purpose of the financial assets.

At initial recognition, financial assets classified as fair value through profit and loss are measured at fair value and any transaction costs are recognised in profit or loss. Financial assets not classified as fair value through profit and loss are initially measured at fair value plus transaction costs.

1 Accounting policies (continued)

Financial assets at fair value through profit or loss

When any of the above-mentioned conditions for classification of financial assets is not met, a financial asset is classified as measured at fair value through profit or loss. Financial assets measured at fair value through profit or loss are recognized initially at fair value and any transaction costs are recognised in profit or loss when incurred. A gain or loss on a financial asset measured at fair value through profit or loss is recognised in profit or loss, and is included within finance income or finance costs in the statement of income for the reporting period in which it arises.

Financial assets held at amortised cost

Financial instruments are classified as financial assets measured at amortised cost where the objective is to hold these assets in order to collect contractual cash flows, and the contractual cash flows are solely payments of principal and interest. They arise principally from the provision of goods and services to customers (eg trade receivables). They are initially recognised at fair value plus transaction costs directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment where necessary.

Financial assets at fair value through other comprehensive income

Debt instruments are classified as financial assets measured at fair value through other comprehensive income where the financial assets are held within the group's business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt instrument measured at fair value through other comprehensive income is recognised initially at fair value plus transaction costs directly attributable to the asset. After initial recognition, each asset is measured at fair value, with changes in fair value included in other comprehensive income. Accumulated gains or losses recognised through other comprehensive income are directly transferred to profit or loss when the debt instrument is derecognised.

The parent company has made an irrevocable election to recognize changes in fair value of investments in equity instruments through other comprehensive income, not through profit or loss. A gain or loss from fair value changes will be shown in other comprehensive income and will not be reclassified subsequently to profit or loss. Equity instruments measured at fair value through other comprehensive income are recognized initially at fair value plus transaction cost directly attributable to the asset. After initial recognition, each asset is measured at fair value, with changes in fair value included in other comprehensive income. Accumulated gains or losses recognized through other comprehensive income are directly transferred to retained earnings when the equity instrument is derecognized or its fair value substantially decreased. Dividends are recognized as finance income in profit or loss.

1 Accounting policies (continued)

Impairment of financial assets

Financial assets carried at amortised cost and FVOCI are assessed for indicators of impairment at each reporting end date.

The expected credit losses associated with these assets are estimated on a forward-looking basis. A broad range of information is considered when assessing credit risk and measuring expected credit losses, including past events, current conditions, and reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

1.14 Financial liabilities

The Group recognises financial debt when the Group becomes a party to the contractual provisions of the instruments. Financial liabilities are classified as either 'financial liabilities at fair value through profit or loss' or ' other financial liabilities'.

Other financial liabilities

Other financial liabilities, including borrowings, trade payables and other short-term monetary liabilities, are initially measured at fair value net of transaction costs directly attributable to the issuance of the financial liability. They are subsequently measured at amortised cost using the effective interest method. For the purposes of each financial liability, interest expense includes initial transaction costs and any premium payable on redemption, as well as any interest or coupon payable while the liability is outstanding.

Derecognition of financial liabilities

Financial liabilities are derecognised when, and only when, the Group's obligations are discharged, cancelled, or they expire.

1.15 Equity instruments

Equity instruments issued by the parent Company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer payable at the discretion of the company.

1.16 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

1 Accounting policies (continued)

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the Group has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.17 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of inventories or non-current assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Group is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.18 Leases

At inception, the Group assesses whether a contract is, or contains, a lease within the scope of IFRS 16. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Where a tangible asset is acquired through a lease, the Group recognises a right-of-use asset and a lease liability at the lease commencement date. Right-of-use assets are included within property, plant and equipment, apart from those that meet the definition of investment property.

1 Accounting policies (continued)

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date plus any initial direct costs and an estimate of the cost of obligations to dismantle, remove, refurbish or restore the underlying asset and the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of other property, plant and equipment. The right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are unpaid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the group's incremental borrowing rate. Lease payments included in the measurement of the lease liability comprise fixed payments, variable lease payments that depend on an index or a rate, amounts expected to be payable under a residual value guarantee, and the cost of any options that the group is reasonably certain to exercise, such as the exercise price under a purchase option, lease payments in an optional renewal period, or penalties for early termination of a lease.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in: future lease payments arising from a change in an index or rate; the Group's estimate of the amount expected to be payable under a residual value guarantee; or the Group's assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases of machinery that have a lease term of 12 months or less, or for leases of low-value assets including IT equipment. The payments associated with these leases are recognised in profit or loss on a straight-line basis over the lease term.

1 Accounting policies (continued)

1.19 Foreign exchange

The individual financial statements of each Group company are presented in the currency of the primary economic environment in which it operates (its functional currency). For the purpose of the consolidated financial statements, the results and financial position of each Group company are expressed in euros which is the functional currency of the Group, and the presentational currency for the consolidated financial statements.

In preparing the financial statements of the individual companies, transactions in currencies other than the individual company's functional currency (foreign currencies) are recorded at rates of exchange prevailing on the dates of the transactions. At the reporting date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in foreign currency are not retranslated. Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are included in profit or loss for the period. Exchange differences arising on the retranslation of non-monetary items carried at fair value are included in profit or loss for the period except for differences arising on the retranslation of non-monetary items in respect of which gains and losses are recognised directly in equity. For such non-monetary items, any exchange component of the gain or loss is also recognised directly in equity.

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated at exchange rates prevailing on the reporting date. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during the period, in which case the exchange rates at the date of transactions are used. Exchange differences arising, if any, are classified as equity and transferred to the Group's translation reserve. Such translation differences are recognised as income and expense in the period in which the operation is disposed of. Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rates.

2 Adoption of new and revised standards and changes in accounting policies

All new standards and amendments to standards and interpretations effective for annual periods beginning on or after 1 September 2021 that are applicable to the Group have been applied in preparing these Consolidated Financial Statements.

2 Adoption of new and revised standards and changes in accounting policies (continued)

Standards which are in issue but not yet effective

At the date of authorisation of these financial statements, the following standards and interpretations, which have not yet been applied in these financial statements, were in issue but not yet effective (and in some cases had not yet been adopted by the EU):

Standard	**Effective date, annual period beginning on or after**
Updating a Reference to the Conceptual Framework (Amendments to IFRS 3 Business Combinations)	1 January 2022
Property, Plant and Equipment: Proceeds before Intended Use (Amendments to IAS 16)	1 January 2022
Onerous Contracts – Cost of Fulfilling a Contract (Amendments to IAS 37 Provisions, Contingent Liabilities and Contingent Assets)	1 January 2022
Amendments to IFRS 1 - Annual Improvements to IFRS Standards 2018-2020 IFRS 9, IFRS 16 and IAS 41	1 January 2022
Disclosure of Accounting Policies (Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2 Making Materiality Judgements)	1 January 2023
Definition of Accounting Estimates (Amendments to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors)	1 January 2023
Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to IAS 12 Income Taxes)	1 January 2023
Classification of Liabilities as Current or Non-Current: amendments to IAS 1	1 January 2023

The Directors are continuing to assess the potential impact that the adoption of the standards listed above will have on the Consolidated Financial Statements for the year ending 31 August 2023.

3 Critical accounting estimates and judgements

In the application of the Company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are outlined below.

Critical judgements

Impairment of goodwill

Impairment of the valuation of the goodwill relating to the acquisition of subsidiaries is considered annually for indicators of impairment to ensure that the asset is not overstated within the financial statements. The annual impairment assessment in respect of goodwill requires estimates of the value in use (or fair value less costs to sell) of subsidiaries to which goodwill has been allocated. This requires the Directors to estimate the future cash flows and an appropriate discount factor, in order that the net present value of those cash flows can be determined. Discounted cash flow forecasts give due consideration to the impact of COVID-19 on the future cash flows, and are stress tested under a range of scenarios. In all instances, the headroom is sufficient to satisfy the Directors that there are no indicators of impairment based on circumstances that were present or could be reasonably foreseen at the reporting date.

Key sources of estimation uncertainty

Amortisation of intangible assets

The periods of amortisation adopted to write down capitalised intangible assets requires judgements to be made in respect of estimating the useful lives of the intangible assets to determine an appropriate amortisation rate.

Depreciation

The useful economic lives of tangible fixed assets are based on management's judgement and experience. When management identifies that actual useful economic lives differ materially from the estimates used to calculate depreciation, that charge is adjusted retrospectively.

Provision for bad and doubtful debts

The Group applies the IFRS 9 simplified approach to measuring expected credit losses using a lifetime expected credit loss provision for trade receivables. To measure expected credit losses on a collective basis, trade receivables are grouped based on similar ageing. The expected loss rates are based on the Group's historical credit losses experience over the twelve month period prior to the period end. Forward looking issues have been considered and this has had an immaterial effect on the expected credit loss rate.

4 Revenue

	2022	2021
	€'000	€'000
Revenue analysed by class of business		
Sale of goods	59,209	31,350
Provision of services	160	100
	59,369	31,450

	2022	2021
	€'000	€'000
Revenue by location		
United Kingdom	6,230	2,157
Europe	53,139	29,293
	59,369	31,450

5 Operating profit

	2022	2021
Operating profit for the year is stated after charging/(crediting):	€'000	€'000
Exchange losses	3	1
Research and development costs	11	-
Fees payable to auditor's for the audit of the financial statements - See note 6	56	19
Depreciation of property, plant and equipment	1,780	1,316
(Profit)/loss on disposal of property, plant and equipment	(155)	57
Amortisation of intangible assets	10	3
Other operating income	(175)	(229)

6 Auditor's remuneration

	2022	2021
Fees payable to the company's auditor and associates:	€'000	€'000
For audit services		
Audit of the financial statements of the group and company	18	-
Audit of the financial statements of the company's subsidiaries	38	19
	56	19

6 Auditor's remuneration (continued)

The audit of the financial statements of the company's subsidiaries was performed by Grant Thornton, S.L.P. Sociedad Unipersonal. They are not an associate of Saffery Champness LLP.

7 Employees

The average monthly number of persons (including directors) employed by the group during the year was:

	2022 Number	2021 Number
Senior and other management	7	6
Admin and other professional support	26	29
Factory workers, harvesters	343	240
Total	376	275

Their aggregate remuneration comprised:

	2022 €'000	2021 €'000
Wages and salaries	6,714	2,817
Social security costs	1,356	667
	8,070	3,484

8 Directors' remuneration

There was no director's remuneration in the year.

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to nil.

9 Finance income

	2022 €'000	2021 €'000
Other interest income	-	50

10 Finance costs

	2022	2021
	€'000	€'000
Interest on bank overdrafts and loans	1,140	473

11 Income tax expense

	2022	2021
	€'000	€'000
Current tax		
Foreign taxes and reliefs	283	-
	283	-
Deferred tax		
Deferred tax in relation to foreign taxes	19	123
Total tax charge	302	123

The charge for the year can be reconciled to the profit per the income statement as follows:

	2022	2021
	€'000	€'000
Profit before taxation	1,749	960
Expected tax charge based on a corporation tax rate of 19.00% (2021: 19.00%)	332	182
Other changes	(30)	(59)
Taxation charge for the year	302	123

12 Property, plant and equipment

	Land and buildings	Assets under construction	Technical installations and other items	Total
	€'000	€'000	€'000	€'000
Cost				
At 28 October 2020	-	-	-	-
Additions	10	90	525	625
Business combinations	15,487	1,316	17,817	34,620
Disposals	-	(251)	(3,419)	(3,670)
Other	4	(1,100)	1,096	-
At 31 August 2021	15,501	55	16,019	31,575
Additions	24	636	1,564	2,224
Business combinations	2,738	-	4,066	6,804
Disposals	-	(235)	(1,065)	(1,300)
At 31 August 2022	18,263	456	20,584	39,303
Accumulated depreciation and impairment				
At 28 October 2020	-	-	-	-
Charge for the year	392	-	1,139	1,531
Eliminated on disposal	-	-	(3,412)	(3,412)
Business combinations	1,662	-	13,768	15,430
At 31 August 2021	2,054	-	11,495	13,549
Charge for the year	512	-	1,268	1,780
Eliminated on disposal	-	-	(313)	(313)
At 31 August 2022	2,566	-	12,450	15,016
Carrying amount				
At 31 August 2022	15,697	456	8,134	24,287
At 31 August 2021	13,447	55	4,524	18,026

The Company had no tangible fixed assets at 31 August 2022.

13 Intangible assets

	Goodwill	Other intangibles	Total
	€'000	€'000	€'000
Cost			
Additions	-	107	107
Business combinations	27,616	-	27,616
At 31 August 2021	27,616	107	27,723
Additions - purchased	-	4	4
Business combinations (Note 22)	15,175	291	15,466
At 31 August 2022	42,791	402	43,193
Amortisation and impairment			
Charge for the year	-	3	3
Business combinations	-	97	97
At 31 August 2021	-	100	100
Charge for the year	-	10	10
At 31 August 2022	-	110	110
Carrying amount			
At 31 August 2022	42,791	292	43,083
At 31 August 2021	27,616	7	27,623

The Company had no intangible assets at 31 August 2022.

14 Subsidiaries

Details of the Company's subsidiaries at 31 August 2022 are as follows:

Name of undertaking	Principal activities	Class of shares held	% ownership and voting rights held Direct	Indirect
1. Sunridge Agribusiness Spain, S.L.	Holding company	Ordinary	100.00	-
2. Sunridge Citrus Spain, S.L.	Holding company	Ordinary	0	76.00
3. Albenfruit, S.L.	Sale of fruit	Ordinary	0	76.00
4. Cítricos Orgánicos Reunidos, S.L.	Sale of organic fruit	Ordinary	0	76.00
5. Agricultura Overa y Capellanía, S.L.	Land management	Ordinary	0	76.00
6. Explotaciones Agrícolas Limaria, S.L.	Land management	Ordinary	0	76.00

Registered office addresses (all Spain unless otherwise indicated):

1, 2, 3 Calle Ferrers, 16, Algemesi, 46680, Valencia
4, 5, 6 Calle la Calerica, NN, Arboleas, 04660, Almeria

15 Inventories

	2022	2021
	€'000	€'000
Raw materials	683	174
Advances to suppliers	903	719
	1,586	893

16 Trade and other receivables

	2022	2021
	€'000	€'000
Trade receivables	1,781	498
VAT recoverable	5	2
Other receivables	3,120	228
Prepayments	27	-
Other taxation	1,472	554
	6,405	1,282

17 Borrowings

	Current		Non-current	
	2022	**2021**	**2022**	**2021**
	€'000	**€'000**	**€'000**	**€'000**
Borrowings held at amortised cost:				
Bank loans	6,689	2,286	20,373	19,088

The bank loans are repayable by 31 December 2026, via instalments over the period to June 2026 and ending with a 35% bullet repayment. Interest is charged at 3%. The loan is secured over the shares of Sunridge Citrus Spain S.L. and a pledge over all credit contractual rights and mortgage on all material real estate assets.

Borrowings of €789k relate to a bank loan taken out to fund the installation of fixed plant and machinery which are secured against these assets. These borrowings carry an interest rate of 0.65% and are repayable via instalments over the period to July 2024.

18 Trade and other payables

	Current		Non-current	
	2022	**2021**	**2022**	**2021**
	€'000	**€'000**	**€'000**	**€'000**
Trade payables	4,728	256	-	-
Amounts owed to fellow group undertakings	48	73	-	-
Deferred consideration	3,897	2,014	4,009	5,863
Other payables	1,911	615	-	-
	10,584	2,958	4,009	5,863

19 Lease liabilities

	2022	**2021**
Maturity analysis	**€'000**	**€'000**
Within one year	359	-
In two to five years	338	-
Total undiscounted liabilities	697	-

19 Lease liabilities (continued)

Lease liabilities are classified based on the amounts that are expected to be settled within the next 12 months and after more than 12 months from the reporting date, as follows:

	2022 €'000	2021 €'000
Current liabilities	359	-
Non-current liabilities	338	-
	697	-

20 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the Group and movements thereon during the current and prior reporting period.

	2022 €'000	2021 €'000
Deferred tax liabilities	(1,430)	(1,472)
Deferred tax assets	693	235
	(737)	(1,237)

	Total €'000
Balance at 1 September 2020	-
Deferred tax movements in prior year	
Charge/(credit) to profit or loss	(123)
Other	1,360
Liability at 1 September 2021	1,237
Deferred tax movements in current year	
Charge/(credit) to profit or loss	(19)
Other	(481)
Liability at 31 August 2022	737

21 Share capital

	2022	2021	2022	2021
Ordinary share capital	**Number**	**Number**	**€'000**	**€'000**
Issued and fully paid				
Ordinary shares of €0.01 each	22,240,932	14,718,590	222	147

There were three share issues in the year on 17/11/2021, 08/12/2021 and 01/02/2022. The increase in shares was used to fund the increased investment in a subsidiary, see note 28.

22 Acquisitions of a business

On 3 February 2022 the Group acquired 76% of the issued capital of Cítricos Orgánicos Reunidos S.L..

	Book Value	Adjustments	Fair Value
Net assets of business acquired	**€'000**	**€'000**	**€'000**
Intangible assets	291	-	291
Property, plant and equipment	6,804	-	6,804
Inventories	622	-	622
Trade and other receivables	2,022	-	2,022
Cash and cash equivalents	382	-	382
Borrowings	(10,535)	-	(10,535)
Trade and other payables	(2,111)	-	(2,111)
Finance leases	(293)	-	(293)
Deferred tax	481	-	481
Total identifiable net assets	(2,337)	-	(2,337)
Non-controlling interests			-
Goodwill			15,175
Total consideration			12,838

The consideration was satisfied by:	**€'000**
Cash	10,838
Deferred consideration	2,000
	12,838

22 Acquisitions of a business (continued)

Net cash outflow arising on acquisition	**€'000**
Cash consideration	10,838
Less: Cash and cash equivalents acquired	(382)
	10,456

Contribution by the acquired business for the reporting period included in the Group statement of comprehensive income since acquisition:

	€'000
Revenue	9,179
Profit after tax	1,441

23 Related party transactions

During the year the Group entered into the following transactions with related parties:

	Sale of goods		**Purchase of goods**	
	2022	**2021**	**2022**	**2021**
	€'000	**€'000**	**€'000**	**€'000**
Entities with joint control or significant influence over the company	-	-	-	8
Subsidiaries	85	56	-	-
	85	56	-	8

The following amounts were outstanding at the reporting end date:

	2022	**2021**
Amounts due to related parties	**€'000**	**€'000**
Entities with joint control or significant influence over the Company	47	57

23 Related party transactions (continued)

Other information

As disclosed in note 14 to the financial statements, the Company exercises control over Sunridge Agribusiness S.L., Sunridge Citrus S.L., Albenfruit S.L., Cítricos Orgánicos Reunidos S.L., Agricultura Overa y Capellanía S.L. and Explotaciones Agrícolas Limaria S.L..

Sunridge UK Limited is ultimately controlled by the partners of Sunridge Partners (UK), LLP. Transactions with these related parties and balances outstanding at the reporting date all arose in the ordinary course of business and are under ordinary commercial terms.

24 Reserves

Full details of movements in reserves are set out in the consolidated statement of changes in equity. The following describes the nature and purpose of each reserve within owners' equity:

- Share premium: Amount subscribed for share capital in excess of nominal value.
- Retained earnings: Cumulative net gains and losses recognised in the consolidated statement of comprehensive income.

25 Controlling party

The ultimate parent company is Sunridge Partners (UK), LLP. The largest and smallest group of undertakings for which Group financial statements have been drawn up including the Company is that headed by Sunridge UK Limited.

The ultimate controlling party is considered to be the partners of Sunridge Partners (UK), LLP.

26 Cash generated from operations

	2022	2021
	€'000	€'000
Profit for the year before income tax	1,749	960
Adjustments for:		
Finance costs	1,140	473
Gain on disposal of property, plant and equipment	(155)	(57)
Amortisation and impairment of intangible assets	10	3
Depreciation and impairment of property, plant and equipment	1,780	1,531
Other gains and losses	-	(50)
Movements in working capital:		
(Increase)/decrease in inventories	(71)	2,537
(Increase)/decrease in trade and other receivables	(2,929)	11,570
Increase/(decrease) in trade and other payables	3,630	(7,838)
Cash generated from operations	5,154	9,129

Sunridge UK Limited

Notes to company financial statements

27 Accounting policies

Company information

Sunridge UK Limited is a private company limited by shares incorporated in England and Wales. The registered office is 318 Harbour Yard, Chelsea Harbour, London, SW10 0XD. .

27.1 Accounting convention

The financial statements have been prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) and in accordance with applicable accounting standards.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest €'000.

The company applies accounting policies consistent with those applied by the group. To the extent that an accounting policy is relevant to both group and parent company financial statements, please refer to the group financial statements for disclosure of the relevant accounting policy.

27.2 Going concern

The directors have at the time of approving the financial statements, a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

28 Investments

	Current 2022 €'000	Current 2021 €'000	Non-current 2022 €'000	Non-current 2021 €'000
Investments in subsidiaries	-	-	22,231	14,718

Movements in non-current investments

	Shares in subsidiaries €'000
Cost or valuation	
At 1 September 2021	14,718
Additions	7,513
At 31 August 2022	22,231
Carrying amount	
At 31 August 2022	22,231
At 31 August 2021	14,718

29 Trade and other receivables

	2022 €'000	2021 €'000
VAT recoverable	5	2

30 Liabilities

	Notes	2022 €'000	2021 €'000
Trade and other payables	**31**	49	57

31 Trade and other payables

	2022	2021
	€'000	€'000
Amounts owed to fellow group undertakings	48	57
Other payables	1	-
	49	57

32 Share capital

Refer to note 21 of the group financial statements.