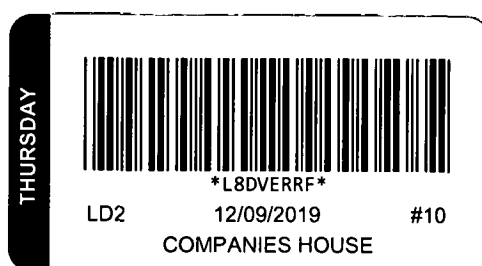


Registration number: 06657942

Bakkavor Finance Limited

Annual Report and Financial Statements

for the Period from 31 December 2017 to 29 December 2018



Bakkavor Finance Limited

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Bakkavor Finance Limited

Company Information

Director A Gudmundsson

Company secretary A Tagoe-Bannerman

Registered office Bakkavor
West Marsh Road
Spalding
Lincolnshire
PE11 2BB

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

Auditor Deloitte LLP
Statutory Auditor
1 Woodborough Road
Nottingham
United Kingdom
NG1 3FG

Bakkavor Finance Limited

Director's Report for the Period from 31 December 2017 to 29 December 2018

The Director presents his report and the audited financial statements for the 52 week period from 31 December 2017 to 29 December 2018 ('2018'). Comparatives are for the 52 week period from 1 January 2017 to 30 December 2017 ('2017').

Principal activity

The principal activity of Bakkavor Finance Limited (the 'Company') is to invoice specific UK customers on behalf of the Bakkavor Group plc group (the 'Group') and manage the cash receipts from those invoiced sales. The Company is a 100% owned subsidiary of Bakkavor (London) Limited. A fair review of the business, future developments, dividends and its financial management is shown in the Strategic Report.

Going concern

The Director, in his detailed consideration of going concern, has reviewed the Company's future cash forecasts and revenue projections up to September 2020, which he believes are based on prudent market data and past experience. In addition, the Director has carried out a robust assessment of the potential implications of Brexit. The Director has considered the Company's cash reserves and its access to the Group's financing arrangements. At the date of this report the Group has complied in all respects with the terms of its borrowing agreements, including its financial covenants, and forecasts to continue to do so.

Consequently, the Director considers that the Company has adequate resources to meet its liabilities as they fall due for a period of at least 12 months from the date of approval of the financial statements. The Company also has a letter of support in place from its parent company reflecting the fact that as at 29 December 2018 the Company had net current liabilities. For this reason, he continues to adopt the going concern basis in preparing the financial statements.

Director of the Company

The Director, who held office during the period and up to the date of this report was as follows:

A Gudmundsson

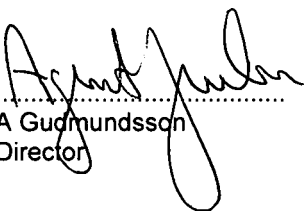
Director's indemnities

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 auditor

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 auditor is aware of that information. The Director confirms that there is no relevant information that he knows of and of which he knows the auditor is unaware. This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Approved by the Board on 9/9/19 and signed on its behalf by:


A Gudmundsson
Director

Bakkavor Finance Limited

Director's Responsibilities Statement

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 Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 101 "Reduced Disclosure Framework". 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 UK Accounting Statements have 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.

Bakkavor Finance Limited

Strategic Report for the Period from 31 December 2017 to 29 December 2018

The Director presents his strategic report for the period from 31 December 2017 to 29 December 2018.

Fair review of the business and future developments

As shown in the Company's Profit and Loss account, turnover and cost of sales amounted to £1,218,806,000 (2017: £1,180,984,000). Turnover and cost of sales are equal due to the fact the Company's principal activity is to invoice and manage cash receipts of specific customers of the Group, as this is a processing function there is no margin. The result for the period after taxation was a loss of £1,340,000 (2017: £823,000). The Director does not recommend the payment of a final dividend (2017: £nil).

The Balance sheet shows shareholders' funds amounting to £455,452,000 (2017: £456,792,000). The Company's financial position at the period end, is in net asset terms, consistent with the expectations of the Director.

The Director is satisfied with the results and achievements the Company and he does not expect any significant change to the nature of the Company's activities in future years.

Principal risks and uncertainties

The Company continually reviews its internal control and risk management processes and is fully aligned with the policies and objectives set by the Board of Directors of Bakkavor Group plc. For this reason the Company's exposure to risks and uncertainties in strategic, operational and financial areas is limited.

Credit risk

Credit risk refers to the risk of financial loss to the Company, if a counterparty, defaults on its contractual obligations of the loans and receivables at amortised cost held in the Balance sheet. The Company is exposed to credit risk from amounts due from trade debtors. The majority of the Company's customers are all leading UK retailers and therefore hold favourable credit ratings. On this basis the Company does not see any need to charge interest, seek collateral or credit enhancements to secure any of its trade debtors.

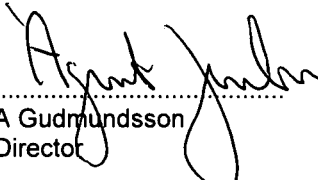
Liquidity risk

Liquidity risk refers to the risk that the Company may not be able to fund the day to day running of the business. Liquidity risk is reviewed by the Board of Directors on a monthly basis. The Company manages liquidity risk by monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities.

Investment risk

The performance of the operating companies within the Company's investments is subject to distinct operational and market risks which may impact the investment value.

Approved by the Board on 9/9/19..... and signed on its behalf by:


A Gudmundsson
Director

Bakkavor Finance Limited

Independent Auditor's Report to the Members of Bakkavor Finance Limited

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Bakkavor Finance Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 29 December 2018 and of its loss for the period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 101 "Reduced Disclosure Framework"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the profit and loss account;
- the statement of changes in equity;
- the balance sheet; and
- the related notes 1 to 15.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (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

We are required by ISAs (UK) to report in respect of the following matters where:

- the director's use of the going concern basis of accounting in preparation of the financial statements is not appropriate; or
- the director has not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of these matters.

Bakkavor Finance Limited

Independent Auditor's Report to the Members of Bakkavor Finance Limited (continued)

Other Information

The director is 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.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in respect of these matters.

Responsibilities of the director

As explained more fully in the director's responsibilities statement, the director is 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 director determines 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 director is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the director either intends to liquidate the company or to cease operations, or has 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 financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

Bakkavor Finance Limited

Independent Auditor's Report to the Members of Bakkavor Finance Limited (continued)

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

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

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

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the strategic report or the director's report.

Matters on which we are required to report by exception

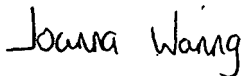
Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

- 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 director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in respect of these matters.

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.



Joanna Waring FCA (Senior Statutory Auditor)
For and on behalf of Deloitte LLP,
Statutory Auditor
Nottingham
United Kingdom

Date: 10 September 2019

Bakkavor Finance Limited

Profit and Loss Account for the Period from 31 December 2017 to 29 December 2018

	Note	2018 £ 000	2017 £ 000
Turnover	4	1,218,806	1,180,984
Cost of sales		<u>(1,218,806)</u>	<u>(1,180,984)</u>
Operating result		-	-
Interest payable and similar charges	6	<u>(1,654)</u>	<u>(1,019)</u>
Loss before tax		(1,654)	(1,019)
Tax on loss	7	<u>314</u>	<u>196</u>
Loss for the period		<u><u>(1,340)</u></u>	<u><u>(823)</u></u>

The above results were derived from continuing operations.

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

Bakkavor Finance Limited**Statement of Changes in Equity for the Period from 31 December 2017 to 29 December 2018**

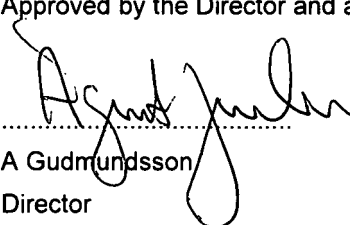
	Called up share capital £ 000	Profit and loss account £ 000	Total £ 000
At 1 January 2017	5	457,610	457,615
Loss for the period	-	(823)	(823)
At 30 December 2017	<u>5</u>	<u>456,787</u>	<u>456,792</u>

	Called up share capital £ 000	Profit and loss account £ 000	Total £ 000
At 31 December 2017	5	456,787	456,792
Loss for the period	-	(1,340)	(1,340)
At 29 December 2018	<u>5</u>	<u>455,447</u>	<u>455,452</u>

Bakkavor Finance Limited**(Registration number: 06657942)****Balance Sheet as at 29 December 2018**

	Note	29 December 2018 £ 000	30 December 2017 £ 000
Fixed assets			
Investments in associate	8	457,615	457,615
Current assets			
Debtors	9	48,989	57,152
Cash at bank and in hand	10	-	1
		48,989	57,153
Creditors: Amounts falling due within one year	11	(51,152)	(57,976)
Net current liabilities		(2,163)	(823)
Total assets less current liabilities		455,452	456,792
Net assets		455,452	456,792
Capital and reserves			
Called up share capital	12	5	5
Profit and loss account	12	455,447	456,787
Shareholders' funds		455,452	456,792

Approved by the Director and authorised for issue on 9/9/19.


A Gudmundsson
Director

Bakkavor Finance Limited

Notes to the Financial Statements for the Period from 31 December 2017 to 29 December 2018

1 General information

The Company is a private company limited by share capital incorporated in the United Kingdom under the Companies Act 2006 and is registered in England and Wales. The Company's registered office address can be found on page 1.

The principal activity of the Company is to invoice specific UK customers on behalf of the Bakkavor Group plc group (the 'Group') and manage the cash receipts from those invoiced sales. The Company is a 100% owned subsidiary of Bakkavor (London) Limited.

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 periods presented, unless otherwise stated.

Basis of preparation

These financial statements were prepared in accordance with Financial Reporting Standard 101, Reduced Disclosure Framework ('FRS 101'). As permitted under section 390 (3) of the Companies Act 2006, the Company has taken the option to end its financial period on 29 December 2018, as it is not more than 7 days after or before the end of the period dated 31 December 2018.

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 plc. The group accounts of Bakkavor Group plc are available to the public and can be obtained as set out in the controlling party note.

Going concern

The Director has reviewed the historical trading performance of the Company and the forecasts through to September 2020, to assess the level of finance required by the Company. The going concern basis has been adopted in preparing these financial statements, refer to the Director's Report for the Director's consideration of going concern.

Bakkavor Finance Limited

Notes to the Financial Statements for the Period from 31 December 2017 to 29 December 2018 (continued)

2 Accounting policies (continued)

Exemption from preparing group accounts

The financial statements contain information about Bakkavor Finance Limited as an individual company and do not contain consolidated financial information as the parent of a group.

The Company is exempt under section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of Bakkavor Group plc, a company incorporated in the United Kingdom.

Changes in accounting policy

New standards, interpretations and amendments effective

In the current period, the Company has adopted the following Standards and Interpretations with no material impact on the financial statements of the Company.

Amendments:

IFRS 2 Classification and Measurement of Share-based Payment Transactions

IFRIC 22 Foreign Currency Transactions and Advance Consideration

Various Annual Improvements to IFRS Standards 2014-2016 cycle

Various IFRS 10, IFRS 12 and IAS 28: 'Investment Entities, Applying the Consolidation Exception'

Revenue recognition

Revenue from the sale of these goods is recognised when all of the following conditions are satisfied:

- the Company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow into the entity; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

As a result, revenue for the sale of these goods, is generally recognised upon delivery to the customer.

Determining whether the Company is acting as a principal or as an agent

An entity is acting as a principal when it has exposure to the significant risks and rewards associated with the sale of goods or the rendering of services. Otherwise it is acting as agent and then amounts collected on behalf of its principal are not revenue, instead, revenue is the amount of commission. The Company acts as a principal and therefore full revenues have been recognised.

Finance costs policy

Finance costs are recognised on an effective interest basis for debt instruments other than those financial liabilities designated as at FVTPL. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating finance costs over the relevant period.

The effective finance rate is the rate that exactly discounts estimated future cash payments over the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Bakkavor Finance Limited

Notes to the Financial Statements for the Period from 31 December 2017 to 29 December 2018 (continued)

2 Accounting policies (continued)

Tax

The tax credit for the period comprises current 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 tax currently payable is based on taxable profit for the period. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other periods and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Payments for intragroup transfer of tax losses

Where the Company transfers tax losses to another member of the group, the entity obtains an amount of compensation from the respective group member ('group relief payments'). Such payments are treated as if they were income taxes to the extent that the intragroup payment is for an amount of that would otherwise have been paid by the paying company. If the compensation amount differs, the difference is treated as distribution or capital contribution (as applicable).

Investments

Investments in associates are included at cost less provision for impairment where necessary. The equity method of accounting has not been applied due to the exemption available in IAS 28, which is available because the Company is exempted from preparing consolidated financial statements. An impairment loss is recognised in the Profit and Loss account when there is objective evidence that the asset is impaired, and is measured as the difference between the investment's carrying amount and the present value of estimated future cash flows.

Impairment

If in a subsequent period, the amount of impairment loss decreases, and the decrease related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed through the profit and loss account.

Associate

An investment in an associate is an entity over which the Company is in a position to exercise significant influence, through participation in the financial and operating policy decisions of the investee. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

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.

Bakkavor Finance Limited

Notes to the Financial Statements for the Period from 31 December 2017 to 29 December 2018 (continued)

2 Accounting policies (continued)

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.

Share capital

Ordinary shares are classified as equity.

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.

Financial assets and liabilities

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.

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 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.

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.

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.

Bakkavor Finance Limited

Notes to the Financial Statements for the Period from 31 December 2017 to 29 December 2018 (continued)

3 Critical accounting judgements and key sources of estimation uncertainty

The following were areas of particular significance to the Company's financial statements and include the application of judgement, which is fundamental to the compilation of the financial statements:

Investments in associates - key source of estimation uncertainty

The Company evaluated whether there were any potential impairment indications present at 29 December 2018 and concluded that is not the case.

The recoverable amounts of the investments are determined based on the higher of net realisable value and value in use calculations, which require the use of estimates. The key estimates that can impact the value in use calculations are changes to the growth rates applied to derive a five-year forecast, or a movement in the discount rate applied to the future cash flows. These are key estimates as they are subjective in nature and a significant assumption is required and any changes to assumptions may lead to impairment charges being recognised.

Revenue gross/net presentation - critical accounting judgement

Determining whether the Company is acting as a principal or as an agent requires judgement and consideration of all relevant facts and circumstances. The Company determined that it has exposure to the significant risks and rewards associated with the sale of goods and therefore acts as principal.

4 Turnover in the United Kingdom

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

	2018	2017
	£ 000	£ 000
Sale of goods	<u>1,218,806</u>	<u>1,180,984</u>

5 Directors, Employees and auditor remuneration

The Director has received no emoluments for his services 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.

The Company had no employees for the period ended 29 December 2018 (2017: nil).

Fees of £5,000 (2017: £5,000) payable to the Company's auditor in respect of the statutory audit of the Company's financial statements for the period ended 29 December 2018 have been borne by Bakkavor Foods Limited.

No non-audit fees were charged to the Company for the period ended 29 December 2018 (2017: £nil).

Bakkavor Finance Limited

Notes to the Financial Statements for the Period from 31 December 2017 to 29 December 2018 (continued)

6 Finance costs

	2018	2017
	£ 000	£ 000
Fees and charges	<u>1,654</u>	<u>1,019</u>

7 Taxation

Tax credited in the profit and loss account

	2018	2017
	£ 000	£ 000
Group loss relief - Current year	<u>(314)</u>	<u>(196)</u>

Corporation tax is calculated at 19% (2017: 19.25%) of the estimated result for the period. The tax for the period is reconciled to the profit and loss account as follows:

	2018	2017
	£ 000	£ 000
Loss before tax	<u>(1,654)</u>	<u>(1,019)</u>
Corporation tax at standard rate	<u>(314)</u>	<u>(196)</u>
Total tax credit	<u>(314)</u>	<u>(196)</u>

The UK corporation tax rate reduced from 20% to 19% from 1 April 2017. In accordance with the Finance Act 2016, the UK corporation tax rate will reduce to 17% in 2020.

Group relief payments

Where the Company surrenders tax losses to another member of the Bakkavor group, the Company receives an amount of compensation from the respective group member ('group relief payments'). Such receipts are treated as if they were income taxes to the extent that the receipt is a credit in the profit and loss account at the current rate of taxation in the relevant period.

8 Investments in associate

Associate	£ 000
Cost	
At 31 December 2017 and 29 December 2018	<u>541,000</u>
Impairment	
At 31 December 2017 and 29 December 2018	<u>83,385</u>
Carrying amount	
At 30 December 2017 and 29 December 2018	<u>457,615</u>

Bakkavor Finance Limited

Notes to the Financial Statements for the Period from 31 December 2017 to 29 December 2018 (continued)

8 Investments in associate (continued)

Details of the associate as at 29 December 2018 were as follows:

Name of associate	Principal activity	Registered office	Proportion of ownership interest and voting rights held	
			2018	2017
Bakkavor Invest Limited	Holding company	Fitzroy Place 5th Floor 8 Mortimer Street, London, England, W1T 3JJ	43%	43%

9 Debtors

	2018 £ 000	2017 £ 000
Trade debtors	48,675	56,956
Amounts due from related parties	314	196
Total current trade and other debtors	<u>48,989</u>	<u>57,152</u>

Amounts due from related parties are unsecured, are non interest-bearing and are repayable on demand.

10 Cash and cash equivalents

	2018 £ 000	2017 £ 000
Cash at bank	<u>-</u>	<u>1</u>

11 Creditors: Amounts falling due within one year

	2018 £ 000	2017 £ 000
Amounts due to related parties	51,152	57,975
Other creditors	<u>-</u>	<u>1</u>
	<u>51,152</u>	<u>57,976</u>

Amounts due to related parties are unsecured, are non interest-bearing and are repayable on demand, although, due to the letter of support issued by Bakkavor Foods Limited, the loan will not need to be repaid prior to September 2020.

Bakkavor Finance Limited

Notes to the Financial Statements for the Period from 31 December 2017 to 29 December 2018 (continued)

12 Share capital and reserves

Allotted, called up and fully paid shares

	29 December 2018		30 December 2017	
	No.	£	No.	£
Ordinary shares of £1 each	5,411	5,411	5,411	5,411

Profit and loss account

The profit and loss account represents the accumulated distributable reserves of the Company.

13 Contingent liabilities

As at the 29 December 2018, there were no legal claims or potential claims against the Company (2017: £nil) and therefore no provision is considered necessary in the financial statements.

The Company, along with certain other group companies, is a guarantor of the Group's debt facilities. The total amount of Group debt facilities that this relates to is £447.5 million (2017: £447.5 million).

14 Non adjusting events after the financial period

There are no significant events after the balance sheet date to report.

15 Parent and ultimate parent undertaking

The Company's immediate parent is Bakkavor (London) Limited.

The ultimate parent and ultimate controlling party is Bakkavor Group plc, a company registered in the United Kingdom.

The parent undertaking of the largest and smallest group, which includes the Company and for which group accounts are prepared, is Bakkavor Group plc. These financial statements are available upon request from Bakkavor Group plc's registered office, Fitzroy Place, 5th Floor, 8 Mortimer Street, London, W1T 3JJ, United Kingdom.