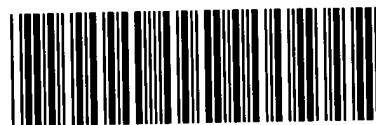


Bidfresh Holdings Limited
Strategic Report, Report of the Directors and
Financial Statements for the Year Ended 30 June 2020
Registered number: 08252396

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Bidfresh Holdings Limited

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for the Year Ended 30 June 2020

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Bidfresh Holdings Limited

Company Information
for the Year Ended 30 June 2020

DIRECTORS:

S D Bender
D E Cleasby
B P Hall
A M Selley
A Brogan

SECRETARY:

D A K Le

REGISTERED OFFICE:

Units 10-14 Cedar Way Industrial Estate
Camley Street
London
N1C 4PD

REGISTERED NUMBER:

08252396 (England and Wales)

INDEPENDENT AUDITORS:

PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
No. 1 Spinningfields
Hardman Square
Manchester
M3 3EB

Bidfresh Holdings Limited

Strategic Report
for the Year Ended 30 June 2020

The directors present their strategic report for the year ended 30 June 2020.

REVIEW OF BUSINESS

The principal activity of the company in the year under review was that of a holding company for its subsidiaries which are wholesalers of fresh and frozen fish, fresh fruit and vegetables, meat, poultry and a growing range of dairy products to the catering sector.

The company incurs management and finance costs. Dividends of £nil (2019: £2,209,742) were received owing to the effects of the COVID-19 outbreak and the subsequent lockdown enacted by the UK governments on 23 March 2020 which led to a downturn in subsidiaries performance. The directors expect the subsidiaries to return to providing dividend income once the pandemic elapses.

The company is in a strong financial position despite a loss for the year of £695,519 as the shareholders funds total £24,597,230 at 30 June 2020.

FUTURE DEVELOPMENTS

On 1 July 2020 the company was purchased by BFS Group Limited from Bidcorp (UK) Limited. BFS Group Limited is a subsidiary of Bidcorp (UK) Limited and as such this represents a restructure of the UK Bidcorp Group.

PRINCIPAL RISKS AND UNCERTAINTIES

The company's subsidiaries are subject to the financial stability of their customers. The subsidiaries continue to invest in credit insurance to reduce the impact of major debtor default.

As set out in the business review, COVID-19 has caused a downturn in the subsidiaries' results and as such the pandemic poses further risk to the Company should it continue to cause closures to the hospitality sector. The company and its subsidiaries have regular Covid meetings and working groups to ensure rapid responses to changes in regulations caused by the pandemic and providing customers with help and advice as required.

The key financial risks for the company are a significant increase in interest rates and the potential adverse effects of Brexit.

The company and its subsidiaries have implemented the following measures to mitigate the risks related to Brexit;

- Economic - the uncertainty has no doubt damaged the British economy. We have undertaken measures to increase the flexibility of our cost structure to enable the business to weather a downturn.
- Labour shortages - the business employs a significant number of EU citizens, many of whom have put down roots in the UK. We do not see this as an immediate problem but one that will need to be managed over time.
- Supply chain shortages - we have analysed our supply chain and have identified suppliers that have effective routes for delivery from the EU to the UK avoiding hot spots. Cost prices may increase so we have allowed for price renegotiations on all major customer contracts.

KEY PERFORMANCE INDICATORS

The key performance indicator for the company is (loss)/profit before tax.

The company's loss before tax for the year is £(810,160) (2019: profit £1,540,176).

GOING CONCERN

The financial statements for the prior year ended 30 June 2019 included a material uncertainty with respect to going concern. This was due to a breach of the company's loans financial covenants. The Company is in the latter stages of agreeing revised banking facilities including loan covenants, period and overdraft. The revised terms have been approved by the bank's credit committee and are subject to completion of the revised facility and lending agreement. Throughout this period, when the Company was in breach of its previous covenants, the bank has been supportive and has neither requested a cure nor initiated any other of their legal rights to request repayment, and have taken no other measures to enforce the related guarantees.

Bidfresh Holdings Limited

Strategic Report
for the Year Ended 30 June 2020

GOING CONCERN (CONTINUED)

As the revised facility and lending agreement has still to be completed, the bank loan and overdraft cannot be considered to be committed financing facilities. Accordingly, the Company has obtained a letter of support from an intermediate holding company, Bidcorp Foodservice International Limited, who also provided the bank with a parent company guarantee in respect of the loan. The letter of support will provide sufficient facilities, if required, to cover the Company's bank loan, overdraft and further working capital requirements after taking into account severe but plausible downsides to the Company's forecast requirements.

Therefore, the directors are confident that the Company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and consequently have prepared the financial statements on a going concern basis.

SECTION 172 STATEMENT

The Company has adopted the King IV Governance principles, using the framework to demonstrate how the Board makes decisions for the long term success of the Company and its stakeholders in meeting the requirements of Section 172 of the Companies Act 2006.

The Directors have acted in a way that they considered to be most likely to promote the success of the Company, and in doing so had regard to;

- The likely consequences of any decision in the long term
- The interest of the Company's employees
- The need to act fairly between members of the company
- The need to further develop the Company's business relationship with suppliers, customers and others
- The impact of the Company's operations on the community and the environment
- The requirement of the Company in maintaining its reputation for high standards of business conduct

The Board exercises effective leadership, adhering to the duties of a director. The directors have the necessary competence and act ethically in discharging their responsibility to provide strategic direction and control of the Company as provided for in the board charter. The Board sets out a clear message and leads by example, including: ethical business practice, human rights and being a responsible corporate citizen, through its code of ethics policy.


KEY DECISIONS MADE IN THE YEAR – BANKING REFINANCE

As set out in the going concern statement the Company had a material uncertainty relating to going concern in the financial statements for the prior year ended 30 June 2019. The uncertainty was due to a technical breach in financial covenants for a bank loan.

An intermediate parent Company had provided a letter of support, however this was dependent on access to the Bank of England's Covid Corporate Financing Facility (CCFF), which is not technically a committed financing facility as the Bank of England retained the right to withdraw the facility at any point in time.

Subsequently, the directors have worked closely with the bank to review the current structure of the banking facilities to ensure they are appropriate for the current trading environment. This has resulted in terms being agreed and credit approved for an extension to the maturity date of the bank loan and updating of the financial covenants, reducing the likelihood of a future breach. The revised terms are subject to completion of the revised facility and lending agreement which is anticipated in the first quarter of 2021.

ON BEHALF OF THE BOARD:

DocuSigned by:

6928471B76F44D1.....
B Hall - Director

Date: 23 December 2020

Bidfresh Holdings Limited

Report of the Directors
for the Year Ended 30 June 2020

The directors present their directors' report and audited financial statements for the year ended 30 June 2020.

DIVIDENDS

No dividends were paid during the year or the previous year. The directors do not recommend the payment of a final dividend for the year ended 30 June 2020.

FUTURE DEVELOPMENTS

Future developments are outlined as appropriate in the strategic report on page 2.

DIRECTORS

The directors shown below have held office during the whole of the year from 1 July 2019 to the date of this report.

S D Bender
D E Cleasby
B P Hall
A Brogan (appointed 31 July 2020)
A M Selley (appointed 31 July 2020)

Other changes in directors holding office are as follows:

S A Oswald - resigned 29 February 2020
I Nicholson resigned 31 July 2020

POLITICAL AND CHARITABLE DONATIONS

The company made no political or charitable donations or incurred any political expenditure during the current or prior year.

DIRECTORS' RESPONSIBILITIES STATEMENT

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing the financial statements, the directors are required to:

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

The directors are 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.

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

Bidfresh Holdings Limited

Report of the Directors
for the Year Ended 30 June 2020

INDEPENDENT AUDITORS

The auditors, PricewaterhouseCoopers LLP, were appointed during the year and will be proposed for re-appointment at the next annual general meeting.

GOING CONCERN

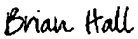
An assessment of the Company's Going concern is included within the Strategic Report.

DIRECTORS' CONFIRMATIONS

In the case of each director in office at the date the Directors' Report is approved:

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

ON BEHALF OF THE BOARD:

DocuSigned by:

6928471B75F44D1.....
B Hall - Director

Date: 23 December 2020

Independent auditors' report to the members of Bidfresh Holdings Limited

Report on the audit of the financial statements

Opinion

In our opinion, Bidfresh Holdings Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2020 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Strategic Report, Report of the Directors and Financial Statements (the "Annual Report"), which comprise: the balance sheet as at 30 June 2020; the income statement, the statement of comprehensive income, the statement of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

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

Independence

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

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have 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.

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

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

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

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

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Strategic Report and Report of the Directors

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Report of the Directors for the year ended 30 June 2020 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

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

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

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

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

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

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

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

We have no exceptions to report arising from this responsibility.



Michael Timar (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Manchester
23 December 2020

Bidfresh Holdings Limited

Income Statement
for the Year Ended 30 June 2020

	Note	30.6.20 £	30.6.19 £
INVESTMENT INCOME	3	-	2,209,742
Administrative expenses		4,460	20,621
Impairment of investments	5	<u>206,788</u>	<u>-</u>
OPERATING (LOSS)/PROFIT		(211,248)	2,189,121
Interest payable and similar expenses	6	<u>598,912</u>	<u>648,945</u>
(LOSS)/PROFIT BEFORE TAXATION	7	(810,160)	1,540,176
Tax on (loss)/profit	8	<u>(114,641)</u>	<u>-</u>
(LOSS)/PROFIT FOR THE FINANCIAL YEAR		<u>(695,519)</u>	<u>1,540,176</u>

The notes form part of these financial statements

Bidfresh Holdings Limited

Statement of Comprehensive Income
for the Year Ended 30 June 2020

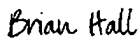
	30.6.20 £	30.6.19 £
(LOSS)/PROFIT FOR THE YEAR	(695,519)	1,540,176
OTHER COMPREHENSIVE INCOME	-	-
TOTAL COMPREHENSIVE (EXPENSE)/INCOME FOR THE YEAR	<u>(695,519)</u>	<u>1,540,176</u>

The notes form part of these financial statements

Bidfresh Holdings LimitedBalance SheetAs at 30 June 2020

	Note	30.6.20	30.6.19
		£	£
FIXED ASSETS			
Investments	9	28,353,126	23,492,490
Debtors	10	19,592,257	-
		<u>47,945,383</u>	<u>23,492,490</u>
CURRENT ASSETS			
Debtors	10	77,945	32,961,268
Cash at bank and in hand		<u>635,667</u>	-
		713,612	32,961,268
CREDITORS			
Amounts falling due within one year	11	<u>24,061,765</u>	<u>1,161,009</u>
NET CURRENT (LIABILITIES)/ASSETS		<u>(23,348,153)</u>	<u>31,800,259</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		24,597,230	55,292,749
CREDITORS			
Amounts falling due after more than one year	12	-	30,000,000
NET ASSETS		<u>24,597,230</u>	<u>25,292,749</u>
CAPITAL AND RESERVES			
Called up share capital	14	9,371,273	9,371,273
Retained earnings		<u>15,225,957</u>	<u>15,921,476</u>
TOTAL SHAREHOLDERS' FUNDS		<u>24,597,230</u>	<u>25,292,749</u>

The financial statements on pages 8 to 18 were approved by the Board of Directors on 23 December 2020 and signed on its behalf by:

DocuSigned by:

 8928471875F44D1
 B Hall - Director

The notes form part of these financial statements

Bidfresh Holdings Limited

Statement of Changes in Equity
for the Year Ended 30 June 2020

	Called up share capital £	Retained earnings £	Total equity £
Balance at 1 July 2018	9,371,273	14,381,300	23,752,573
Changes in equity			
Total comprehensive income	-	1,540,176	1,540,176
Balance at 30 June 2019	9,371,273	15,921,476	25,292,749
Changes in equity			
Total comprehensive expense	-	(695,519)	(695,519)
Balance at 30 June 2020	9,371,273	15,225,957	24,597,230

The notes form part of these financial statements

Bidfresh Holdings Limited

Notes to the Financial Statements
for the Year Ended 30 June 2020

1. ACCOUNTING POLICIES

Basis of preparation

These financial statements have been prepared in accordance with Financial Reporting Standard 101 "Reduced Disclosure Framework" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Bidfresh Holdings Limited (the "company") is a private company limited by shares, incorporated and domiciled in the UK.

In preparing these financial statements, the company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ("IFRSs") but makes amendments where necessary in order to comply with the Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions has been taken.

The company is exempt by virtue of s401 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the company as an individual undertaking and not about its group.

The company's ultimate parent undertaking, Bid Corporation Limited, includes the company in its consolidated financial statements. The consolidated financial statements of Bid Corporation Limited are prepared in accordance with IFRSs and are available to the public from the registered office at Postnet Suite 136, Private Bag X9976, Johannesburg 2146, South Africa or via www.BidcorpGroup.com.

In the financial statements, the company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- a cash flow statement and related notes;
- comparative period reconciliations for share capital and property, plant and equipment;
- disclosures in respect of capital management;
- the effects of new but not yet effective IFRSs;
- disclosures in respect of the compensation of key management personnel;
- disclosure of transactions with other companies in the group.

As the consolidated financial statements of Bid Corporation Limited include the equivalent disclosures, the company has also taken the exemptions under FRS 101 in respect of the disclosures required by IFRS 7 Financial Instrument Disclosures.

The following new standards, amendments to standards or interpretations are mandatory for the first time for the financial year beginning 1 July 2019 and have been adopted by the group.

Standard or interpretation	Contents
IFRS 16	Leases

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

Bidfresh Holdings Limited

Notes to the Financial Statements - continued
for the Year Ended 30 June 2020

1. ACCOUNTING POLICIES - continued

Fixed asset investments

Fixed asset investments are stated at cost less provision for impairment. Where an investment includes the recognition of deferred consideration, this element of the investment is measured at fair value. Any subsequent measurement of deferred consideration in future accounting periods is recognised directly through changes to the cost of the investments.

Loans and borrowings

Loans and borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost with any difference between cost and redemption value being recognised in the income statement over the period of borrowings on an effective interest basis.

Dividends on shares presented within shareholders funds

Dividends payable are only recognised as a liability if declared prior to the balance sheet date. Unpaid dividends that do not meet this criterion are disclosed in the notes to the financial statements.

Net financing costs

Net finance costs comprise interest payable, finance charges on shares classified as liabilities and finance leases and interest receivable on funds invested. Interest income and interest payable is recognised in profit or loss as it accrues, using the effective interest method.

Taxation

Current taxes are based on the results shown in the financial statements and are calculated according to local tax rules, using tax rates enacted or substantially enacted by the balance sheet date.

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

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

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities using tax rates enacted or substantively enacted at the balance sheet date.

The following temporary differences are not provided for:

- the initial recognition of goodwill;
- the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination;
- differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future.

Going concern

COVID-19 has caused a downturn in the results of the Company's subsidiaries notably through the initial lockdown period when the Government enforced closures of restaurants, pubs and cafes. The pandemic forced the Company to make difficult decisions, accelerating long term restructuring plans, which leaves the Company in a lean and agile position to win new business and support growing customers when the impact of the pandemic diminishes.

Bidfresh Holdings Limited

Notes to the Financial Statements - continued
for the Year Ended 30 June 2020

1. ACCOUNTING POLICIES - continued

Going concern (continued)

In determining whether the Company's financial statements can be prepared on a going concern basis, the Directors considered the Company's business activities together with factors likely to affect its future development, performance and financial position including cash flows, liquidity and borrowing facilities and the principal risks and uncertainties relating to its business activities, including those outlined above. Given the current uncertain economic climate, realistic assumptions for working capital performance have been used to determine the level of financial resources available to the Company and to assess liquidity risk.

The financial statements for the year ended 30 June 2019 included a material uncertainty with respect to going concern. This was due to a technical breach of financial loan covenants. The Company is in the latter stages of agreeing revised banking facilities including loan covenants, period and overdraft. The revised terms have been approved by the bank's credit committee and are subject to completion of the revised facility and lending agreement.

Accordingly, the Company has been provided with written confirmation of support from Bidcorp Foodservice International Limited, an intermediate parent entity within the Group. This confirms that if required Bidcorp Foodservice International Limited will provide sufficient funding to allow the company to meet its liabilities as they fall due.

Therefore, the directors have concluded that the Company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and consequently have prepared the financial statements on a going concern basis.

2. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The company's accounting policies have been set by management and approved by the Board. The application of these accounting policies to specific scenarios requires estimates and judgements to be made concerning the future. Under IFRS, estimates or judgements are considered critical where they involve a significant risk that may cause a material adjustment to the carrying amounts of assets and liabilities from period to period. This may be because the estimate or judgment involves matters which are highly uncertain or because different estimation methods or assumptions could reasonably have been used. Once identified, critical estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Key sources of estimation uncertainty and critical judgements

Investment valuation and amounts receivable from subsidiary

The Company monitors the performance of its investment and assess the impact on valuation of any material deviation from expectation. When value in use calculations are undertaken, the Company must estimate the expected future cash flows from the investment, including suitable sales growth, and choose a suitable discount rate in order to calculate the present value of those cash flows. The future cash flows are derived using the most recent budgets and business plans and using a post-tax discount rate of 6.5% and real growth rate of 1%.

The Company evaluates the expected credit loss on amounts due from subsidiary and reviews potential impairment indicators, such as changes in financial capability or significant delay in repayments. Based on the analysis, no impairments were identified.

Bidfresh Holdings LimitedNotes to the Financial Statements - continued
for the Year Ended 30 June 2020**3. INVESTMENT INCOME**

The income from shares in group undertakings consists of dividends received.

4. EMPLOYEES AND DIRECTORS

The directors received no remuneration from the company during the year.

Directors B Hall, S A Oswald (resigned 29 February 2020) and I Nicholson (resigned 31 July 2020) were also directors of the Company's subsidiary Bidfresh Limited. Details regarding their emoluments are disclosed in the financial statements of that company and those emoluments are borne by the subsidiary undertaking.

A Selley and A Brogan (both appointed 31 July 2020) are also directors of BFS Group Limited and details regarding their emoluments are disclosed in the financial statements of BFS Group Limited. S Bender and D Cleasby were remunerated by other companies in the larger group headed by Bid Corporation Limited.

The directors do not believe that it is practicable to apportion these amounts between the services as director of the Company and services for other group undertakings; accordingly, no charges for directors' services is made to the Company

The company had no employees other than the directors during the year or the previous year.

5. IMPAIRMENT OF INVESTMENTS

	30.6.20 £	30.6.19 £
Impairment of investment in group undertaking	<u>206,788</u>	<u>-</u>

The impairment relates to the carrying value of a subsidiary company, County Farm Butchers Limited, prior to transfer of ownership within the group to Bidfresh Limited during the year.

6. INTEREST PAYABLE AND SIMILAR EXPENSES

	30.6.20 £	30.6.19 £
Bank loan interest	552,408	590,095
Other interest	-	2,607
Bank loan fees	<u>46,504</u>	<u>56,243</u>
	<u>598,912</u>	<u>648,945</u>

7. (LOSS)/PROFIT BEFORE TAXATION

Auditors' remuneration is not charged in the Income Statement. The auditors' remuneration for the year is £3,000 (2019: £3,000) for the audit of these financial statements and is borne by another group company.

8. TAX ON (LOSS)/PROFIT**Analysis of tax (credit)/expense**

	30.6.20 £	30.6.19 £
Current tax:		
Corporation tax	<u>(114,641)</u>	<u>-</u>
Total tax (credit)/expense in income statement	<u>(114,641)</u>	<u>-</u>

Bidfresh Holdings LimitedNotes to the Financial Statements - continued
for the Year Ended 30 June 2020**8. TAX ON (LOSS)/PROFIT – continued****Factors affecting the tax (credit)/expense**

The tax assessed for the year is higher (2019 - lower) than the standard rate of corporation tax in the UK.

The difference is explained below:

	30.6.20 £	30.6.19 £
(Loss)/profit before income tax	<u>(810,160)</u>	<u>1,540,176</u>
(Loss)/profit multiplied by the standard rate of corporation tax in the UK of 19% (2019 - 19%)	(153,930)	292,633
Effects of:		
Surrendered as group relief	-	127,217
Non-taxable dividend income	-	(419,850)
Impairment of investments not tax deductible	<u>39,289</u>	<u>-</u>
Tax (credit)/expense	<u>(114,641)</u>	<u>-</u>

A UK corporation rate of 19% (effective 1 April 2020) was substantively enacted on 17 March 2020, reversing the previously enacted reduction in the rate from 19% to 17%. This will increase the Company's future current tax charge accordingly.

9. INVESTMENTS

	Shares in group undertakings £
COST	
At 1 July 2019	29,452,831
Additions	7,500,000
Disposals	<u>(2,639,364)</u>
At 30 June 2020	<u>34,313,467</u>
PROVISIONS	
At 1 July 2019	5,960,341
Provision for year	206,788
Eliminated on disposal	<u>(206,788)</u>
At 30 June 2020	<u>5,960,341</u>
NET BOOK VALUE	
At 30 June 2020	<u>28,353,126</u>
At 30 June 2019	<u>23,492,490</u>

During the year the company waived £7,500,000 from its receivable balance from Bidfresh Limited. The intercompany waiver is included as additions to investments. The impairment in the year relates to the investment in County Farm Butchers Limited prior to transfer of ownership to Bidfresh Limited during the year.

Bidfresh Holdings LimitedNotes to the Financial Statements - continued
for the Year Ended 30 June 2020**9. INVESTMENTS – continued**

The company has the following investment in the Share Capital of the following subsidiary companies incorporated in the United Kingdom:

Subsidiary undertakings	Class shares held	Holdings	Principal activity
Bidfresh Limited	Ordinary	100%	Trading company
Oliver Kay Holdings Limited	Ordinary	100%	Holding company
The London Fine Meat Company Limited	Ordinary	100%	Dormant
County Farm Butchers Limited *	Ordinary	100%	Holding company
Campbell Brothers Limited *	Ordinary Class A & B	100%	Trading company
Campbell Brothers Fish Company Limited *	Ordinary	100%	Dormant
Campbell Brothers Produce Limited *	Ordinary	100%	Dormant
The Rustic Cheese Company Limited	Ordinary	100%	Dormant
Henson Foods Limited	Ordinary	100%	Dormant
Knight Meats Limited	Ordinary	100%	Dormant
Oliver Kay Limited *	Ordinary Class A	100%	Dormant
Wyn Lee Holdings Limited *	Ordinary Class A	100%	Holding company
Wynne-Williams (Flint) Limited *	Ordinary Class A	100%	Dormant
R Noone & Son Limited	Ordinary	100%	Dormant

* indirect subsidiary owned through Bidfresh Limited, Wyn Lee Holdings Limited or Oliver Kay Holdings Limited.

The registered office of the above companies is Units 10-14 Cedar Way, Industrial Estate, Camley Street, London N1C 4PD except for County Farm Butchers Limited, Campbell Brothers Fish Company Limited and Campbell Brothers Produce Limited which are registered in Scotland and have their registered office at Unit 4, Sherwood Industrial Estate, Bonnyrigg, Midlothian EH19 3LW.

10. DEBTORS**Non-current**

	30.6.20	30.6.19
	£	£
Amounts owed by group undertakings	19,592,257	-

Amounts owed by group undertakings are interest free repayable on or before 26 February 2030 by direct and indirect subsidiaries. The signing of agreements in February 2020 formalised the understanding between the group companies.

Current

	30.6.20	30.6.19
	£	£
Amounts owed by group undertakings	-	32,815,505
Prepayments	77,945	145,763
	77,945	32,961,268

11. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	30.6.20	30.6.19
	£	£
Amounts owed to group undertakings	61,765	-
Bank loans and overdrafts (see note 13)	24,000,000	1,161,009
	24,061,765	1,161,009

Bidfresh Holdings LimitedNotes to the Financial Statements - continued
for the Year Ended 30 June 2020**12. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR**

	30.6.20 £	30.6.19 £
Bank loans (see note 13)	<u>-</u>	<u>30,000,000</u>

13. FINANCIAL LIABILITIES - BORROWINGS

	30.6.20 £	30.6.19 £
Current:		
Bank overdrafts	-	1,161,009
Bank loans	<u>24,000,000</u>	<u>-</u>
	<u>24,000,000</u>	<u>1,161,009</u>
Non-current:		
Bank loans	<u>-</u>	<u>30,000,000</u>

The loans bear interest at bank base rate plus 1.30% on the element in excess of any funds held by the bank for the company and various other companies in the group who are subject to an unlimited guarantee for repayment of the loans. They have been classified as current at the balance sheet date due to breach in covenants. However as disclosed in the strategic report, covenants have been reset in the financial year ended 30 June 2021.

14. CALLED UP SHARE CAPITAL

	No of Shares	Ordinary Shares £
At 30 June 2019 and At 30 June 2020	<u>9,371,273</u>	<u>9,371,273</u>

The holders of ordinary shares are entitled to receive dividends as declared and are entitled to one vote per share at meetings of the company.

15. CONTINGENT LIABILITIES

The company has given an unlimited guarantee in respect of bank borrowings and overdrafts by companies in the Bidfresh Holdings Limited group, primarily a liability of £32,104,206 as at 30 June 2020.

16. EVENTS AFTER THE REPORTING PERIOD

On 1 July 2020 the company was purchased by BFS Group Limited from Bidcorp (UK) Limited. BFS Group Limited is a subsidiary of Bidcorp (UK) Limited and as such this represents a restructure of the UK Bidcorp Group.

As discussed in the strategic report the Company has agreed with the bank an extension to the maturity date of the bank loan with new financial covenants.

Bidfresh Holdings Limited

Notes to the Financial Statements - continued
for the Year Ended 30 June 2020

17. ULTIMATE CONTROLLING PARTY

The immediate parent company is Bidcorp (UK) Limited which is incorporated in England and Wales. The ultimate parent company and ultimate controlling party is Bid Corporation Limited incorporated in South Africa.

The smallest group in which the results of the company are incorporated is BidCorp Food Service International Limited. The largest group in which the results of the company are consolidated is that headed Bid Corporation Limited. The consolidated financial statements of these groups are available to the public and may be obtained from the registered office at Postnet Suite I36, Private Bag X9976, Johannesburg 2146, South Africa or via www.BidcorpGroup.com.