

**Southwark Bridge Holdings
Limited**

Annual Report and Financial Statements

53 Week Period Ended

2 April 2021

Company Number 09769423

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Southwark Bridge Holdings Limited

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Company Information

Directors	S M Linehan J Potter G M Reynolds
Company secretary	S M Linehan
Registered number	09769423
Registered office	Walworth Business Park Livingstone Road Andover Hampshire SP10 5NS
Independent auditor	BDO LLP Arcadia House Maritime Walk Ocean Village Southampton SO14 3TL

Southwark Bridge Holdings Limited

Group Strategic Report For the 53 Week Period Ended 2 April 2021

The directors present their strategic report together with the audited financial statements for the 53 week period ended 2 April 2021.

Principal activities

The group provides sales, marketing, warehousing, and distribution services for UK and overseas manufacturers of premium quality food, drink and confectionery, gift and non-food brands.

Working with these brand owners the group supplies a wide range of sectors including Multiple Retailers, Independent Sector, Travel Retail, Cash & Carry, Delivered Wholesale, Health and Food Service. These sectors are served throughout the UK and Republic of Ireland, as well as a developing Export business.

In addition, the group owns and is a licensee of a number of brands, the largest of which is Epicure, which it has owned for 130 years. A significant amount of investment and energy is being put into growing the share of these brands within the portfolio in order to ensure the business enhances control of its portfolio in the future.

Results and Business Review

This year with group sales of nearly £59 million we were able to make a significant improvement of over £7 million versus prior year. This represents a year on growth of 14% but does not fully illuminate the reality of the underlying business performance.

This year saw particularly volatile trading circumstances, in the main driven by two key events, specifically the Covid pandemic and Brexit.

From the start of the year as a business we had been building stock in the UK of key brands/SKU's for a number of months in order to protect ourselves from the uncertainty of issues created by Brexit. Despite many false dawns we were in an incredibly good stock position when the Covid pandemic struck and we entered the first lock down. Many retailers and suppliers were unable to respond to the significant increase in demand. As a result, we were in a great position to gain new listings with key customers. Most importantly, we were able to turn our position of short-term solution provider into long-term listings that will give us a significantly strong platform for growth in the foreseeable future.

The second half of the year was fundamentally impacted by the Brexit legislation and in particular the difficulties and costs created in order to successfully replenish product to service the growth in sales. Our corporate strategy to significantly invest in infrastructure and people along with our strong supply chain relationships enabled us to provide a versatile and agile solution for our major customers.

We have also strengthened our position as a go-to supplier for NPD for a number of major multiples throughout the year. We have significantly grown most of our key brands during this period and in particular it was rewarding to see the investments we have made in our own and licensed brands lead to a step change in performance.

However, this does not quite tell the whole story. Channels such as travel and food service were practically wiped out during the year. We estimate that this represented around £10 million of sales within our business as we predominately supply retail channels. This makes our underlying retail performance more like £17 million up versus last year.

Most importantly much of this growth is likely to stick. As we exit the year our underlying sales have not only been maintained but they are actually in growth versus the first months of lockdown. This has enabled us to accelerate many of our strategic objectives. Our business mix for example has changed significantly with over 50% now being in major multiples. We still however have an excellent spread of business and brands which de-risks us to some degree as we continue to enter very uncertain trading conditions.

This change in business mix along with additional complexity of supply chain led to a 1% decline in gross margin versus last year but operating profit rose from £0.5 Million to £2.1 Million which was an increase of over 280%.

Southwark Bridge Holdings Limited

Group Strategic Report (continued) For the 53 Week Period Ended 2 April 2021

Results and Business Review (continued)

We made significant investments in supply chain and stock holding in the final quarter in order to continue our progress into next year. As an example, we had to completely re-organise our arrangements to supply what is a significant market for us in Southern Ireland. Whilst this represents a short term hit we are confident it will give us a payback and strengthen our position in the future.

If anything we expect the trading environment to become even more volatile over the next couple of years but we are confident that our strategy, business model and agility will continue give us the opportunity to consolidate our position and create a solid foundation for profitable growth.

Management of working capital is supported through an invoice discount facility secured on the company's debtor book, this represents the only debt in the Group. Part of our investment and due to the growth in our business our stock levels have increased which is being supported by that facility.

The company operates a closed defined benefits pension scheme. There was a triennial valuation carried out this year which shows it to be in surplus. In accordance with FRS102 there was also a year end valuation which resulted in a surplus of £381k being posted, enhancing reserves by £2.27m.

Financial key performance indicators

	2021 £'000	2020 £'000
Turnover	58,508	51,334
Trading margin*	11,856	10,692
Stock	6,798	5,022
Trade debtors	8,025	8,064
Trade creditors	7,424	6,626

*Trading margin is the gross margin after being adjusted for non trading income and expenditure, except for foreign exchange impacts.

The directors also monitor non-financial key performance indicators which include employee turnover and absences.

Principal risks and uncertainties

The group gives appropriate consideration to risk management and objectives and policies. Facilities are in place to deal with cash flow and liquidity risk. Risk to pricing is mitigated by a diverse supplier portfolio. Credit risk is managed through adoption of a rigorous credit policy

Liquidity Risk

The group manages its cash and borrowing requirements centrally to maximise interest income and minimise interest expense whilst ensuring that the group has sufficient liquid resources to meet the operating needs of its business.

Interest Rate Risk

The group is exposed to cash flow interest rate risk on floating rate deposits, bank overdrafts and invoice discounting arrangements but this is considered to be low risk.

Southwark Bridge Holdings Limited

Group Strategic Report (continued) For the 53 Week Period Ended 2 April 2021

Principal risks and uncertainties (continued)

Foreign Currency Risk

The group's principal foreign currency exposures arise from overseas purchases of goods. The group has not hedged against these transactions through use of forward exchange contracts as the volume of purchases and volatility in currency has not warranted this. However, the group keeps movements on exchanged rates under close review and will use hedges when deemed necessary.

Credit Risk

Investment of cash surpluses, and borrowings, are made through banks and companies which must fulfil credit rating criteria approved by the board.

All customers who wish to trade on credit terms are subject to credit verification procedures. Debtor balances are monitored on an ongoing basis and provision is made for doubtful debts are necessary.

Coronavirus

In the period immediately prior to year end and prior to approving the financial statements a new risk of the Coronavirus has emerged. This will impact all businesses in the UK (and globally). The Directors have already implemented actions to take account of this risk to ensure the Group can continue to trade and remain profitable for the foreseeable future. We are also working with our staff to ensure their continuing welfare and with customers to ensure their requirements can be met. Finally we have significant levels of cash reserves and facilities available to the Group which is available to the group as required.

Future developments

Significant investment continues to be made in enhancing our customer relationships, commercial resource and brand development. We have refreshed and refined our website to make it even easier for customers to trade with us and giving us the platform to speed up the process of signing thousands of new customers. We continue to invest in targeted trade shows increasing the profile of our brands, business and the Pettywood direct website. Our biggest investment remains developing innovative products targeted at securing listings with partner customers. This innovation and excitement continues to differentiate us in the market.

Southwark Bridge Holdings Limited

Group Strategic Report (continued)
For the 53 Week Period Ended 2 April 2021

Directors' statement of compliance with duty to promote the success of the group (Section 172 of the Companies Act).

Corporate governance within the Group provides a framework to not only demonstrate how the board makes decisions for the long term success of the Group and its stakeholders, but also has regard to how the board ensures the companies within the Group comply with the requirements of Section 172 of the Companies Act 2006.

During the reported financial period the key decisions taken by the board included:

- Secured new supply partners to ensure future growth of the Group
- Investment in owned and licensed brands to ensure continued profitable growth
- Stock management decisions to accommodate uncertainties around Brexit and Covid
- Covid secure measures to protect employees and visitors and ensure no disruption to our business
- Investing in our employees including introducing flexible benefits at the beginning of the period in addition to our already extensive benefits packages
- Investing in our infra-structure to maintain and enhance the long term viability of our working environment.

This report was approved by the board on 10.11.2021 and signed on its behalf.

J Potter
Director

A large, stylized handwritten signature in black ink, consisting of several loops and a long horizontal stroke extending to the right.

Southwark Bridge Holdings Limited

Directors' Report For the 53 Week Period Ended 2 April 2021

The directors present their report together with the audited financial statements for the 53 week period ended 2 April 2021.

Results and dividends

The profit for the 53 week period, after taxation, amounted to £1,569,850 (2020 - £243,530).

Dividends of £500,000 (2020 - £Nil) were voted during the year, of which £100,000 were paid during the year.

Directors

The directors who served during the 53 week period were:

S M Linehan
J Potter
G M Reynolds

Matters covered in the strategic report

Principal risks and uncertainties and key performance indicators are not shown in the directors report as this information is included in the strategic report under S414C (11) of the Companies Act 2006.

Disclosure of information to auditor

Each of the persons who are directors at the time when this directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the company and the group's auditor is unaware; and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company and the group's auditor is aware of that information.

Southwark Bridge Holdings Limited

Directors' Report (continued) For the 53 Week Period Ended 2 April 2021

Statement on energy and carbon reporting

We have reported on all the measured emissions sources for the period 1st April 2020 to 31st March 2021, as required under The Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 and The Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations, except where stated

Our methodology has been based on the principals of the Greenhouse Gas Protocol, taking account of the 2015 amendment which sets out a 'dual reporting' methodology for the reporting of Scope 2 emissions. In the 'Total Footprint' summary above, purchased electricity is reported on the location based method.

The report includes all emissions under Scopes 1 and 2 (gas & fuel used in transport; purchased electricity), except where stated. Scope 3 emissions are excluded from this report.

Conversion factors for UK electricity (location-based methodology), gas and other emissions are those published by the Department for Environment, Food and Rural Affairs for 2020. Conversion factors for UK electricity (market-based methodology) are provided by the relevant supplier.

No actions have been taken in the period covered by the report to address energy efficiency, however all purchased electricity is purchased on a renewable tariff.

Emissions data in respect of the 2020-21 reporting period, based on financial control is as follows:

Emission type	Amount
Total energy consumption -used for emission calculation (kW)	866,177
Scope 1: Operation of facilities (tCO2e)	77.60
Scope 1: Combustion (tCO2e)	192.92
Scope 2: Purchased energy (tCO2e)	64.15
Scope 3: Indirect energy use (tCO2e)	N/A
Total Emissions	334.67
Intensity ratios	
Turnover	£58.5m
Intensity ratio (tCO2e/turnover)	0.57

Post balance sheet events

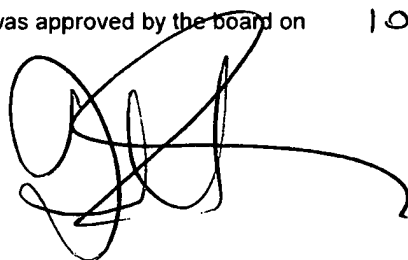
The global disruption caused by COVID-19 is an in year event for the company. There have been no significant events affecting the company since the year end.

Auditor

The auditor, BDO LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 10.11.2021 and signed on its behalf.

J Potter
Director



Southwark Bridge Holdings Limited

Directors' Responsibilities Statement For the 53 Week Period Ended 2 April 2021

The directors are responsible for preparing the group strategic report, the directors' report and the consolidated financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the group and company 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 group and company and of the profit or loss of the group for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the group's financial statements and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group 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 the group to 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Southwark Bridge Holdings Limited

Independent Auditor's Report to the Members of Southwark Bridge Holdings Limited

Opinion on the 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 April 2021 and of the group's profit 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.

We have audited the financial statements of Southwark Bridge Holdings Limited ("the parent company") and its subsidiaries ("the group") for the period ended 2 April 2021 which comprise the consolidated statement of comprehensive income, the consolidated and company balance sheet, the consolidated and company statement of changes in equity, the consolidated statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion on the financial statements

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and the parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

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

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Southwark Bridge Holdings Limited

Independent Auditor's Report to the Members of Southwark Bridge Holdings Limited (continued)

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Other Companies Act 2006 reporting

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

- 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; and
- the strategic report and directors' report have been prepared in accordance with applicable legal requirements.

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

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

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

Responsibilities of directors

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, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the 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.

Southwark Bridge Holdings Limited

Independent Auditor's Report to the Members of Southwark Bridge Holdings Limited (continued)

Auditor's responsibilities for the audit of the financial statements

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

Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

- discussions with management regarding known or suspected instances of non-compliance with laws and regulations;
- obtaining an understanding of controls designed to prevent and detect irregularities, including specific consideration of controls and accounting policies relating to significant accounting estimates; and
- assessing journal entries as part of our planned audit approach.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

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

DocuSigned by:

Steve Le Bas

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Stephen Le Bas (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
Southampton
United Kingdom
10 November 2021

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Southwark Bridge Holdings Limited

Consolidated Statement of Comprehensive Income For the 53 Week Period Ended 2 April 2021

	Note	2021 £	2020 £
Turnover	4	58,508,453	51,334,456
Cost of sales		(47,241,246)	(40,986,583)
Gross profit		11,267,207	10,347,873
Distribution costs		(6,599,180)	(6,334,116)
Administrative expenses		(2,576,417)	(3,471,957)
Other operating income		10,213	-
Operating profit	5	2,101,823	541,800
Interest payable and similar charges	9	(69,014)	(132,463)
Other finance costs	10	(42,000)	(23,000)
Profit before taxation		1,990,809	386,337
Tax on profit	11	(420,959)	(142,807)
Profit for the financial 53 week period		1,569,850	243,530
Actuarial (losses) and gains on defined benefit pension scheme	21	2,312,000	(902,000)
Movement of deferred tax relating to pension surplus		(439,090)	195,080
Other comprehensive income/(loss) for the 53 week period		1,872,910	(706,920)
Total comprehensive income/(loss) for the 53 week period		3,442,760	(463,390)

The notes on pages 17 to 39 form part of these financial statements.

Southwark Bridge Holdings Limited

Registered number: 09769423

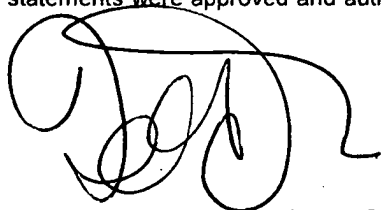
Consolidated Balance Sheet As at 2 April 2021

	Note	2 April 2021 £	2 April 2021 £	27 March 2020 £	27 March 2020 £
Fixed assets					
Intangible assets	13		3,778,540		4,163,289
Tangible assets	14		142,680		158,275
			<u>3,921,220</u>		<u>4,321,564</u>
Current assets					
Stocks	16	6,797,976		5,021,789	
Debtors: amounts falling due within one year	17	8,715,509		9,051,258	
Cash at bank and in hand	18	332,775		106,428	
			<u>15,846,260</u>	<u>14,179,475</u>	
Current liabilities					
Creditors: amounts falling due within one year	19	(14,782,718)		(14,198,387)	
			<u>1,063,542</u>		<u>(18,912)</u>
Net current assets/(liabilities)					
			<u>4,984,762</u>		<u>4,302,652</u>
Total assets less current liabilities					
Provisions for liabilities					
Deferred taxation	20	(267,141)		(257,791)	
			<u>(267,141)</u>	<u>(257,791)</u>	
Net assets excluding pension liability/asset			<u>4,717,621</u>		<u>4,044,861</u>
Pension asset/(liability)	21		381,000		(1,889,000)
			<u>5,098,621</u>		<u>2,155,861</u>
Net assets					
			<u>5,098,621</u>		<u>2,155,861</u>
Capital and reserves					
Called up share capital	23		2,025,559		2,025,559
Profit and loss account	24		3,073,062		130,302
			<u>5,098,621</u>		<u>2,155,861</u>
Total equity					
			<u>5,098,621</u>		<u>2,155,861</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on

10 November 2021

J Potter
Director



The notes on pages 17 to 39 form part of these financial statements.

Southwark Bridge Holdings Limited

Registered number: 09769423

Company Balance Sheet As at 2 April 2021

	Note	2 April 2021 £	2 April 2021 £	27 March 2020 £	27 March 2020 £
Fixed assets					
Investments	15		10,739,570		10,739,570
Current liabilities					
Creditors: amounts falling due within one year	19	(8,713,913)		(8,913,913)	
Net current liabilities			(8,713,913)		(8,913,913)
Net assets			<u>2,025,657</u>		<u>1,825,657</u>
Capital and reserves					
Called up share capital	23		2,025,559		2,025,559
Profit and loss account	24		98		(199,902)
Total equity			<u>2,025,657</u>		<u>1,825,657</u>

The company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own statement of income and retained earnings in these financial statements. The profit after tax of the parent company for the period was £700,000 (2020 - loss £28,489).

The financial statements were approved and authorised for issue by the board and were signed on its behalf on

10 November 2021



J Potter
Director

The notes on pages 17 to 39 form part of these financial statements.

Southwark Bridge Holdings Limited

Consolidated Statement of Changes in Equity For the Period Ended 2 April 2021

	Called up share capital £	Profit and loss account £	Total equity £
At 30 March 2019	2,025,559	593,692	2,619,251
Comprehensive income for the period			
Profit for the period	-	243,530	243,530
Actuarial losses on pension scheme (net of deferred tax)	-	(706,920)	(706,920)
Total comprehensive income for the period	-	(463,390)	(463,390)
At 28 March 2020	2,025,559	130,302	2,155,861
Comprehensive income for the period			
Profit for the period	-	1,569,850	1,569,850
Actuarial gains on pension scheme (net of deferred tax)	-	1,872,910	1,872,910
Total comprehensive income for the period	-	3,442,760	3,442,760
Contributions by and distributions to owners			
Dividends: Equity capital	-	(500,000)	(500,000)
At 2 April 2021	2,025,559	3,073,062	5,098,621

The notes on pages 17 to 39 form part of these financial statements.

Southwark Bridge Holdings Limited

Company Statement of Changes in Equity For the Period Ended 2 April 2021

	Called up share capital £	Profit and loss account £	Total equity £
At 30 March 2019	2,025,559	(171,413)	1,854,146
Comprehensive loss for the period			
Loss for the period	-	(28,489)	(28,489)
Total comprehensive loss for the period	-	(28,489)	(28,489)
At 28 March 2020	2,025,559	(199,902)	1,825,657
Comprehensive income for the period			
Profit for the period	-	700,000	700,000
Total comprehensive income for the period	-	700,000	700,000
Dividends: Equity capital	-	(500,000)	(500,000)
At 2 April 2021	2,025,559	98	2,025,657

The notes on pages 17 to 39 form part of these financial statements.

Southwark Bridge Holdings Limited

Consolidated Statement of Cash Flows For the 53 Week Period Ended 2 April 2021

	2 April 2021 £	27 March 2020 £
Cash flows from operating activities		
Profit for the financial 53 week period	1,569,850	243,530
Adjustments for:		
Amortisation of intangible assets	384,749	381,914
Depreciation of tangible assets	52,227	53,907
Interest paid	111,014	153,893
Taxation charge	420,959	142,807
(Increase)/decrease in stocks	(1,776,187)	1,284,697
(Increase) in debtors	(11,856)	(717,403)
Increase/(decrease) in creditors	904,550	(1,397,234)
Corporation tax (paid)	(595,000)	(249,393)
Net cash generated from/(used in) operating activities	1,060,306	(103,282)
Cash flows from investing activities		
Purchase of tangible fixed assets	(36,632)	(17,770)
Net cash generated from investing activities	(36,632)	(17,770)
Cash flows from financing activities		
Repayment of loans	-	(311,124)
Repayment of other loans	-	(252,676)
Increase/(decrease) in invoice discounting facility	(628,313)	790,244
Dividends paid	(100,000)	-
Interest paid	(69,014)	(130,893)
Net cash used in financing activities	(797,327)	95,551
Net increase/(decrease) in cash and cash equivalents	226,347	(25,501)
Cash and cash equivalents at beginning of 53 week period	106,428	131,929
Cash and cash equivalents at the end of 53 week period	332,775	106,428
Cash and cash equivalents at the end of 53 week period comprise:		
Cash at bank and in hand	332,775	106,428
	332,775	106,428

The notes on pages 17 to 39 form part of these financial statements.

Southwark Bridge Holdings Limited

Notes to the Financial Statements For the 53 Week Period Ended 2 April 2021

1. General information

Southwark Bridge Holdings Limited is a private company, limited by shares, incorporated in England and Wales under the Companies Act. The address of the registered office can be found on the company information page and the nature of the company's operations and its principal activities are set out in the strategic report.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own statement of comprehensive income in these financial statements.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires group management to exercise judgement in applying the group's accounting policies (see note 3).

The presentational and functional currency of these financial statements is GBP. Values are rounded to the nearest pound.

The following principal accounting policies have been applied:

2.2 Parent company disclosure exemptions

In preparing the separate financial statements of the parent company, advantage has been taken of the following disclosure exemptions available in FRS 102:

- Only one reconciliation of the number of shares outstanding at the beginning and end of the period has been presented as the reconciliation's for the group and the company would be identical.
- No cash flow statement has been presented for the parent company.
- No disclosure has been given for the aggregate remuneration of the key management personnel of the parent company as their remuneration is included in the totals for the group as a whole.
- Disclosures in respect of the parent company's financial instruments have not been presented as equivalent disclosures have been provided in respect of the group as a whole.

Southwark Bridge Holdings Limited

Notes to the Financial Statements For the 53 Week Period Ended 2 April 2021

2. Accounting policies (continued)

2.3 Basis of consolidation

The consolidated financial statements present the results of the company and its own subsidiaries ("the group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the balance sheet, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the consolidated statement of comprehensive income from the date on which control is obtained. They are deconsolidated from the date control ceases.

2.4 Revenue

Turnover represents the value, net of the value added tax and discounts, of goods provided to customers and work carried out in respect of services provided to customers. Turnover and profit before tax are attributable to one continuing activity being the sales, marketing and distribution of premium quality food, drink and non-food products.

2.5 Intangible assets

Goodwill

Goodwill represents the excess of the the cost of a business combination over the fair value of the group's share of the net identifiable assets of the acquired subsidiary at the date of acquisition and separately identified intangible assets valued at the date of acquisition. Goodwill on acquisitions of subsidiaries is included in 'intangible assets'. Goodwill is carried at cost less accumulated amortisation and accumulated impairment losses. Goodwill amortisation is calculated by applying the straight line method to its estimated useful life which the directors have assessed to be 20 years.

Intangible assets and trademarks

An intangible asset acquired in a business combination is recognised as an asset because its fair value can be measured with sufficient reliability. An intangible asset acquired in a business combination is not recognised when it arises from legal or other contractual rights and there is no history of evidence of exchange transactions for the same or similar assets, and otherwise estimating fair value could be dependent on immeasurable variables.

Intangible assets relate to customer relationships, the brand and trademarks.

Trademarks are included at cost and are amortised over the life of the trademark licence.

The customer relationships and the brand are carried at cost less accumulated amortisation and any accumulated impairment losses. Amortisation is calculated by applying the straight line method to its estimated useful life which the directors have assessed to be 10 years for customer relationships and 20 years for the brand (see note 13).

Southwark Bridge Holdings Limited

Notes to the Financial Statements For the 53 Week Period Ended 2 April 2021

2. Accounting policies (continued)

2.6 Going concern

The financial statements have been prepared on a going concern basis as the directors have prepared detailed budgets for a period of at least 12 months from the date of signing the accounts which show that the Group is expected to be able to meet all its liabilities as they fall due. It is acknowledged that COVID-19 has had a profound impact on the global and UK economy and businesses which has to a certain extent benefitted our business. Our budgets have been adjusted to discount this positive impact.

The Directors have carried out stress tests on our business and believe the business would be able to sustain a loss of up to £20m of turnover (more than one third). Importantly the Group retains sufficient flexibility in its business operations to alter its plan at short notice to account for material factors impacting it. With such a diverse product and customer portfolio no one event would materially undermine our financial viability. Indeed the nature of our business is such that we experience one-off events, both good and bad, routinely and weather them accordingly. Our only external funding is through invoice discounting so we have limited bank covenants and our facility is based on a bigger business than we are currently trading at, so any downturn would be covered provided we manage and flex our business to reflect any change in trade.

2.7 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The group adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the group. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to profit or loss during the period in which they are incurred.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Plant and machinery	-	20%
Fixtures and fittings	-	15% - 20%
Computer equipment	-	33%

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the consolidated statement of comprehensive income.

Southwark Bridge Holdings Limited

Notes to the Financial Statements For the 53 Week Period Ended 2 April 2021

2. Accounting policies (continued)

2.8 Impairment of fixed assets and goodwill

Assets that are subject to depreciation or amortisation are assessed at each reporting date to determine whether there is any indication that the assets are impaired. Where there is any indication that an asset may be impaired, the carrying value of the asset (or cash-generating unit ('CGU') to which the asset has been allocated) is tested for impairment. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (CGUs).

2.9 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.10 Stocks

Stocks, being finished goods for resale, are stated at the lower of cost incurred in bringing each product to its present location and condition and net realisable value, on a first-in, first-out basis.

Net realisable value is based on estimated selling price less any further costs expected to be incurred to completion and disposal.

2.11 Financial instruments

The group only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties and loans to related parties.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the consolidated statement of comprehensive income.

2.12 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to the consolidated statement of comprehensive income at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the consolidated statement of comprehensive income in the same period as the related expenditure.

During the year, income received from the Coronavirus Job Retention Scheme has been accounted for in accordance with the above.

Southwark Bridge Holdings Limited

Notes to the Financial Statements For the 53 Week Period Ended 2 April 2021

2. Accounting policies (continued)

2.13 Foreign currency translation

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

2.14 Finance costs

Finance costs are charged to the consolidated statement of comprehensive income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.15 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

2.16 Pensions

Defined contribution pension plan

The group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the group pays fixed contributions into a separate entity. Once the contributions have been paid the group has no further payment obligations.

The contributions are recognised as an expense in the consolidated statement of comprehensive income when they fall due. Amounts not paid are shown in accruals as a liability in the balance sheet. The assets of the plan are held separately from the group in independently administered funds.

Defined benefit pension plan

The group operates a defined benefit plan for certain employees. A defined benefit plan defines the pension benefit that the employee will receive on retirement, usually dependent upon several factors including but not limited to age, length of service and remuneration. A defined benefit plan is a pension plan that is not a defined contribution plan.

The liability recognised in the balance sheet in respect of the defined benefit plan is the present value of the defined benefit obligation at the end of the balance sheet date less the fair value of plan assets at the balance sheet date (if any) out of which the obligations are to be settled.

The defined benefit obligation is calculated using the projected unit credit method. Annually the company engages independent actuaries to calculate the obligation. The present value is determined by discounting the estimated future payments using market yields on high quality corporate bonds that are denominated in sterling and that have terms approximating to the estimated period of the future payments ('discount rate').

Southwark Bridge Holdings Limited

Notes to the Financial Statements For the 53 Week Period Ended 2 April 2021

2. Accounting policies (continued)

2.16 Pensions (continued)

The fair value of plan assets is measured in accordance with the FRS 102 fair value hierarchy and in accordance with the group's policy for similarly held assets. This includes the use of appropriate valuation techniques.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income. These amounts together with the return on plan assets, less amounts included in net interest, are disclosed as 'Remeasurement of net defined benefit liability'.

The cost of the defined benefit plan, recognised in profit or loss as employee costs, except where included in the cost of an asset, comprises:

- a) the increase in net pension benefit liability arising from employee service during the period; and
- b) the cost of plan introductions, benefit changes, curtailments and settlements.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is recognised in profit or loss as a finance expense'.

From April 2013, the pension scheme was closed to future accrual.

2.17 Operating leases: the group as lessee

Rentals paid under operating leases are charged to the consolidated statement of comprehensive income on a straight line basis over the lease term.

2.18 Current and deferred taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in the consolidated statement of comprehensive income except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the company and the group operate and generate income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except that:

- the recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Southwark Bridge Holdings Limited

Notes to the Financial Statements For the 53 Week Period Ended 2 April 2021

3. Judgements in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements, the directors have made the following judgements:

- Determine whether there are indicators of impairment of the group's tangible and intangible assets, including goodwill. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit.
- Determine whether the acquired intangible assets are identifiable in terms of being separable and arise from contractual or legal rights. This should be determined on a basis that reflects an amount that the group would have paid for the asset in an arm's length transaction between knowledgeable and willing parties, based on the best information available. If the fair value cannot be measured reliably, the asset is not recognised as a separate intangible asset, but is included in goodwill.
- Determine whether the defined benefit schemes best estimate including key financial demographic assumptions are based on advice from actuaries.

Key assumptions include:

Operating cash flows

The main assumptions, which are derived from past experience and external information, within the forecast operating cash flows include the achievements of future sale prices and volumes, material input costs, changes in sales mix and the level of ongoing capital expenditure.

Discount rates

The discount rate is a pre-tax adjusted discount rate and reflects management's estimate of the company's weighted average cost of capital.

Long term growth rates

The management forecast are extrapolated using growth assumptions relevant for the business sector and based on industry research.

Estimated pension liabilities (see note 21)

The group operates a defined benefit pension scheme, in accordance with the accounting policy as stated above. The future pension liabilities that will arise and the expected return a scheme assets are based upon various assumptions such as mortality rates, investment returns and future inflation. The calculations require the use of estimates (see note 21).

Bad debt provision (see note 17)

Provision for bad debts is made in respect of debtor accounts in dispute or where doubt exists regarding a customer's ability to pay.

Stock provision (see note 16)

The level of inventory provision is dependent upon material resource planning driven current requirements of production inventory and the age profile of the inventory which is in excess of these requirements. In addition, a general review of the provision is made in order to supplement the formula based methodology to ensure that it is both reasonable and prudent.

Southwark Bridge Holdings Limited

Notes to the Financial Statements For the 53 Week Period Ended 2 April 2021

4. Turnover

Analysis of turnover by country of destination:

	2021 £	2020 £
United Kingdom	55,562,362	49,078,632
Rest of Europe	2,180,782	1,777,025
Rest of the world	765,309	478,799
	<u>58,508,453</u>	<u>51,334,456</u>

5. Operating profit

The operating profit is stated after charging/(crediting):

	2021 £	2020 £
Depreciation of tangible fixed assets	52,227	53,907
Amortisation of intangible assets, including goodwill	384,749	381,914
Other operating lease rentals	818,130	818,707
Cost of defined contribution scheme	180,161	197,300
Exchange differences	(215,141)	(124,289)
Government grants (furlough)	(10,213)	-
	<u>(10,213)</u>	<u>-</u>

Government grants received for furlough have been included within other operating income in the profit and loss account.

6. Auditor's remuneration

	2021 £	2020 £
Fees payable to the group's auditor and its associates for the audit of the group's annual financial statements	<u>28,090</u>	<u>25,825</u>

Fees payable to the group's auditor and its associates in respect of:

Taxation compliance services	10,650	10,400
Other non audit services	20,325	11,900
	<u>30,975</u>	<u>22,300</u>

Southwark Bridge Holdings Limited

Notes to the Financial Statements For the 53 Week Period Ended 2 April 2021

7. Employees

Staff costs, including directors' remuneration, were as follows:

	Group 2 April 2021 £	Group 27 March 2020 £	Company 2 April 2021 £	Company 27 March 2020 £
Wages and salaries	3,736,605	3,897,076	-	-
Social security costs	416,484	401,456	-	-
Cost of defined contribution scheme	180,161	197,300	-	-
	<u>4,333,250</u>	<u>4,495,832</u>	<u>-</u>	<u>-</u>

The average monthly number of employees, including the directors, during the 53 week period was as follows:

	2021 No.	2020 No.
Management	3	3
Administration	28	51
Sales and distribution	59	48
	<u>90</u>	<u>102</u>

The company has no employees other than the directors, who did not receive any remuneration (2020 - £Nil).

8. Directors' remuneration

	2021 £	2020 £
Directors' emoluments	437,967	482,228
Company contributions to defined contribution pension schemes	29,082	28,793
	<u>467,049</u>	<u>511,021</u>

During the 53 week period retirement benefits were accruing to 3 directors (2020 - 3) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £217,308 (2020 - £211,560).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £13,929 (2020 - £13,791).

Southwark Bridge Holdings Limited

Notes to the Financial Statements For the 53 Week Period Ended 2 April 2021

9. Interest payable and similar expenses

	2021 £	2020 £
Bank interest payable	69,014	116,824
Other loan interest payable	-	15,639
	<u>69,014</u>	<u>132,463</u>

10. Other finance costs

	2021 £	2020 £
Net interest on net defined benefit liability	<u>(42,000)</u>	<u>(23,000)</u>

11. Taxation

	2021 £	2020 £
Corporation tax		
Current tax on profits for the period	481,028	155,000
Adjustments in respect of previous periods	10,671	(2,607)
Total current tax	<u>491,699</u>	<u>152,393</u>
Deferred tax		
Origination and reversal of timing differences	(65,714)	(39,858)
Changes to tax rates	-	30,272
Adjustments in respect of previous periods	(5,026)	-
Total deferred tax	<u>(70,740)</u>	<u>(9,586)</u>
Taxation on profit/(loss) on ordinary activities	<u>420,959</u>	<u>142,807</u>

Southwark Bridge Holdings Limited

Notes to the Financial Statements For the 53 Week Period Ended 2 April 2021

11. Taxation (continued)

Factors affecting tax charge for the period

The tax assessed for the period is higher than (2020 - higher than) the standard rate of corporation tax in the UK of 19% (2020 - 19%). The differences are explained below:

	2021 £	2020 £
Profit on ordinary activities before tax	1,990,809	386,337
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020 - 19%)	378,254	73,404
Effects of:		
Expenses not deductible for tax purposes	37,060	35,674
Change in tax rates	(5,026)	31,615
Adjustments in respect of prior periods	10,671	(2,607)
Other movements	-	4,721
Total tax charge for the period	420,959	142,807

Factors that may affect future tax charges

In the Spring Budget 2021, the Government announced that from April 2023, the main rate of corporation tax will increase to 25%. As this new law has not been substantively enacted at the balance sheet date, its effects are not included in the financial statements. Deferred tax balances at 2 April 2021 have been re-measured to 19% (2020:17%), being the rate substantively enacted at the balance sheet date.

12. Dividends

	2 April 2021 £	27 March 2020 £
Dividends paid and accrued	500,000	-

Southwark Bridge Holdings Limited

Notes to the Financial Statements For the 53 Week Period Ended 2 April 2021

13. Intangible assets

Group

	Brand £	Customer Relationships £	Trademarks £	Goodwill £	Total £
Cost					
At 28 March 2020	411,000	1,769,000	11,982	3,636,972	5,828,954
At 2 April 2021	411,000	1,769,000	11,982	3,636,972	5,828,954
Amortisation					
At 28 March 2020	89,906	773,937	9,601	792,221	1,665,665
Charge for the 53 week period	20,550	176,900	1,198	186,101	384,749
At 2 April 2021	110,456	950,837	10,799	978,322	2,050,414
Net book value					
At 2 April 2021	300,544	818,163	1,183	2,658,650	3,778,540
At 27 March 2020	321,094	995,063	2,381	2,844,751	4,163,289

Southwark Bridge Holdings Limited

Notes to the Financial Statements For the 53 Week Period Ended 2 April 2021

13. Intangible assets (continued)

Acquisition-related intangible assets that are acquired by the group are stated at cost less accumulated amortisation and impairment losses.

When an intangible asset is acquired in a business combination, its cost is the fair value at the date of its acquisition. This cost is determined on a basis that reflects an amount that the entity would have paid for the asset in an arm's length transaction between knowledgeable and willing parties, based on the best information available. If the fair value cannot be measured reliably, the assets are not recognised as a separate intangible asset, but are included in goodwill.

Amortisation of acquisition-related intangible assets is charged to total operating expenses on a straight line basis over their estimated useful lives, from the date they are available for use.

The residual values and useful lives are reviewed at each balance sheet date and adjusted, if appropriate.

Estimated useful lives on acquisition-related intangible assets:

	Term
Goodwill	Life of 20 years
Trademarks	Life of Trademark Licence
Brand	Estimated life of 20 years
Customer Relationships	Estimated life of 10 years

Impairments if any can be a result of either the evidence that the assumptions for determining the estimating useful lives are incorrect or the annual impairment test of the cash-generating unit to which the acquisition-related intangible assets are related.

Southwark Bridge Holdings Limited

Notes to the Financial Statements For the 53 Week Period Ended 2 April 2021

14. Tangible fixed assets

Group

	Plant and machinery £	Fixtures and fittings £	Computer equipment £	Total £
Cost or valuation				
At 28 March 2020	56,652	163,340	79,318	299,310
Additions	1,624	20,688	14,320	36,632
Disposals	(6,105)	(6,450)	(39,797)	(52,352)
At 2 April 2021	52,171	177,578	53,841	283,590
Depreciation				
At 28 March 2020	30,912	51,409	58,714	141,035
Charge for the 53 week period	6,733	33,386	12,108	52,227
Disposals	(6,105)	(6,450)	(39,797)	(52,352)
At 2 April 2021	31,540	78,345	31,025	140,910
Net book value				
At 2 April 2021	20,631	99,233	22,816	142,680
At 27 March 2020	25,740	111,931	20,604	158,275

Southwark Bridge Holdings Limited

Notes to the Financial Statements For the 53 Week Period Ended 2 April 2021

15. Fixed asset investments

Company

	Investments in subsidiary companies £
Cost or valuation	
At 28 March 2020	10,739,570
At 2 April 2021	10,739,570
Net book value	
At 2 April 2021	10,739,570
At 27 March 2020	10,739,570

Direct subsidiary undertaking

The following was a direct subsidiary undertaking of the company:

Name	Principal activity	Class of shares	Holding
PW Creative Limited	Dormant	Ordinary	100%
Petty, Wood & Co Limited	Sales, marketing, warehousing and distribution of premium quality food	Ordinary	100%
Food Sales Limited	Food sales and commission agents	Ordinary	100%
PW Fine Foods Limited	Sales, marketing and distribution of quality foods	Ordinary	100%
Petty Wood (Europe) Limited	Sales, marketing and distribution of quality foods	Ordinary	100%

Southwark Bridge Holdings Limited

Notes to the Financial Statements For the 53 Week Period Ended 2 April 2021

15. Fixed asset investments (continued)

Indirect subsidiary undertakings

The following were indirect subsidiary undertakings of the company:

Name	Principal activity	Class of shares	Holding
Universe Food Service Limited	Dormant	Ordinary	100%
The Piccadilly Tea and Produce Company Limited	Dormant	Ordinary	100%
The London Biscuit Company Limited	Dormant	Ordinary	100%
The London Town Chocolate Company Limited	Dormant	Ordinary	100%
The London Town Food Group Limited	Dormant	Ordinary	100%
Brands of Distinction Limited	Dormant	Ordinary	100%
Burnt Sugar Limited	Dormant	Ordinary	100%
Epicure Limited	Dormant	Ordinary	100%

The registered office of Food Sales Limited is Buchan House, Carnegie Campus, Enterprise Way, Dunfermline, Fife, KY11 8PL. The registered office of Petty Wood (Europe) Limited is 5th Floor, Beaux Lane House Mercer Street Lower, Dublin 2 D02 DH60, Dublin 2, Dublin, Ireland. The registered office of all other subsidiary undertakings is Walworth Business Park, Livingstone Road, Andover, Hampshire, SP10 5NS.

PW Fine Foods Limited (registered number 11492973) is exempt from the requirements of the Act relating to the audit of accounts under section 479A of the Companies Act 2006.

16. Stocks

	Group 2 April 2021 £	Group 27 March 2020 £
Finished goods and goods for resale	6,797,976	5,021,789

There is no material difference between the replacement cost of stock and the amounts stated above.

Southwark Bridge Holdings Limited

Notes to the Financial Statements For the 53 Week Period Ended 2 April 2021

17. Debtors: amounts falling due within one year

	Group 2 April 2021 £	Group 27 March 2020 £
Trade debtors	8,025,695	8,063,939
Other debtors	131,559	80,315
Prepayments and accrued income	548,429	548,004
Tax recoverable	9,826	-
Deferred taxation	-	359,000
	8,715,509	9,051,258

The group deferred tax asset relates to the defined benefit pension scheme (see note 21). The movement in the year has been debited to the OCI.

The impairment loss recognised in the statement of comprehensive income for the period in respect of bad and doubtful trade debtors was £2,140 (2020 - £17,531).

18. Cash and cash equivalents

	Group 2 April 2021 £	Group 27 March 2020 £
Cash at bank and in hand	332,775	106,428

19. Creditors: amounts falling due within one year

	Group 2 April 2021 £	Group 27 March 2020 £	Company 2 April 2021 £	Company 27 March 2020 £
Other loans	4,238,900	4,867,213	-	-
Trade creditors	7,424,236	6,626,096	-	-
Amounts owed to group undertakings	-	-	8,313,912	8,913,913
Corporation tax	-	95,000	-	-
Other taxation and social security	121,385	134,824	-	-
Other creditors	1,462,151	1,254,425	400,000	-
Accruals and deferred income	1,536,046	1,220,829	1	-
	14,782,718	14,198,387	8,713,913	8,913,913

Within other loans is an invoice discounting facility totalling £4,238,900 (2020 - £4,867,213) which is secured against the assets to which it relates.

Southwark Bridge Holdings Limited

Notes to the Financial Statements For the 53 Week Period Ended 2 April 2021

20. Deferred taxation

Group

	2021 £
At beginning of period	(257,791)
Credited to profit or loss	70,740
Charged to OCI	(80,090)
At end of period	(267,141)

The provision for deferred taxation is made up as follows:

	Group 2 April 2021 £	Group 27 March 2020 £
Business combinations	(212,779)	(250,523)
Accelerated capital allowances	(13,922)	(10,282)
Other timing differences	(40,440)	3,014
	(267,141)	(257,791)

There is no deferred tax liability in the parent company.

21. Pension commitments

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension charge amounted to £180,161 (2020 - £197,300). At the period end there were outstanding contributions of £37,757 (2020 - £38,186).

The group operates a Defined Benefit Pension Scheme. From April 2013, the pension scheme was closed to future accrual.

A subsidiary company, Petty, Wood & Co. Limited, operates a defined benefit pension scheme. The assets of the scheme are held in separate trustee administered funds. Contributions to the scheme are charged to the Income Statement so as to spread the costs of the pensions over employee's working lives with that subsidiary.

A full actuarial valuation of the defined benefit scheme was carried out at 31 May 2020 by a qualified independent actuary on an FRS 102 section 28 basis.

There were no changes to the scheme during the period.

Southwark Bridge Holdings Limited

Notes to the Financial Statements For the 53 Week Period Ended 2 April 2021

21. Pension commitments (continued)

Reconciliation of present value of plan liabilities:

	2 April 2021 £	27 March 2020 £
Reconciliation of present value of plan liabilities		
At the beginning of the period	(15,316,000)	(15,999,000)
Interest cost	(328,000)	(369,000)
Actuarial gains/losses	(397,000)	(226,000)
Benefits paid	810,000	1,278,000
At the end of the year	(15,231,000)	(15,316,000)

Reconciliation of present value of plan assets:

	2 April 2021 £	27 March 2020 £
At the beginning of the period	13,427,000	15,035,000
Interest income on plan assets	287,000	346,000
Remeasurement - return on plan assets excluding interest income gain/(loss)	2,708,000	(676,000)
Benefits paid	(810,000)	(1,278,000)
At the end of the year	15,612,000	13,427,000

Southwark Bridge Holdings Limited

Notes to the Financial Statements For the 53 Week Period Ended 2 April 2021

21. Pension commitments (continued)

Composition of plan assets:

	2 April 2021 £	27 March 2020 £
Annuity policies	367,000	464,000
Liability Driven Investment Strategies	1,331,000	3,907,000
European bonds	33,000	1,256,000
Cash	4,202,000	33,000
Liability Driven Investment Strategies	9,679,000	7,767,000
Total plan assets	15,612,000	13,427,000

	2 April 2021 £	27 March 2020 £
Fair value of plan assets	15,612,000	13,427,000
Present value of plan liabilities	(15,231,000)	(15,316,000)
Net pension scheme liability	381,000	(1,889,000)

The amounts recognised in profit or loss are as follows:

	2 April 2021 £	27 March 2020 £
Interest on obligation	(42,000)	(23,000)

The amounts recognised in the profit or loss and other comprehensive income:

	2 April 2021 £	27 March 2020 £
Interest cost	42,000	23,000
Actuarial (gains) and losses	(2,311,000)	902,000
Closing defined benefit obligation	(2,269,000)	925,000

Southwark Bridge Holdings Limited

Notes to the Financial Statements For the 53 Week Period Ended 2 April 2021

21. Pension commitments (continued)

The cumulative amount of actuarial gains and losses recognised in the consolidated statement of comprehensive income was £Nil (2020 - £4,226,600).

The group expects to contribute £Nil to its Defined Benefit Pension Scheme in 2022.

Principal actuarial assumptions at the balance sheet date (expressed as weighted averages):

	2021	2020
	%	%
Discount rate	1.90	2.20
RPI inflation rate	3.40	2.70
CPI inflation rate	2.60	1.90
Increases to pensions in deferment	2.20	1.90
Future pension increases	3.20	2.60
Post-retirement mortality:		
- base table	S2PA	S2PA
- mortality projections	CMI 2020	CMI 2019
- long term rate of improvement	1.25	1.25
Commutation	5.00	5
Life expectancies from age 65:		
- male currently aged 65	87	87
- female currently aged 65	89	89
- male currently aged 45	88	88
- female currently aged 45	90	90

No employees of the parent company were members of the defined benefit scheme.

Southwark Bridge Holdings Limited

Notes to the Financial Statements For the 53 Week Period Ended 2 April 2021

22. Commitments under operating leases

At 2 April 2021 the group had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	Group 2 April 2021 £	Group 27 March 2020 £
Not later than 1 year	689,005	730,091
Later than 1 year and not later than 5 years	2,140,443	2,169,440
Later than 5 years	5,850,000	6,300,000
	<u>8,679,448</u>	<u>9,199,531</u>

There is a guarantee of £70,000 (2020 - £70,000) to HM Revenue & Customs arising in the ordinary course of business.

23. Share capital

	2 April 2021 £	27 March 2020 £
Allotted, called up and fully paid		
100,000 ordinary A shares of £1 each	100,000	100,000
1,925,559 ordinary B shares of £1 each	1,925,559	1,925,559
	<u>2,025,559</u>	<u>2,025,559</u>

Both classes of shares rank pari passu except for the 'B' ordinary shares have no voting rights and are not entitled to receive dividends.

24. Reserves

The company's capital and reserves are as follows:

Called up share capital

Called up share capital represents the nominal value of the shares issued.

Profit and loss account

The profit and loss account represents accumulated comprehensive income for the period.

Southwark Bridge Holdings Limited

Notes to the Financial Statements For the 53 Week Period Ended 2 April 2021

25. Analysis of net debt

	At 28 March 2020 £	Cash flows £	At 2 April 2021 £
Cash at bank and in hand	106,428	226,347	332,775
Debt due within 1 year	(4,867,213)	628,313	(4,238,900)
	<u>(4,760,785)</u>	<u>854,660</u>	<u>(3,906,125)</u>

26. Transactions with directors

At the period end loan notes totalling £Nil (2020 - £Nil) were owed to the directors. During the period interest totalling £Nil (2020 - £15,639) was charged. Interest is charged at 10% per annum.

27. Related party transactions

The company has taken advantage of the exemption conferred by FRS 102 not to disclose transactions with its wholly owned subsidiaries.

28. Controlling party

The company is controlled by the directors by virtue of their respective shareholdings in the company.