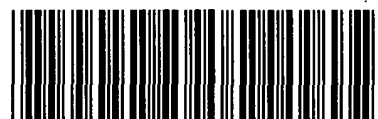


**APRICOT TOPCO LIMITED**

**Annual Report and Financial Statements  
for the 52 weeks ended 2 May 2015**

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**REPORT AND FINANCIAL STATEMENTS 2015**

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**OFFICERS AND PROFESSIONAL ADVISERS**

**DIRECTORS**

J Church  
A Backen  
P Utting  
P Unsworth  
P Thornton  
C Stephens  
D Goldney

**REGISTERED OFFICE**

Orchard House  
Irthlingborough  
Wellingborough  
Northamptonshire  
NN9 5DB

**BANKERS**

Barclays Bank plc  
8 Market Street  
Kettering  
Northamptonshire  
NN16 0AX

**AUDITOR**

Deloitte LLP  
Chartered Accountants and Statutory Auditor  
Nottingham  
United Kingdom

## **STRATEGIC REPORT**

The directors present the annual report and audited financial statements for the 52 weeks ended 2 May 2015.

### **REVIEW OF DEVELOPMENTS AND FUTURE PROSPECTS**

On the 10 September 2013 the Apricot Topco Limited group (the "Group") acquired Whisky Holdco Limited for a consideration of £32,414,000 as part of an investment in to the Group by funds managed by Equistone Partners Europe Limited. The acquisition has been financed by bank debt and the issue of loan notes.

The group operates in the key food markets of vine fruit, tree fruit, culinary nuts, beans, pulses and cereals, stuffings and other miscellaneous ambient food products. Many of the group's markets reflect today's consumer trends of healthy eating, snacking and increased baking habits, with these sectors having shown positive growth in recent years. These positive trends will facilitate the group's future development, focusing particularly on new product innovation.

Whitworths Limited is the trading company in the Group. On a full year proforma basis Whitworths Limited, turnover for the 52 weeks ended 2 May 2015 has risen to £157,764,000 (period ended 2 May 2014: £157,205,000) driven by private label growth. Operating profit for the 52 weeks ended 2 May 2015 was £7,423,000 (period ended 3 May 2014: £6,532,000) an increase due to the reduction in exceptional costs.

The turnover for Apricot Topco Ltd group for the 52 weeks ended 2 May 2015 is £157,764,000 (16 August 2013 to 3 May 2014: £110,932,000) and generated an operating profit of £3,505,000 (16 August 2013 to 3 May 2014: £3,959,000). Exceptional costs were incurred in the period amounting to £2,534,000 (16 August 2013 to 3 May 2014: £1,478,000) due to restructuring following the resignation of the Chief Executive Officer during the period and other exceptional trading costs, which resulted from an industry change in packaging regulations generating one-off origination costs and packaging stock write offs. Loss for Apricot Topco group for the 52 weeks ended 2 May 2015 is £4,931,000 (16 August 2013 to 3 May 2014: Loss £1,463,000).

Net liabilities have increased from £737,000 as at 3 May 2014 to £5,580,000 as at 2 May 2015 primarily as a result of accruing the interest due on the group's external borrowings. Further details are provided in note 14.

Average employee numbers for the acquired Whisky Holdco Limited group remained stable at 377 (period ended 3 May 2014: 375).

### **GOING CONCERN**

The financial statements have been prepared on a going concern basis.

The group's business activities, set out in the principal activities and review of developments and future prospects on page 2. The principal risks and uncertainties set out on page 3 describe the key risks impacting the group and how they are mitigated.

The group's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the group should be able to operate within the level of its current facilities for at least a period of 12 months from the date of signing the accounts. The group is financed by a long-term bank loan repayable in instalments, the last of which falls due on 9 September 2020. The bank loan covenants that the group has to meet, tested on a rolling basis every quarter, are:

- leverage, meaning the ratio of total net debt to EBITDA, not greater than prescribed levels;
- cash cover, meaning the ratio of cash flow to net debt service, not less than prescribed levels;
- interest cover, meaning the ratio of EBITDA to interest paid, not less than prescribed levels; and
- capital expenditure shall not be greater than prescribed levels.

The prescribed levels vary every quarter and there were no breaches of covenants during the year. Furthermore there are no forecast breaches of covenants over the next 12 months from the date of approval of these financial statements.

In addition, the Group has in place an additional £7.5 million revolving credit facility with the term bank loan, this is due to expire on 9 September 2019. None of this facility had been drawn at the period end date. The company and group have sufficient financial resources and forecast cash inflows going forward. As a consequence, the directors believe that the company is well placed to manage its business risk successfully.

**STRATEGIC REPORT (continued)**

**GOING CONCERN (CONTINUED)**

After making enquiries, the directors have a reasonable expectation that the company and the group have adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and financial statements.

**PRINCIPAL RISKS AND UNCERTAINTIES**

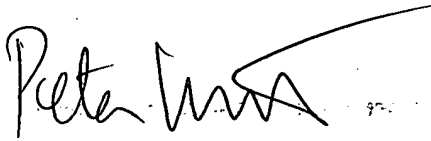
The group's main markets in the UK are a competitive trading environment. However, the risks associated with this have been addressed by focus on the strength of the group's product offer, its relationships with its customers and a diversity of those customers. Raw material commodity costs are closely monitored by management through weekly meetings and fluctuations of such costs are considered in commercial agreements with customers.

A significant proportion of the group's purchases are made in US Dollars and Euros and the group is therefore exposed to the movement in exchange rates. This risk is managed by the maintenance of foreign currency bank accounts and the use of both spot currency purchases and forward foreign exchange contracts.

The group is financed by bank and shareholder loans and is exposed to the movement in interest rates. This risk is managed by the use of interest rate swap or cap contracts from time to time and early response to changes. Following the acquisition on 10 September 2013 and the new debt structure an interest rate cap contract was entered into.

Approved by the Board of Directors on 20 August 2015

and signed on behalf of the Board by:

A handwritten signature in black ink, appearing to read 'Peter Unsworth', with a long horizontal line extending to the right.

P Unsworth  
Director

## **DIRECTORS' REPORT**

### **PRINCIPAL ACTIVITIES**

Apricot Topco Limited is the holding company of a group engaged in the packaging and distribution of ambient food products and the provision of food services to its customer base.

### **RESULTS AND DIVIDENDS**

The results for the period are detailed on page 8. The loss for the period of £4,931,000 (period ended 3 May 2014: £1,463,000) has been withdrawn from reserves.

The directors are unable to recommend the payment of a dividend (period ended 3 May 2014: £nil).

### **DIRECTORS**

The directors who served during the period and since the period end, except as noted, were as follows:

J Church  
A Backen  
P Utting  
P Unsworth  
K Pringle (resigned on 15 August 2014)  
C Stephens  
N Dickens (resigned on 15 August 2014)  
P Thornton (appointed on 1 July 2014)  
D Goldney (appointed on 15 August 2014)

### **EMPLOYEE INVOLVEMENT**

The group has developed procedures for good communication and employee involvement. Joint committees operate on a regular basis to discuss matters affecting communication of information about the business to all levels of employees.

Team briefing sessions are conducted regularly and provide a regular communication of information about the business to all levels of employees.

In addition to normal salary, the introduction of a performance bonus system across key areas has resulted in improved commitment and success.

### **EMPLOYMENT OF DISABLED PEOPLE**

It is the policy of the group to employ people who are disabled provided that it is practicable to offer them suitable employment; also to make every effort to provide appropriate employment for employees who become disabled.

It is the group's intention to give disabled people opportunity for training, career development and promotion consistent with their capabilities.

The individual needs of the disabled will be taken into consideration and where practicable, special arrangements will be made to enable them to carry out their work.

**DIRECTORS' REPORT (continued)**

**AUDITOR**

In the case of the persons who are directors of the company at the date when this report is approved:

- so far as each director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- each of the directors has 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 auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Deloitte LLP has indicated their willingness to be reappointed for another term and appropriate arrangements have been put in place for them to be deemed reappointed as auditors in absence of an Annual General Meeting.

Approved by the Board of Directors on 20 August 2015

and signed on behalf of the Board by:



P Unsworth  
Director

## **DIRECTORS' RESPONSIBILITIES STATEMENT**

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards 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 these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed; 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 responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are 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.



## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF APRICOT TOPCO LIMITED**

We have audited the financial statements of Apricot Topco Limited for the 52 weeks ended 2 May 2015 which comprise the consolidated profit and loss account, the consolidated statement of total recognised gains and losses, the consolidated and company balance sheets, the consolidated cash flow statement and the related notes 1 to 28. 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).

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 Directors' Responsibilities Statement, the directors are 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 group's and the parent company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; 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 financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent company's affairs as at 2 May 2015 and of the group's 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.

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

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

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



**Mark Doleman FCA (Senior Statutory Auditor)**

**for and on behalf of Deloitte LLP**

Chartered Accountants and Statutory Auditor

Nottingham, United Kingdom

20 August 2015

**CONSOLIDATED PROFIT AND LOSS ACCOUNT**  
**52 weeks ended 2 May 2015**

			52 week period ended 2 May 2015		16 August 2013 to 3 May 2014
	Note	£'000	£'000	£'000	£'000
<b>TURNOVER</b>	2		157,764		110,932
Cost of sales			(135,480)		(95,440)
<b>GROSS PROFIT</b>			22,284		15,492
Distributions and selling costs			(4,554)		(3,528)
Administrative expenses - recurring		(11,691)		(6,527)	
Exceptional costs – restructuring	4	(1,370)		(343)	
Other exceptional costs	4	(1,164)		(1,135)	
Administrative expenses – total			(14,225)		(8,005)
<b>OPERATING PROFIT</b>	4		3,505		3,959
Net interest payable and similar charges	5		(8,362)		(5,604)
<b>LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION</b>			(4,857)		(1,645)
Tax (charge)/credit on loss on ordinary activities	6		(74)		182
<b>LOSS ON ORDINARY ACTIVITIES AFTER TAXATION</b>	17,18		(4,931)		(1,463)

All operations are continuing.

As permitted by Section 408 of the Companies Act 2006, the profit and loss account of the parent company is not presented as part of these financial statements. The parent company's profit for the financial period was £20,000 (period ended 3 May 2014 £nil).

**CONSOLIDATED STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES**  
**52 weeks ended 2 May 2015**

		<b>52 week period ended 2 May 2015 £'000</b>	<b>16 August 2013 to 3 May 2014 £'000</b>
	<b>Note</b>		
Loss for the financial period	17,18	(4,931)	(1,463)
Currency translation difference on foreign currency net investments	17,18	80	(64)
Total recognised gains and losses relating to the period		<u>(4,851)</u>	<u>(1,527)</u>

**CONSOLIDATED BALANCE SHEET**  
**At 2 May 2015**

	Note	£'000	2 May 2015 £'000	3 May 2014 £'000
<b>FIXED ASSETS</b>				
Intangible assets	7	64,539		68,060
Tangible assets	8	15,204		13,414
Investments	9	25		25
			79,768	81,499
<b>CURRENT ASSETS</b>				
Stocks	10	17,023		16,312
Debtors	11	14,881		13,554
Cash at bank and in hand		10,384		13,727
		42,288		43,593
<b>CREDITORS: amounts falling due within one year</b>	12	(32,357)		(33,617)
<b>NET CURRENT ASSETS</b>			9,931	9,976
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			89,699	91,475
<b>CREDITORS: amounts falling due after more than one year</b>	13,14		(95,036)	(92,043)
<b>PROVISIONS FOR LIABILITIES</b>	15		(243)	(169)
<b>NET LIABILITIES</b>			(5,580)	(737)
<b>CAPITAL AND RESERVES</b>				
Called-up share capital	16		12	12
Share premium account	17		786	778
Profit and loss account	17		(6,378)	(1,527)
<b>SHAREHOLDERS' DEFICIT</b>	18		(5,580)	(737)

The financial statements of Apricot Topco Limited, company registration number 8563950, were approved by the Board of Directors on 20 August 2015.

Signed on behalf of the Board of Directors by:




P Unsworth  
 Director

**COMPANY BALANCE SHEET**  
**At 2 May 2015**

	Note	£'000	2 May 2015 £'000	£'000	3 May 2014 £'000
<b>FIXED ASSETS</b>					
Investments	9		790		790
<b>CURRENT ASSETS</b>					
Debtors	11	3,947		3,568	
Cash at bank and in hand		5		518	
		3,952		4,086	
<b>CREDITORS: amounts falling due within one year</b>	12	-		(518)	
<b>NET CURRENT ASSETS</b>			3,952		3,568
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			4,742		4,358
<b>CREDITORS: amounts falling due after more than one year</b>	13,14		(3,924)		(3,568)
<b>NET ASSETS</b>			818		790
<b>CAPITAL AND RESERVES</b>					
Called-up share capital	16		12		12
Share premium account	17		786		778
Profit and loss account	17		20		-
<b>SHAREHOLDERS' FUNDS</b>	18		818		790

The financial statements of Apricot Topco Limited, company registration number 8653950, were approved by the Board of Directors on 20 August 2015.

Signed on behalf of the Board of Directors by:

  
P Unsworth  
Director

**CONSOLIDATED CASH FLOW STATEMENT**  
**52 weeks ended 2 May 2015**

			<b>52 week period ended 2 May 2015</b>	<b>16 August 2013 to 3 May 2014</b>
	<b>Note</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
<b>Net cash inflow from operating activities</b>	22		5,043	13,418
<b>Returns on investments and servicing of finance</b>				
Interest paid		(2,471)	(1,921)	
<b>Net cash outflow from returns on investments and servicing of finance</b>			(2,471)	(1,921)
<b>Taxation</b>				
UK corporation tax paid			(154)	(323)
<b>Capital expenditure and financial investment</b>				
Payments to acquire tangible fixed assets		(3,451)	(1,100)	
<b>Net cash outflow from capital expenditure and financial investment</b>			(3,451)	(1,100)
<b>Acquisitions and disposals</b>				
Purchase of subsidiary undertaking		-	(31,119)	
Net cash acquired with subsidiary undertaking		-	16,320	
<b>Net cash outflow from capital expenditure and financial investment</b>			-	(14,799)
<b>Net cash outflow before financing</b>			(1,033)	(4,725)
<b>Financing</b>				
Issue of share capital	8		737	
New bank loans	-		48,000	
New other loans	-		46,263	
Fees paid in securing new finance	-		(3,698)	
Repayment of bank loans	(1,800)		(33,164)	
Repayment of other loans	(518)		(39,686)	
<b>Net cash (outflow)/inflow from financing</b>			(2,310)	18,452
<b>(Decrease)/increase in cash</b>	24		(3,343)	13,727

## NOTES TO THE FINANCIAL STATEMENTS

### 52 weeks ended 2 May 2015

#### 1. ACCOUNTING POLICIES

The principal accounting policies, which have been applied consistently throughout the current period are summarised below:

##### **Basis of accounting**

The financial statements have been prepared under the historical cost convention and in accordance with applicable law and United Kingdom accounting standards.

##### **Going concern**

The group's business activities, set out in the principal activities and review of developments and future prospects on page 2. The principal risks and uncertainties set out on page 2 describe the key risks impacting the group and how they are mitigated.

The group's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the group should be able to operate within the level of its current facilities for at least a period of 12 months from the date of signing the accounts. The group is financed by a long-term bank loan repayable in instalments, the last of which falls due on 9 September 2020. The bank loan covenants that the group has to meet, tested on a rolling basis every quarter, are:

- leverage, meaning the ratio of total net debt to EBITDA, not greater than prescribed levels;
- cash cover, meaning the ratio of cash flow to net debt service, not less than prescribed levels;
- interest cover, meaning the ratio of EBITDA to interest paid, not less than prescribed levels; and
- capital expenditure shall not be greater than prescribed levels.

The prescribed levels vary every quarter and there were no breaches of covenants during the year. Furthermore there are no forecast breaches of covenants over the next 12 months from the date of approval of these financial statements.

In addition, the Group has in place an additional £7.5 million revolving credit facility with the term bank loan, this is due to expire on 9 September 2019. None of this facility had been drawn at the period end date. The company and group have sufficient financial resources and forecast cash inflows going forward. As a consequence, the directors believe that the company is well placed to manage its business risk successfully despite the current uncertain economic outlook.

After making enquiries, the directors have a reasonable expectation that the company and the group have adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual report and financial statements.

##### **Basis of consolidation**

The group financial statements consolidate the financial statements of the company and its subsidiary undertakings made up from the period of 52 weeks ended 2 May 2015

All subsidiaries are consolidated under acquisition accounting principles. Results of subsidiary undertakings acquired or disposed of during the period are included from the date of acquisition or to the date of disposal to the extent of group ownership.

## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 52 weeks ended 2 May 2015

#### 1. ACCOUNTING POLICIES (continued)

##### Basis of consolidation (continued)

The separable net assets of subsidiary undertakings acquired and accounted for under acquisition accounting and joint ventures are included in the group financial statements at their fair value to the group at the date of acquisition including provisions and liabilities taken into consideration in assessing the fair value of the business acquired.

Intra-group turnover and profits are eliminated on consolidation.

The profit for the financial period dealt with in the financial statements of the holding company was £20,000 (period ended 3 May 2014: £nil).

As permitted by Section 408 of the Companies Act 2006, a separate profit and loss account for the holding company is not presented.

##### Tangible fixed assets and depreciation

Tangible fixed assets are recorded at cost less accumulated depreciation.

Depreciation is provided at rates appropriate to write off fixed assets over their expected useful lives. Annual rates of depreciation most widely used are:

Freehold land	nil
Freehold buildings	5%
Plant and machinery	5% to 20%
Fixtures and fittings	10% to 33 1/3%

##### Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the group's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

A net deferred tax asset is regarded as recoverable and therefore recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is not recognised when fixed assets are revalued unless by the balance sheet date there is a binding agreement to sell the revalued assets and the gain or loss expected to arise on sale has been recognised in the financial statements. Neither is deferred tax recognised when fixed assets are sold and it is more likely than not that the taxable gain will be rolled over, being charged to tax only if and when the replacement assets are sold.

Deferred tax is recognised in respect of the retained earnings of overseas subsidiaries and associates only to the extent that, at the balance sheet date, dividends have been accrued as receivable or a binding agreement to distribute past earnings in future has been entered into by the subsidiary or associate.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

##### Leases

Costs incurred in respect of operating leases are charged in arriving at the operating profit for the period.



## NOTES TO THE FINANCIAL STATEMENTS (continued)

### 52 weeks ended 2 May 2015

#### 1. ACCOUNTING POLICIES (continued)

##### Pensions

The group operates a defined contribution pension scheme for the benefit of employees. The costs of group contributions are charged to the profit and loss account in the period in which they occur.

##### Goodwill and intangible fixed assets

On the acquisition of a business fair values are attributed to the group's share of net assets. Where the costs of acquisition exceed the fair values attributable to such net assets, the difference is treated as purchased goodwill and capitalised in the balance sheet in the year of acquisition. The goodwill is amortised over its estimated useful life up to a maximum of 20 years with a full year's charge in the year of acquisition. The directors regard 20 years as a reasonable maximum for the estimated useful life of goodwill. The profit or loss on disposal or closure of a previously acquired business includes the attributable amount of any purchased goodwill relating to that business not previously charged through the profit and loss account.

##### Stocks

Stocks are stated at the lower of cost and net realisable value. Provision is made for obsolete, slow moving and defective stocks. Cost comprises direct expenses and such overheads as are appropriate to the location and condition of the stock and work-in-progress. Net realisable value is based on estimated selling price less further costs to be incurred on completion and disposal.

##### Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated at the balance sheet date at the closing rate. Trading items denominated in foreign currencies are translated at the exchange rate ruling on the date due the transactions occurred. Exchange differences thus arising are reported as part of the profit for the period.

##### Derivative financial instruments

The group uses derivative financial instruments to reduce exposure to foreign exchange risk and interest rate movements. The group held an interest rate cap entered into in the current period. The group does not hold or issue derivative financial instruments for speculative purposes.

For a forward foreign exchange contract to be treated as a hedge the instrument must be related to actual foreign currency assets or liabilities or to a probable commitment. It must involve the same currency or similar currencies as the hedged item and must also reduce the risk of foreign currency exchange movements on the group's operations. Gains and losses arising on these contracts are deferred and recognised in the profit and loss account, or as adjustments to the carrying amount of fixed assets, only when the hedged transaction has itself been reflected in the group's financial statements.

For an interest rate swap to be treated as a hedge the instrument must be related to actual assets or liabilities or a probable commitment and must change the nature of the interest rate by converting a fixed rate to a variable rate or vice versa. Interest differentials under these swaps are recognised by adjusting net interest payable over the periods of the contracts.

If an instrument ceases to be accounted for as a hedge, for example because the underlying hedged position is eliminated, the instrument is marked to market and any resulting profit or loss recognised at that time.

##### Fixed asset investments

Fixed asset investments are stated at cost less provision for any impairment.

##### Issue costs

Immediately after issue, borrowings are recorded net of issue costs. Issue costs relating to borrowings are amortised over the repayment periods of those borrowings.

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**52 weeks ended 2 May 2015**

**2. TURNOVER**

Turnover represents amounts derived from the provision of goods and services which fall within the group's ordinary activities after deduction of trade discounts and Value Added Tax. Turnover is recognised at the point of despatch.

**Segmental reporting**

Analysis of turnover by geographical market supplied:

	<b>52 week period ended 2 May 2015 £'000</b>	<b>16 August 2013 to 3 May 2014 £'000</b>
United Kingdom	155,174	109,539
Rest of Europe	2,578	1,393
Rest of world	12	-
	<u>157,764</u>	<u>110,932</u>

The directors consider that the group operates in one business segment, being food production.

**3. INFORMATION REGARDING DIRECTORS AND EMPLOYEES**

<b>Directors' remuneration:</b>	<b>52 week period ended 2 May 2015 £'000</b>	<b>16 August 2013 to 3 May 2014 £'000</b>
Emoluments	1,195	1,752
Pension contributions	75	54
	<u>1,270</u>	<u>1,806</u>

The emoluments, excluding pension contributions, of the highest paid director were £264,000 (period ended 3 May 2014: £350,000). Pension contributions of the highest paid director amounted to £26,000 (period ended 3 May 2014: £18,000).

	<b>52 week period ended 2 May 2015 No</b>	<b>16 August 2013 to 3 May 2014 No.</b>
The number of directors who were members of a money purchase scheme was	<u>3</u>	<u>3</u>
	<b>No.</b>	<b>No.</b>
<b>Average number of persons employed during the period including directors:</b>		
Production	305	307
Sales and administration	72	68
	<u>377</u>	<u>375</u>

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**52 weeks ended 2 May 2015**

**3. INFORMATION REGARDING DIRECTORS AND EMPLOYEES (continued)**

	<b>52 week period ended 2 May 2015 £'000</b>	<b>16 August 2013 to 3 May 2014 £'000</b>
<b>Staff costs during the period including directors:</b>		
Wages and salaries	14,306	9,285
Social security costs	1,298	835
Pension costs	282	136
	<u>15,886</u>	<u>10,256</u>

The group operates defined contribution retirement benefit schemes for all qualifying employees. The total costs charged to the profit and loss account of £283,000 (period ended 3 May 2014: £136,000) represents contributions payable to these schemes by the group at rates specified in the rules of the plans. As at 2 May 2015, contributions of £39,000 (period ended 3 May 2014: £25,000) were due in respect of the current reporting period had not been paid over to the schemes.

**4. OPERATING PROFIT**

	<b>52 week period ended 2 May 2015 £'000</b>	<b>16 August 2013 to 3 May 2014 £'000</b>
<b>Operating profit is stated after charging the following items:</b>		
Depreciation of tangible fixed assets - owned	1,661	969
Goodwill amortisation	3,521	2,347
Exceptional costs – restructuring	1,370	343
Other exceptional costs	1,164	1,135
Rentals under operating leases		
- other operating leases	538	322
Fees payable to the Company's auditors for the audit of the Company's annual accounts	15	15
Fees payable to the Company's auditors and their associates for other services to the Group		
- the audit of the company's subsidiaries pursuant to legislation	68	59
Non-audit services		
- tax compliance services	38	48
- other services	25	22
	<u></u>	<u></u>

Fees payable to the company's auditor for non-audit services to the company are not required to be disclosed because the consolidated financial statements are required to disclose such fees on a consolidated basis.

Exceptional operating costs were incurred in the period amounting to £2,534,000 (period ended 3 May 2014: £1,478,000) as a direct result of the following:

- Restructure following the resignation the Chief Executive Officer in the period.
- other exceptional trading costs, which resulted from an industry change in packing regulations generating one-off origination costs and packages stock write offs.

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**52 weeks ended 2 May 2015**

**5. NET INTEREST PAYABLE AND SIMILAR CHARGES**

	<b>52 week period ended 2 May 2015 £'000</b>	<b>16 August 2013 to 3 May 2014 £'000</b>
Deferred issue costs	621	1,007
Bank loans and overdraft	2,469	1,845
Interest on loan notes	5,272	2,752
	<u>8,362</u>	<u>5,604</u>

Included within interest payable in the current period is £5,272,000 (period ended 3 May 2014: £3,259,000) in respect of loan note interest, for which the group has deferred payment. This interest will therefore be payable at the same time as the respective principal amounts as disclosed in note 14.

**6. TAX ON LOSS ON ORDINARY ACTIVITIES**

**Analysis of tax (charge)/credit on ordinary activities**

	<b>52 week period ended 2 May 2015 £'000</b>	<b>16 August 2013 to 3 May 2014 £'000</b>
<b>Current tax</b>		
United Kingdom corporation tax credit at 21% (period ended 3 May 2014: 23%) based on the loss for the period	-	185
<b>Total current tax</b>	<u>-</u>	<u>185</u>
<b>Deferred tax</b>		
Timing differences, origination and reversal	(74)	(3)
<b>Total deferred tax</b>	<u>(74)</u>	<u>(3)</u>
<b>Total tax (charge)/ credit on loss on ordinary activities</b>	<u>(74)</u>	<u>182</u>

**Factors affecting tax (charge)/credit for the current period**

The tax assessed for the period is higher (period ended 3 May 2014: lower) than that resulting from applying the standard rate of corporation tax in the UK of 21% (period ended 3 May 2014: 23%).

The differences are explained below:

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**52 weeks ended 2 May 2015**

**6. TAX ON PROFIT ON ORDINARY ACTIVITIES (continued)**

	52 week period ended 2 May 2015 £'000	16 August 2013 to 3 May 2014 £'000
Loss on ordinary activities before tax	4,857	1,645
Tax credit at 21% (period ended 3 May 2014: 23%) thereon:	961	377
Effects of:		
Expenses not deductible for tax purposes	(1,550)	(196)
Depreciation higher than capital allowances	86	3
Movement in short term timing difference	(32)	-
Effects of different tax rates	-	1
Utilisation of tax losses	535	-
Current tax (charge)/credit for the period	-	185

**Factors affecting future tax**

Deferred tax assets of £1,111,000 (period ended 3 May 2014: £1,717,000) relating to loan relationship deficits, £928,000 (period ended 3 May 2014: £247,000) relating to tax losses and £191,000 (period ended 3 May 2014: £191,000) relating to capital losses of £956,000 have not been recognised due to uncertainty regarding their future reversal.

Deferred tax has also not been provided on land and buildings acquired from group companies. This tax will only become payable if the assets are sold and rollover relief is not obtained. The estimated amount of tax that would become payable in these circumstances is £428,000 (period ended 3 May 2014 £428,000).

In recent years the UK Government has steadily reduced the rate of UK corporation tax, with the latest rates substantively enacted in July 2013 now standing at 20% with effect from 1 April 2015. The closing deferred tax assets and liabilities have been calculated at 20% in accordance with the rates enacted at the balance sheet date.

In the Budget on 8 July 2015, the UK Government proposed, amongst other things, to further reduce the main rate of UK corporation tax to 19% with effect from 1 April 2017 and to 18% with effect from 1 April 2020. Existing temporary differences may therefore unwind in periods subject to these reduced rates. These rate changes are to be included in the Finance Bill 2015 but this has not yet been substantively enacted.

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**52 weeks ended 2 May 2015**

**7. INTANGIBLE FIXED ASSETS**

	<b>Group £'000</b>
<b>Goodwill</b>	
<b>Cost</b>	
At 4 May 2014 and at 2 May 2015	70,407
<b>Accumulated amortisation</b>	
At 4 May 2014	(2,347)
Charge for the period	(3,521)
At 2 May 2015	<u>(5,868)</u>
<b>Net book value</b>	
At 2 May 2015	<u>64,539</u>
At 3 May 2014	<u>68,060</u>

On the 10 September 2013 the Apricot Topco Limited group acquired Whisky Holdco Limited for consideration of £32,414,000 as part of the acquisition of the Group by Equistone Partners Europe Limited, which generated goodwill on acquisition amounting to £70,407,000.

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**52 weeks ended 2 May 2015**

**8. TANGIBLE FIXED ASSETS**

<b>Group</b>	<b>Freehold land and buildings £'000</b>	<b>Plant, machinery, fixtures and fittings £'000</b>	<b>Total £'000</b>
<b>Cost</b>			
At 4 May 2014	8,159	6,224	14,383
Additions	-	3,451	3,451
At 2 May 2015	8,159	9,675	17,834
<b>Accumulated depreciation</b>			
At 4 May 2014	(167)	(802)	(969)
Charge for the period	(251)	(1,410)	(1,661)
At 2 May 2015	(418)	(2,212)	(2,630)
<b>Net book value</b>			
At 2 May 2015	7,741	7,463	15,204
At 3 May 2014	7,992	5,422	13,414

Freehold land and buildings includes land with a cost of £5,000,000 which is not depreciated.

Included within cost and net book value of plant, machinery, fixtures and fittings at 2 May 2015 were assets in the course of construction amounting to £1,537,000 (period ended 3 May 2014: £334,000) which have not been depreciated.

**9. FIXED ASSET INVESTMENTS**

<b>Group</b>	<b>Other investments £'000</b>
<b>Cost and net book value</b>	
At 4 May 2014 and at 2 May 2015	25

The other investment represents a 35% investment in Anatolia Tarım Ürünleri Sanayi ve Dış Ticaret A.Ş. ("Anatolia"), a Turkish fruit distributor, which was acquired as part of the acquisition of the Whisky Holdco Group on 10 September 2013. During the period the group purchased goods to the value of £6,710,000 (period ended 3 May 2014 £4,899,000) from Anatolia. The balance due to Anatolia at 2 May 2015 was £1,780,000 (3 May 2014: £2,750,000). Anatolia has not been accounted for as an associate as the group does not exert any significant influence over the operating and financial policies of the company.

<b>Company</b>	<b>Subsidiary undertakings £'000</b>
<b>Cost and net book value</b>	
At 4 May 2014 and at 2 May 2015	790

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**52 weeks ended 2 May 2015**

**9. FIXED ASSET INVESTMENTS (continued)**

Subsidiaries are all wholly owned and operate in the dried food preparation business. At 2 May 2015, the Group's subsidiaries were as follows:

Subsidiary undertaking	Country of registration	Proportion and description of shares held
Apricot Intermediate Limited	England and Wales	100% ordinary shares
Apricot Bidco Limited*	England and Wales	100% ordinary shares
Whisky Holdco Limited**	England and Wales	100% ordinary shares
Whisky Intermediate Limited***	England and Wales	100% ordinary shares
Whisky Bidco Limited****	England and Wales	100% ordinary shares
Seckloe 260 Limited*****	England and Wales	100% ordinary shares
Whitworths Group Limited*****	England and Wales	100% ordinary shares
Whitworths Investments Limited*****	England and Wales	100% ordinary shares
Whitworths Limited*****	England and Wales	100% ordinary shares
Sundora Foods Limited*****	England and Wales	100% ordinary shares
Trent Foods Limited*****	England and Wales	100% ordinary shares
Whitworths Inc.*****	USA	100% ordinary shares

\* Denotes investment held directly by Apricot Intermediate Limited

\*\* Denotes investment held directly by Apricot Bidco Limited

\*\*\* Denotes investment held directly by Whisky Holdco Limited

\*\*\*\* Denotes investment held directly by Whisky Intermediate Limited

\*\*\*\*\* Denotes investment held directly by Whisky Bidco Limited

\*\*\*\*\* Denotes investment held directly by Seckloe 260 Limited

\*\*\*\*\* Denotes investment held directly by Whitworths Group Limited

\*\*\*\*\* Denotes investment held directly by Whitworths Investments Limited

Sundora Foods Limited, Trent Foods Limited and Seckloe 260 Ltd are dormant companies and as such are exempt from the requirement for an audit under s479a of the Companies Act 2006.

**10. STOCKS**

	Group	
	2 May 2015	3 May 2014
	£'000	£'000
Raw materials and consumables	8,460	9,591
Work in progress	640	649
Finished goods and goods for resale	7,923	6,072
	<u>17,023</u>	<u>16,312</u>

There is no material difference between the balance sheet value of stocks and their replacement cost.

The company does not hold any stock.



**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**52 weeks ended 2 May 2015**

**11. DEBTORS**

	<b>2 May 2015 £'000</b>	<b>Group 3 May 2014 £'000</b>	<b>2 May 2015 £'000</b>	<b>Company 3 May 2014 £'000</b>
<b>Amounts falling due within one year:</b>				
Trade debtors	11,765	9,691	-	-
Amounts due from subsidiary undertakings	-	-	3,944	3,568
Prepayments and accrued income	843	638	3	-
Other debtors	2,206	2,721	-	-
Corporation tax	67	504	-	-
	<u>14,881</u>	<u>13,554</u>	<u>3,947</u>	<u>3,568</u>

**12. CREDITORS: amounts falling due within one year**

	<b>2 May 2015 £'000</b>	<b>Group 3 May 2014 £'000</b>	<b>2 May 2015 £'000</b>	<b>Company 3 May 2014 £'000</b>
Bank loans	2,900	1,800	-	-
Loan notes	-	518	-	518
Trade creditors	23,333	25,438	-	-
Other creditors including taxation and social security	717	904	-	-
Accruals and deferred income	5,407	4,957	-	-
	<u>32,357</u>	<u>33,617</u>	<u>-</u>	<u>518</u>

**13. CREDITORS: amounts falling due after more than one year**

	<b>2 May 2015 £'000</b>	<b>Group 3 May 2014 £'000</b>	<b>2 May 2015 £'000</b>	<b>Company 3 May 2014 £'000</b>
Bank loans	36,893	39,172	-	-
Loan notes	56,262	51,147	3,797	3,452
Loan notes accrued interest	1,881	1,724	127	116
	<u>95,036</u>	<u>92,043</u>	<u>3,924</u>	<u>3,568</u>

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**52 weeks ended 2 May 2015**

**14. BORROWINGS**

	<b>2 May 2015 £'000</b>	<b>Group 3 May 2014 £'000</b>	<b>2 May 2015 £'000</b>	<b>Company 3 May 2014 £'000</b>
Bank loans	42,500	44,300	-	-
Loan notes	56,262	51,665	3,797	3,970
Loan notes accrued interest	1,881	1,724	127	116
	<u>100,643</u>	<u>97,689</u>	<u>3,924</u>	<u>4,086</u>
Deferred issue costs	(2,707)	(3,328)	-	-
Total borrowings	<u>97,936</u>	<u>94,361</u>	<u>3,924</u>	<u>4,086</u>
Due within one year	2,900	2,318	-	518
Due after one year	95,036	92,043	3,924	3,568
Total borrowings	<u>97,936</u>	<u>94,361</u>	<u>3,924</u>	<u>4,086</u>
<b>Maturity analysis:</b>				
Within one year	2,900	2,318	-	518
Between one and two years	3,800	2,900	-	-
Between two and five years	10,800	12,400	-	-
After five years	83,143	80,071	3,924	3,568
Deferred issue costs	(2,707)	(3,328)	-	-
	<u>97,936</u>	<u>94,361</u>	<u>3,924</u>	<u>4,086</u>

Bank term loan A of £17,500,000 bears interest at 4.25% above LIBOR and is repayable in instalments, the last of which falls due on 25 October 2019.

Bank term loan B of £25,000,000 bears interest at 4.75% above LIBOR and is repayable in full on 9 September 2020.

The company has available to it a revolving credit facility up to £7,500,000 which bears interest at 4.25% above LIBOR and is repayable in full on 9 September 2019. At 2 May 2015 the drawn balance on the revolving credit facility was £nil.

Bank loans are secured by a fixed charge over the fixed asset investments of the company and floating charges over the assets of both the company and the company's subsidiary undertakings.

The loan notes bear interest at 10% and are repayable in full on 30 October 2021.

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**52 weeks ended 2 May 2015**

**15. PROVISIONS FOR LIABILITIES**

	<b>2 May 2015 £'000</b>	<b>Group 3 May 2014 £'000</b>
Deferred taxation	243	169
	<u>£'000</u>	<u>£'000</u>
<b>Movement in deferred tax liability in the period</b>		
Deferred tax liability at beginning of period	169	-
Acquired	-	166
Charged to the profit and loss account (note 6)	74	3
	<u>243</u>	<u>169</u>
Deferred tax liability at end of period	<u>243</u>	<u>169</u>
	<b>2 May 2015 £'000</b>	<b>Group 3 May 2014 £'000</b>
<b>Analysis of deferred tax balance</b>		
Capital allowances in excess of depreciation	276	172
Short term timing differences	(33)	(3)
	<u>243</u>	<u>169</u>
Deferred tax liability at the end of the period	<u>243</u>	<u>169</u>

**16. CALLED-UP SHARE CAPITAL**

	<b>Group and company 2 May 2015 £'000</b>	<b>3 May 2014 £'000</b>
<b>Allotted, called-up and fully paid</b>		
736,681 'A' ordinary shares of 1p each	7	7
47,870 'B' ordinary shares of 1p each	1	1
5,449 'C' ordinary shares of 30p each	2	2
199,000 (3 May 2014: 202,500) 'D' ordinary shares of 1p each	2	2
11,000 (3 May 2014: 7,500) 'E' ordinary shares of 1p each	-	-
45,160 (3 May 2014: nil) 'F' Ordinary Shares of 1p each	-	-
	<u>12</u>	<u>12</u>

The 'A', 'B', 'D' 'E' and 'F' ordinary shares carry one vote per share, the 'C' ordinary shares carry 30 votes per share.

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**52 weeks ended 2 May 2015**

**17. RESERVES**

<b>Group</b>	<b>Called-up share capital £'000</b>	<b>Share premium account £'000</b>	<b>Profit and loss account £'000</b>
At 4 May 2014	12	778	(1,527)
Issue of shares	-	8	-
Loss for the financial period	-	-	(4,931)
Currency translation difference on foreign currency net investment in subsidiary	-	-	80
At 2 May 2015	12	786	(6,378)
<b>Company</b>	<b>Called-up share capital £'000</b>	<b>Share premium account £'000</b>	<b>Profit and loss account £'000</b>
At 4 May 2014	12	778	-
Issue of shares	-	8	-
Loss for the financial period	-	-	20
At 2 May 2015	12	786	20

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**52 weeks ended 2 May 2015**

**18. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS**

	<b>Group</b>		<b>Company</b>	
	<b>2 May</b>	<b>3 May</b>	<b>2 May</b>	<b>3 May</b>
	<b>2015</b>	<b>2014</b>	<b>2015</b>	<b>2014</b>
	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>	<b>£'000</b>
Issue of shares	8	790	8	790
Loss for the financial period/year	(4,931)	(1,463)	20	-
Currency translation difference on foreign currency net investment in subsidiary	80	(64)	-	-
Movement in shareholders' (deficit)/funds	(4,843)	(737)	28	790
Opening shareholders' (deficit)/funds	(737)	-	790	-
Closing shareholders' (deficit)/funds	(5,580)	(737)	818	790

**19. CAPITAL COMMITMENTS**

	<b>Group</b>	
	<b>2 May</b>	<b>3 May</b>
	<b>2015</b>	<b>2014</b>
	<b>£'000</b>	<b>£'000</b>
Capital expenditure contracted but not provided	1,651	1,257

The capital commitments include a new ERP system amounting to £939,000 which is planned to go live on in March 2016 and improvement to working environment, including health and safety improvements, amounting to £396,000.

**20. COMMITMENTS UNDER OPERATING LEASES**

At 2 May 2015 the group was committed to making the following payments during the next year in respect of operating leases:

	<b>Other</b>	<b>Other</b>
	<b>2 May</b>	<b>3 May</b>
	<b>2015</b>	<b>2014</b>
	<b>£'000</b>	<b>£'000</b>
Leases which expire:		
Within one year	49	27
Within two to five years	127	150
Greater than five years	314	312
	490	489

**21. CONTINGENT LIABILITIES**

The group has a general counter indemnity with its bankers, relating to taxation liabilities, entered into in the normal course of business. At 2 May 2015, the group had a guarantee bond indemnity in favour of HM Revenue and Customs of £300,000 (at 3 May 2014: £300,000).

At 2 May 2015 the group had outstanding forward exchange contracts with a principal value of £ 30,645,000 (3 May 2014: £37,341,000) to purchase foreign currency.

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**52 weeks ended 2 May 2015**

**22. RECONCILIATION OF OPERATING PROFIT TO NET CASH INFLOW FROM OPERATING ACTIVITIES**

	<b>52 week period ended 2 May 2015 £'000</b>	<b>16 August 2013 to 3 May 2014 £'000</b>
Operating profit	3,505	3,959
Depreciation	1,661	969
Amortisation of goodwill	3,521	2,347
(Increase)/decrease in stocks	(711)	939
Increase in debtors	(1,173)	(639)
(Decrease)/increase in creditors	(1,840)	5,906
Other non-cash changes - currency difference on foreign currency net investment in subsidiary	80	(64)
	<u>5,043</u>	<u>13,417</u>

Included in operating profit are exceptional cash flows of £2,534,000 (period ended 3 May 2014: £1,478,000) relating to restructuring and some other exceptional trading costs.

**23. ANALYSIS OF NET DEBT**

	<b>As at 4 May 2014 £'000</b>	<b>Cash flow £'000</b>	<b>Amortisation of loan issue costs £'000</b>	<b>Other non-cash changes £'000</b>	<b>As at 2 May 2015 £'000</b>
Cash at bank and in hand	13,727	(3,343)	-	-	10,384
Debt:					
Debt due under 1 year	(2,291)	(582)	-	(27)	(2,900)
Debt due over 1 year	(92,069)	2,900	(621)	(5,246)	(95,036)
	<u>(94,360)</u>	<u>2,318</u>	<u>(621)</u>	<u>(5,273)</u>	<u>(97,936)</u>
Net debt	<u>(80,633)</u>	<u>(1,025)</u>	<u>(621)</u>	<u>(5,273)</u>	<u>(87,552)</u>

Other non-cash changes are detailed in the reconciliation of net cash flow to movement in net debt (note 24).

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**52 weeks ended 2 May 2015**

**24. RECONCILIATION OF NET CASH FLOW TO MOVEMENT IN NET DEBT**

	<b>52 week period ended 2 May 2015 £'000</b>	<b>16 August 2013 to 3 May 2014 £'000</b>
(Decrease)/increase in cash in the period	(3,343)	13,727
Cash outflow from decrease in debt	2,318	(86,187)
<b>Change in net debt resulting from cash flows</b>	<b>(1,025)</b>	<b>(72,460)</b>
Amortisation of deferred issue costs	(621)	(1,007)
Issue of management loan notes	-	(3,348)
Issue of guaranteed loan notes	-	(518)
Accrued interest on investor loan notes	(4,916)	(3,039)
Accrued interest on management loan notes	(357)	(220)
Other movements	-	(41)
<b>Movement in net debt in the period</b>	<b>(6,919)</b>	<b>(8,173)</b>
Net debt at start of period	(80,633)	-
Net debt at end of period	<u>(87,552)</u>	<u>(80,633)</u>

**26. DERIVATIVES NOT INCLUDED AT FAIR VALUE**

The group has derivatives which are not included at fair value in the accounts:

	<b>Principal £'000</b>	<b>2 May 2015 Fair value £'000</b>	<b>Principal £'000</b>	<b>3 May 2014 Fair value £'000</b>
Open forward foreign exchange contracts	30,645	(186)	37,341	(1,394)
Open interest rate cap contracts	29,504	5	29,504	117

The group uses derivatives to hedge its exposure to changes in foreign currency exchange rates arising from foreign currency purchases. The fair values of open contracts are based on market values of equivalent instruments at the balance sheet date.

The group uses derivatives to hedge its exposure to changes in interest rates. The fair values of open interest rate cap contracts are based on market values of equivalent instruments at the balance sheet date.

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**52 weeks ended 2 May 2015**

**27. RELATED PARTY DISCLOSURES**

Equistone Partners Europe Limited is a related party by virtue of a controlling shareholding in the company (note 28).

During the period the following transactions took place with connected parties, on an arm's length basis:

Administration expenses (payable to European Capital Financial Services Limited):

	<b>52 week period ended 2 May 2015 £'000</b>	<b>Group 16 August 2013 to 3 May 2014 £'000</b>	<b>52 week period ended 2 May 2015 £'000</b>	<b>Company 16 August 2013 to 3 May 2014 £'000</b>
<b>Interest payable to European Partners Europe Fund IV A LP on:</b>				
Loan notes	814	503	-	-
<b>Interest payable to European Partners Europe Fund IV B LP on:</b>				
Loan notes	695	430	-	-
<b>Interest payable to European Partners Europe Fund IV C LP on:</b>				
Loan notes	971	600	-	-
<b>Interest payable to European Partners Europe Fund IV D LP on:</b>				
Loan notes	776	480	-	-
<b>Interest payable to European Partners Europe Fund IV E LP on:</b>				
Loan notes	962	595	-	-
<b>Interest payable to European Partners Europe Fund IV F LP on:</b>				
Loan notes	673	416	-	-
<b>Interest payable to Equistone IV Excess Limited on:</b>				
Loan notes	25	15	-	-
<b>Interest payable to key management personnel on:</b>				
Loan notes	357	220	357	220

Included within creditors due within one year (note 12) are:

	<b>2 May 2015 £'000</b>	<b>Group 3 May 2014 £'000</b>	<b>2 May 2015 £'000</b>	<b>Company 3 May 2014 £'000</b>
<b>Loans from European Partners Europe Fund IV A LP on:</b>				
Guaranteed loan notes	-	518	-	518



**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**52 weeks ended 2 May 2015**

**27. RELATED PARTY DISCLOSURE (continued)**

Included within creditors due after more than one year (note 13) are:

	<b>Group</b>		<b>Company</b>	
	<b>52 week period ended 2 May 2015 £'000</b>	<b>16 August 2013 to 3 May 2014 £'000</b>	<b>52 week period ended 2 May 2015 £'000</b>	<b>16 August 2013 to 3 May 2014 £'000</b>
<b>Loans from European Partners Europe Fund IV</b>				
<b>A LP on:</b>				
Loan notes	8,691	7,901	-	-
Loan notes accrued interest	290	266	-	-
	<u>8,981</u>	<u>8,167</u>	<u>-</u>	<u>-</u>
<b>Loans from European Partners Europe Fund IV B</b>				
<b>LP on::</b>				
Loan notes	7,415	6,741	-	-
Loan notes accrued interest	248	227	-	-
	<u>7,663</u>	<u>6,968</u>	<u>-</u>	<u>-</u>
<b>Loans from European Partners Europe Fund IV</b>				
<b>C LP on::</b>				
Loan notes	10,364	9,442	-	-
Loan notes accrued interest	347	318	-	-
	<u>10,711</u>	<u>9,740</u>	<u>-</u>	<u>-</u>
<b>Loans from European Partners Europe Fund IV</b>				
<b>D LP on:</b>				
Loan notes	8,283	7,530	-	-
Loan notes accrued interest	277	254	-	-
	<u>8,560</u>	<u>7,784</u>	<u>-</u>	<u>-</u>
<b>Loans from European Partners Europe Fund IV E</b>				
<b>LP on:</b>				
Loan notes	10,272	9,339	-	-
Loan notes accrued interest	343	314	-	-
	<u>10,615</u>	<u>9,653</u>	<u>-</u>	<u>-</u>
<b>Loans from European Partners Europe Fund IV F</b>				
<b>LP on:</b>				
Loan notes	7,181	6,528	-	-
Loan notes accrued interest	240	220	-	-
	<u>7,421</u>	<u>6,748</u>	<u>-</u>	<u>-</u>
<b>Loans from Equistone IV Excess Limited on:</b>				
Loan notes	259	235	-	-
Loan notes accrued interest	9	8	-	-
	<u>268</u>	<u>248</u>	<u>-</u>	<u>-</u>

**NOTES TO THE FINANCIAL STATEMENTS (continued)**  
**52 weeks ended 2 May 2015**

**27. RELATED PARTY DISCLOSURE (continued)**

**Loan from key management personnel on:**

Loan notes	3,797	3,452	3,797	3,452
Loan notes accrued interest	127	116	127	116
	<u>3,924</u>	<u>3,568</u>	<u>3,924</u>	<u>3,568</u>

**28. ULTIMATE CONTROLLING PARTY**

The immediate parent undertaking and ultimate controlling party is Equistone Partners Europe Limited, a company registered in England, by virtue of owning 69.6% of the issued share capital in the company.