

Registration number: 00557743

# BV Foodservice Limited

Annual Report and Financial Statements

for the Period from 28 December 2014 to 26 December 2015



## **BV Foodservice Limited**

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## **BV Foodservice Limited**

### **Company Information**

**Directors** A Gudmundsson

**Company secretary** S Witham

**Registered office** 5th Floor  
Fitzroy Place  
8 Mortimer Street  
London  
W1T 3JJ

**Bankers** Barclays Bank PLC  
Multinational Corporates  
One Churchill Place  
London  
E14 5HP

**Auditors** Deloitte LLP  
Chartered Accountants and Statutory Auditor  
Four Brindleyplace  
Birmingham  
United Kingdom  
B1 2HZ

## **BV Foodservice Limited**

### **Director's Report for the Period from 28 December 2014 to 26 December 2015**

The Director presents his report and the financial statements for the period from 28 December 2014 to 26 December 2015. Comparatives are for the period from 29 December 2013 to 27 December 2014 ('2014').

#### **Principal activity**

The principal activity of BV Foodservice Limited (the 'Company') was the distribution of fresh prepared foods until the Company ceased trading in March 2016. The Company operates within the Bakkavor Group Limited group (the 'Group') and is a 100% owned subsidiary of Bakkavor Limited. A fair review of the business until the closure of the business in March 2016 is shown in the Strategic Report.

#### **Going concern**

The Company ceased trading in April 2016 and therefore the Director has prepared the financial statements on a basis other than that of a going concern. As a result the Company has fully impaired its property, plant and equipment. No other material adjustments arose as a result of ceasing to apply the going concern basis.

#### **Directors of the company**

The Director who held office during the period was as follows:

A Gudmundsson

#### **Important non adjusting events after the financial period**

On 25 January 2016, Bakk AL Holdings Limited (a company majority owned by Agust and Lydur Gudmundsson with the remaining equity held by funds managed by the Baupost Group L.L.C) purchased 89% of the ordinary shares in Bakkavor Group Limited with Baupost Group appointing Robert Q. Berlin and Todd Krasnow as its representatives on the Board.

On 28 January 2016, the Group announced that it had elected to redeem £75 million of the existing 8.25% Senior Secured Notes due in 2018. The redemption took place on 29 February 2016.

In April 2016, the Director of the business took the decision to cease trading with immediate effect. As a result the financial statements have been prepared on a basis other than that of a going concern.

(See note 14 in the notes to the accounts).

#### **Directors liabilities**

The Company has made qualifying third party indemnity provisions for the benefit of the Director which remain in force at the date of this report.

#### **Disclosure of information to the auditors**

The Director has taken steps that he ought to have taken as a Director in order to make himself aware of any relevant audit information and to establish that the Company's auditors are aware of that information. The Director confirms that there is no relevant information that he knows of and of which he knows the auditors are unaware.

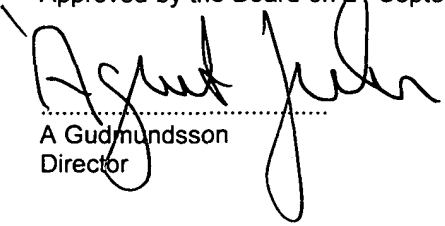
**BV Foodservice Limited**

**Director's Report for the Period from 28 December 2014 to 26 December 2015  
(continued)**

**Reappointment of auditors**

In accordance with section 485 of the Companies Act 2006, a resolution for the re-appointment of Deloitte LLP as auditors of the Company is to be proposed at the forthcoming Annual General Meeting.

Approved by the Board on 21 September 2016 and signed on its behalf by:



.....  
A Gudmundsson  
Director

## **BV Foodservice Limited**

### **Statement of Director's Responsibilities**

The Director is responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Director to prepare financial statements for each financial year. Under that law the Director has elected to prepare the financial statements in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 101 'Reduced Disclosure Framework' ('FRS 101'). Under company law the Director must not approve the financial statements unless he is 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 Director is required to:

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether FRS 101 has been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Director is 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 him to ensure that the financial statements comply with the Companies Act 2006. He is also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## **BV Foodservice Limited**

### **Strategic Report for the Period from 28 December 2014 to 26 December 2015**

The Director presents his strategic report for the period from 28 December 2014 to 26 December 2015. The Director is satisfied with the results and achievements of the Company.

#### **Fair review of the business**

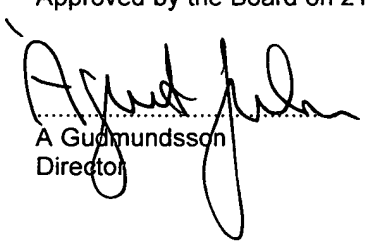
As shown in the Company's Profit and loss account, sales amounted to £88,000 (2014: £21,000) and the loss for the period after taxation was £413,000 (2014: £30,000). Adjusted EBITDA (Earnings before interest, tax, depreciation, amortisation and exceptional) was a loss of £588,000 (2014: £196,000). The Director does not recommend the payment of a final dividend (2014: £nil).

The Balance sheet shows a shareholder's deficit of £443,000 (2014: £30,000).

#### **Principal risks and uncertainties**

The Company is not exposed to any operational, market or financial risks as the business was closed in March 2016.

Approved by the Board on 21 September 2016 and signed on its behalf by:



A Gudmundsson  
Director

## **BV Foodservice Limited**

### **Independent Auditor's Report**

We have audited the financial statements of BV Foodservice Limited for the period from 28 December 2014 to 26 December 2015 which comprise Profit and Loss Account, Statement of Changes in Equity and Balance Sheet and the related notes 1 to 15, set out on pages 8 to 20. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 101 "Reduced Disclosure Framework".

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.

#### **Respective responsibilities of Directors and Auditor**

As explained more fully in the Statement of Director's Responsibilities (set out on page 4), the Director is responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

#### **Scope of the audit of the financial statements**

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Director; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

#### **Opinion on the financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 26 December 2015 and of its loss for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Emphasis of matter - Financial statements prepared other than on a going concern basis**

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in Note 2 to the financial statements, which explains that the financial statements have been prepared on a basis other than that of a going concern.

#### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion the information given in the Strategic Report and Director's Report for the financial period for which the financial statements are prepared is consistent with the financial statements.



## **BV Foodservice Limited**

### **Independent Auditor's Report (continued)**

#### **Matters on which we are required to report by exception**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us 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.



Christopher Robertson (Senior Statutory Auditor)  
For and on behalf of Deloitte LLP  
Chartered Accountants and Statutory Auditor

Four Brindleyplace  
Birmingham  
United Kingdom  
B1 2HZ

21 September 2016

## BV Foodservice Limited

### Profit and Loss Account for the Period from 28 December 2014 to 26 December 2015

		28 December 2014 to 26 December 2015 £ 000	29 December 2013 to 27 December 2014 £ 000
Turnover	Note 3	88	21
Cost of sales		<u>(93)</u>	<u>(30)</u>
Gross loss		<u>(5)</u>	<u>(9)</u>
Administrative expenses		(337)	(223)
Exceptional items		(55)	-
Impairment of assets		<u>(319)</u>	<u>-</u>
Total administrative costs		<u>(711)</u>	<u>(223)</u>
Operating loss	4	<u>(716)</u>	<u>(232)</u>
Loss before tax		(716)	(232)
Taxation	7	303	202
Loss for the period		<u>(413)</u>	<u>(30)</u>

The above results were derived from continuing operations. The Company ceased trading in April 2016.

The Company has no recognised gains and losses other than the result above and therefore no separate statement of comprehensive income is presented.

The notes on pages 11 to 20 form an integral part of these financial statements.

**BV Foodservice Limited**

**Statement of Changes in Equity for the Period from 28 December 2014 to 26 December 2015**

	<b>Share capital £ 000</b>	<b>Retained earnings £ 000</b>	<b>Total £ 000</b>
At 29 December 2013	50	(50)	-
Loss for the period	-	(30)	(30)
At 27 December 2014	<u>50</u>	<u>(80)</u>	<u>(30)</u>

	<b>Share capital £ 000</b>	<b>Retained earnings £ 000</b>	<b>Total £ 000</b>
At 28 December 2014	50	(80)	(30)
Loss for the period	-	(413)	(413)
At 26 December 2015	<u>50</u>	<u>(493)</u>	<u>(443)</u>

The notes on pages 11 to 20 form an integral part of these financial statements.

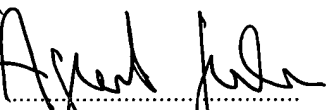
# BV Foodservice Limited

(Registration number: 00557743)

## Balance Sheet as at 26 December 2015

	Note	26 December 2015 £ 000	27 December 2014 £ 000
<b>Fixed assets</b>			
Property, plant and equipment	8	-	401
<b>Current assets</b>			
Stocks	9	8	9
Debtors	10	314	236
Cash at bank and in hand		10	4
		<u>332</u>	<u>249</u>
<b>Total assets</b>		<u>332</u>	<u>650</u>
<b>Creditors: Amounts falling due within one year</b>	11	<u>(768)</u>	<u>(680)</u>
Net current liabilities		<u>(436)</u>	<u>(431)</u>
Total assets less current liabilities		<u>(436)</u>	<u>(30)</u>
Deferred tax liabilities		<u>(7)</u>	<u>-</u>
<b>Net liabilities</b>		<u>(443)</u>	<u>(30)</u>
<b>Capital and reserves</b>			
Called up share capital	12	50	50
Profit and loss account		<u>(493)</u>	<u>(80)</u>
<b>Shareholders' deficit</b>		<u>(443)</u>	<u>(30)</u>

Approved and authorised for issue by the Director on 21 September 2016

  
.....  
A Gudmundsson  
Director

The notes on pages 11 to 20 form an integral part of these financial statements.

## **BV Foodservice Limited**

### **Notes to the Financial Statements for the Period from 28 December 2014 to 26 December 2015**

#### **1 General information**

The Company is a private company limited by share capital incorporated and registered in the United Kingdom.

#### **2 Accounting policies**

##### **Summary of significant accounting policies and key accounting estimates**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

##### **Basis of preparation**

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework. As permitted under section 390 (3) of the Companies Act 2006, the Company has taken the option to end its financial period on 26 December 2015, as it is not more than 7 days after or before the end of the period dated 31 December 2015.

The financial statements have been prepared on the historical cost basis and are presented in the currency of the primary economic environment in which the Company operates. For the purpose of the financial statements, the results and financial position are expressed in Pounds Sterling, which is the functional currency of the Company.

##### **Summary of disclosure exemptions**

As permitted by Financial Reporting Standard 101, the Company has taken advantage of the disclosure exemptions available under that standard in relation to financial instruments, capital management, presentation of comparative information in respect of certain assets, presentation of a cash-flow statement, standards not yet effective, impairment of assets and related party transactions. Where relevant, equivalent disclosures have been given in the group accounts of Bakkavor Group Limited. The group accounts of Bakkavor Group Limited are available to the public and can be obtained as set out in the controlling party note.

##### **Going concern**

The Company ceased trading in April 2016 and therefore the Director has prepared the financial statements on a basis other than that of a going concern. As a result the Company has fully impaired its property, plant and equipment. No other material adjustments arose as a result of ceasing to apply the going concern basis.

##### **Revenue recognition**

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the Company's activities. Revenue is shown net of sales/value added tax, returns, rebates and discounts and after eliminating sales within the Company.

The Company recognises revenue when:

- the amount of revenue can be reliably measured;
- it is probable that economic benefits will flow to the entity;
- specific criteria have been met for each of the Company's activities.

## **BV Foodservice Limited**

### **Notes to the Financial Statements for the Period from 28 December 2014 to 26 December 2015 (continued)**

#### **2 Accounting policies (continued)**

##### **Tax**

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that an amount attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates taxable income.

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and on unused tax losses or tax credits in the Company. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

##### **Property, plant and equipment**

Property, plant and equipment is stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of property, plant and equipment includes directly attributable incremental costs incurred in their acquisition and installation.

##### **Depreciation**

<b>Asset class</b>	<b>Depreciation method and rate</b>
Fixtures and equipment	3 to 6 years

##### **Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

##### **Trade debtors**

Trade debtors are amounts due from customers for goods sold or services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the debtors.

## **BV Foodservice Limited**

### **Notes to the Financial Statements for the Period from 28 December 2014 to 26 December 2015 (continued)**

#### **2 Accounting policies (continued)**

##### **Stock**

Stocks are stated at the lower of cost and net realisable value. Cost is determined using the weighted average method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition. At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit or loss.

##### **Trade creditors**

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

##### **Share capital**

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

##### **Defined contribution pension obligation**

A defined contribution plan is a pension plan under which fixed contributions are paid into a separate entity and the Company has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

The contributions are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as an asset.

## BV Foodservice Limited

### Notes to the Financial Statements for the Period from 28 December 2014 to 26 December 2015 (continued)

#### 2 Accounting policies (continued)

##### Financial assets

###### *Classification*

Financial assets held by the Company are classified as 'loans and receivables'. The classification depends on the nature and purpose of the financial assets and is determined at the time of initial recognition. Loans and receivables are measured at amortised cost using the effective interest method, less any impairment.

###### *Recognition and measurement*

Financial assets are initially measured at fair value, plus transaction costs, except for those financial assets classified as at fair value through profit and loss, which are initially measured at fair value.

###### *Impairment*

Financial assets are assessed for indicators of impairment at each Balance sheet date and are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the asset have been affected.

##### Financial liabilities

###### *Classification*

Financial liabilities held by the Company are classified as other financial liabilities. The classification is according to the substance of the contractual arrangements entered into.

###### *Recognition and measurement*

Financial liabilities are initially measured at fair value, net of transaction costs. Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

###### *Contingent liabilities*

A contingent liability is a possible obligation that arises from past events and the existence of which will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or the amount of the obligation cannot be measured reliably. A contingent liability is not recognised but it is disclosed in the notes to the financial statements. When an outflow becomes probable, it is recognised as a provision.

#### 3 Turnover

The analysis of the company's turnover for the period from continuing operations is as follows:

	28 December 2014 to 26 December 2015 £ 000	29 December 2013 to 27 December 2014 £ 000
Sale of goods to United Kingdom customers	88	21



## **BV Foodservice Limited**

### **Notes to the Financial Statements for the Period from 28 December 2014 to 26 December 2015 (continued)**

#### **4 Operating loss**

Arrived at after charging

	<b>28 December 2014 to 26 December 2015 £ 000</b>	<b>29 December 2013 to 27 December 2014 £ 000</b>
Depreciation of owned assets	73	36
Cost of stock	93	30
Exceptional items - closure costs	55	-
Employee benefits	<u>141</u>	<u>62</u>

## **BV Foodservice Limited**

### **Notes to the Financial Statements for the Period from 28 December 2014 to 26 December 2015 (continued)**

#### **5 Staff costs**

The aggregate payroll costs were as follows:

	<b>28 December 2014 to 26 December 2015 £ 000</b>	<b>29 December 2013 to 27 December 2014 £ 000</b>
Wages and salaries	132	60
Social security costs	8	2
Pension and other post-employment benefit costs	1	-
	<u>141</u>	<u>62</u>

The average number of persons employed by the Company during the period, analysed by category was as follows:

	<b>2015 No.</b>	<b>2014 No.</b>
Management and administration	<u>12</u>	<u>8</u>

#### **6 Directors' remuneration**

The Director has received no emoluments for his service to the Company in either financial period presented and was paid through Bakkavor Foods Limited. The Director is considered to be the key management personnel of the Company.

Fees of £5,000 (2014: £5,000) payable to the Company's auditor in respect of the statutory audit of the Company's financial statements for the period ended 26 December 2015 have been borne by Bakkavor Foods Limited.

No non-audit fees were charged to the Company for the period ended 26 December 2015 (2014: nil).

## BV Foodservice Limited

### Notes to the Financial Statements for the Period from 28 December 2014 to 26 December 2015 (continued)

#### 7 Taxation

Tax credited in the profit and loss account

	28 December 2014 to 26 December 2015 £ 000	29 December 2013 to 27 December 2014 £ 000
<b>Current taxation</b>		
Group loss relief - Current year	(310)	(202)
<b>Deferred taxation</b>		
Deferred tax - Current year	(3)	-
Deferred tax - Prior year	10	-
Total deferred taxation	7	-
Tax credit in the profit and loss account	<u>(303)</u>	<u>(202)</u>

Corporation tax is calculated at 20.25% (2014: 21.5%) of the estimated result for the period. The tax for the period is reconciled to the profit and loss account as follows:

	28 December 2014 to 26 December 2015 £ 000	29 December 2013 to 27 December 2014 £ 000
Loss before tax	<u>(716)</u>	<u>(232)</u>
Corporation tax	(145)	(50)
Effect of expense not deductible in determining taxable profit (tax loss)	79	7
Deferred tax prior year adjustment	10	-
Group loss relief at rate in excess of corporation tax	<u>(247)</u>	<u>(159)</u>
Total tax credit	<u>(303)</u>	<u>(202)</u>

The UK corporation tax rate reduced from 21% to 20% from 1 April 2015. In accordance with the Finance (No.2) Act 2015, the UK corporation tax rate will reduce to 19% in 2017 and 18% in 2020.

# **BV Foodservice Limited**

## **Notes to the Financial Statements for the Period from 28 December 2014 to 26 December 2015 (continued)**

### **7 Taxation (continued)**

#### **Deferred tax**

Deferred tax movement during the period:

	At 28 December 2014 £ 000	Recognised in income £ 000	At 26 December 2015 £ 000
Other items	-	7	7

### **8 Property, plant and equipment**

	Fixtures and equipment £ 000
<b>Cost or valuation</b>	
At 28 December 2014	437
Additions	7
Transfers	(16)
At 26 December 2015	428
<b>Depreciation</b>	
At 28 December 2014	36
Charge for the period	73
Impairment	319
At 26 December 2015	428
<b>Carrying amount</b>	
At 26 December 2015	-
At 27 December 2014	401

### **9 Stock**

	26 December 2015 £ 000	27 December 2014 £ 000
Finished goods	8	9

## **BV Foodservice Limited**

### **Notes to the Financial Statements for the Period from 28 December 2014 to 26 December 2015 (continued)**

#### **10 Debtors: Amounts falling due within one year**

	<b>26 December 2015 £ 000</b>	<b>27 December 2014 £ 000</b>
Amounts due from related parties	310	202
Other debtors	2	-
Prepayments	2	34
	<u>314</u>	<u>236</u>

The amounts disclosed above are classified as loans and receivables and are therefore measured at amortised cost.

#### **11 Creditors: Amounts falling due within one year**

	<b>26 December 2015 £ 000</b>	<b>27 December 2014 £ 000</b>
Trade creditors	12	5
Amounts due to related parties	748	651
Social security and other taxes	1	-
Accruals	7	24
	<u>768</u>	<u>680</u>

## **BV Foodservice Limited**

### **Notes to the Financial Statements for the Period from 28 December 2014 to 26 December 2015 (continued)**

#### **12 Share capital**

##### **Allotted, called up and fully paid shares**

	<b>26 December 2015</b>		<b>27 December 2014</b>	
	<b>No.</b>	<b>£</b>	<b>No.</b>	<b>£</b>
Ordinary shares of £1 each	50,000	50,000	50,000	50,000

#### **13 Contingent liabilities**

The Company may from time to time, and in the normal course of business, be subject to claims from customers and counterparties. The Company reviews any claims to determine if there is any potential financial loss to the Company. As at 26 December 2015, there were no legal claims or potential claims against the Company (2014: £nil) and therefore no provision is considered necessary in the financial statements.

#### **14 Non adjusting events after the financial period**

On 25 January 2016, Bakk AL Holdings Limited (a company majority owned by Agust and Lydur Gudmundsson with the remaining equity held by funds managed by the Baupost Group L.L.C) purchased 89% of the ordinary shares in Bakkavor Group Limited with Baupost Group appointing Robert Q. Berlin and Todd Krasnow as its representatives on the Board.

On 28 January 2016, the Group announced that it had elected to redeem £75 million of the existing 8.25% Senior Secured Notes due in 2018. The redemption took place on 29 February 2016.

In April 2016, the Director of the business took the decision to cease trading with immediate effect. As a result the financial statements have been prepared on a basis other than that of a going concern.

#### **15 Parent and ultimate parent undertaking**

The Company's immediate parent is Bakkavor Limited.

The ultimate parent and ultimate controlling party is Bakk AL Holdings Limited. Bakkavor Group Limited is over 99% owned by Bakk AL Holdings Limited, a company registered in the British Virgin Islands.

The most senior parent entity producing publicly available financial statements is Bakkavor Group Limited. The financial statements for this Company can be requested from 5th Floor, Fitzroy Place, 8 Mortimer Street, London, W1T 3JJ, United Kingdom.