BFS Group Limited

Directors' report and financial statements

Registered number 239718

Year ended 30 June 2008

Contents

Directors and company information

Directors:

Executive:

FJ Barnes
DM Bell
I Crawford
A Fisher
A Kemp
J Scott
A Selley
IS Uren
NJ Wemyss

Non executive:

B Joffe (Chairman)

Secretary
T Hamandi

Registered Office

Buckingham Court
Kingsmead Business Park
London Road
High Wycombe
Buckinghamshire
HP11 1JU

Auditors

KPMG LLP
St James' Square
Manchester
M2 6DS

Bankers

HSBC Bank plc
8 Canada Square
London
E14 5XL

Directors' report

The directors present their annual report and the audited financial statements for the year ended 30 June 2008.

Principal activities

The principal activity of the Company, which trades as 3663 First for Foodservice, is the sale and distribution of food and non-food products to the catering trade.

Business review

Development and performance of the business:

The company's performance was satisfactory in a flat market, with pressure on margins being offset by operational efficiencies despite increasing cost pressures, particularly in respect of utilities and fuel. Since year end, the cessation of meat processing at The Barton Meat Company, a fully owned subsidiary, has been announced and the cost of the investment in and loans to The Barton Meat Company have been impaired.

During the year, investment in the infrastructure of the business has continued, with the ongoing development of a new IT system and initiation of a project to build a new multi temperature depot in the South East of England.

Sustainability is a key consideration for the company and this is illustrated by two major awards during the year – inclusion in "The Sunday Times 50 Best Green Companies 2008" and the "The Motor Transport Awards 2008" – Innovation Award for the company's pioneering work on recycling used cooking oil for biodiesel.

Principle risks and uncertainties:

The company's operational risks include environmental, health and safety and IT / power failures. The management of environmental risks includes an Environmental Management System Manual and internal and external audits and the company has obtained Corporate Certification to ISO14001, which ensures legal environmental compliance and pollution risk management. The management of health and safety risks includes a Health and Safety Manual, annual Risk Assessment Packs, Operations Standards Diaries and internal audits. Disaster recovery procedures exist in the event of power and IT outages and are implemented when required.

The company's commercial risks include unprofitable contracts and bad debts. Potential new business undergoes both a comprehensive profit study and credit checks before being tendered for. Given the current economic environment, significant focus is being placed on the minimisation of bad debt risk and credit insurance is held for the majority of major customers.

Key Performance Indicators:

KPI's used to monitor the performance of the business include the following:

Turnover
Gross margin %
Gross margin per item
Operating cost per item
Operating profit
Funds employed
Health and safety
Employee headcount, turnover and absence
Service levels to customers
Service levels from suppliers

All financial KPI's are monitored compared to budget and previous year.

Directors' report *(continued)*

Results and dividends

The company made a profit for the year of £24,170,000 *(2007: £29,944,000)*

An interim dividend in respect of the year ended 30 June 2008 of £25,000,000 (8.3p per share) *(2007: £25,000,000 (8.3p per share)* was paid during the year. The directors do not recommend the payment of a final dividend.

Property plant and equipment

Movements in property plant and equipment are set out in note 10 of the financial statements.

Employment of disabled persons

It is the policy of the Company to give full and fair consideration to applications for employment made by disabled persons having regard to their particular aptitudes and abilities. Wherever possible, arrangements are made for the continued employment of persons who have become disabled during service and for appropriate training, career development and promotion of disabled persons.

Information to employees

Appropriate action has been taken to develop arrangements aimed at providing Company employees with information on matters of concern to them, consulting with employees or their representatives, encouraging their involvement in the Company's performance, and achieving an awareness on the part of employees of the financial and economic factors affecting the Company's performance.

Directors

The directors who held office during the year were:

B Joffe	
DK Rosevear	(resigned 17 September 2007)
FJ Barnes	
DM Bell	
I Crawford	
A Fisher	
A Kemp	
R O'Keefe	(resigned 10 January 2008)
J Scott	
A Selley	
IS Uren	
N Wemyss	(appointed 29 October 2007)

None of the directors who held office at the end of the financial year had any disclosable interest in the shares of the Company or its immediate parent undertaking.

Directors' report *(continued)*

Directors *(continued)*

The interests of FJ Barnes and B Joffe in the ultimate parent undertaking, The Bidvest Group Limited, are disclosed in the Directors' Report of that company. The remaining directors who held office at the end of the financial year had, according to the register of directors' interests, no share options granted or exercised during the year.

There are no further disclosable interests in the shares of The Bidvest Group Limited, or its subsidiaries.

Creditor payments

The Company agrees terms and conditions under which business transactions with suppliers are conducted. It is company policy that payments to its suppliers are made in accordance with these terms, provided that the supplier is also complying with all relevant terms and conditions. The trade creditors at the year end represented 57 days of average daily purchases for the year.

Political and charitable contributions

The group made no political contributions during the period. Donations to UK charities amounted to £76,768 *(2007: £111,243).*

Directors and officers liability insurance

The Company provided qualifying third party indemnity provisions to certain directors of associated companies during the financial year and at the date of this report.

Disclosure of information to auditors

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditors are unaware; and each director has taken all the steps that he ought to have taken to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Directors' report *(continued)*

Auditors

Pursuant to a shareholders' resolution, the company is not obliged to reappoint its auditors annually and KPMG LLP will therefore continue in office.

By order of the board

T Hamandi
Company Secretary

Buckingham Court
Kingsmead Business Park
London Road
High Wycombe
Buckinghamshire, HP11 1JU

Statement of directors' responsibilities in respect of the directors' report and the financial statements

The directors are responsible for preparing the Directors' 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 they have elected to prepare the financial statements in accordance with IFRSs as adopted by the EU and applicable laws.

The financial statements are required by law to present fairly the financial position and the performance of the company; the Companies Act 1985 provides in relation to such financial statements that references in the relevant part of that Act to financial statements giving a true and fair view are references to their achieving a fair presentation.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether they have been prepared in accordance with IFRSs as adopted by the EU; 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 proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that its financial statements comply with the Companies Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

KPMG

KPMG LLP

St James' Square
Manchester
M2 6DS
United Kingdom

Report of the independent auditors to the members of BFS Group Limited

We have audited the financial statements of BFS Group Limited for the year ended 30 June 2008 which comprise the income statement, the statement of recognised income and expense, the balance sheet, the cash flow statement and the related notes. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. 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 auditors

The directors' responsibilities for preparing the financial statements in accordance with applicable law and International Financial Reporting Standards (IFRSs) as adopted by the EU are set out in the Statement of Directors' Responsibilities on page 6.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and whether the financial statements have been properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Report of the independent auditors to the members of BFS Group Limited
(continued)

Opinion

In our opinion:

- the financial statements give a true and fair view, in accordance with IFRSs as adopted by the EU, of the state of the company's affairs as at 30 June 2008 and of its profit for the year then ended;
- the financial statements have been properly prepared in accordance with the Companies Act 1985; and
- the information given in the Directors' Report is consistent with the financial statements.

KPMG LLP

KPMG LLP
Chartered Accountants
Registered Auditor

17/2/2009

Income statement
for the year ended 30 June 2008

	Note	2008 £000	2007 £000
Revenue	2	**1,551,798**	1,508,770
Cost of sales		**(1,234,045)**	(1,186,969)
Gross profit		**317,753**	321,801
Distribution expenses		**(235,254)**	(209,690)
Administration expenses - normal		**(32,759)**	(69,159)
Operating profit before impairment charge		**49,740**	42,952
Administration expenses			
Impairment charge	3	**(10,472)**	-
Total administration expenses		**(43,231)**	(69,159)
Operating profit after impairment charge	3	**39,268**	42,952
Financial income	6	**1,956**	1,899
Financial expenses	7	**(1,746)**	(1,421)
Net financing income		**210**	478
Profit before taxation		**39,478**	43,430
Taxation	8	**(15,308)**	(13,486)
Profit after taxation		**24,170**	29,944

Statement of recognised income and expense
for year ended 30 June 2008

	Note	**2008**	2007
		£000	£000
Profit for the year		**24,170**	29,944
Total recognised income and expense	*23*	**24,170**	29,944

Balance sheet
at 30 June 2008

	Note	2008 £000	2007 £000
Non-current assets			
Property, plant and equipment	*10*	**101,482**	98,761
Intangible assets	*11*	**37,559**	27,157
Investments in subsidiaries	*12*	**13,013**	13,713
		152,054	139,631
Current assets			
Inventories	*13*	**53,974**	48,775
Trade and other receivables	*14*	**146,345**	151,645
Cash and cash equivalents	*15*	**55,217**	47,493
		255,536	247,913
Total assets		**407,590**	387,544
Current liabilities			
Other interest – bearing loans and borrowings	*16*	**(20,779)**	(10,733)
Trade and other payables	*17*	**(245,377)**	(236,911)
Tax payable		**(13,670)**	(13,033)
Provisions	*19*	**(95)**	(284)
		(279,921)	(260,961)
Non-current liabilities			
Other interest – bearing loans and borrowings	*16*	**(2,104)**	(2,647)
Provisions	*19*	**(12,061)**	(10,046)
Deferred tax liabilities	*20*	**(4,768)**	(4,351)
		(18,933)	(17,044)
Total liabilities		**(298,854)**	(278,005)
Net assets		**108,736**	109,539
Equity			
Share capital	*22,23*	**30,000**	30,000
Share premium	*23*	**11,843**	11,843
Retained earnings	*23*	**66,893**	67,696
Total Equity	*23*	**108,736**	109,539

These financial statements were approved by the board of directors on 17/2/09 and were signed on its behalf by:

FJ Barnes
Director

Cash flow statement
for year ended 30 June 2008

	Note	2008 £000	2007 £000
Cash flows from operating activities			
Profit for the year before taxation		39,478	43,430
Adjustments for:			
Depreciation, amortisation and impairment	3	27,550	17,001
Financial income	6	(1,956)	(1,899)
Financial expense	7	1,746	1,421
Loss on sale of property, plant and equipment	3	(133)	259
Loss on sale of intangible assets	3	3	11
Equity settled share-based payment expenses		27	15
Operating profit before changes in working capital and provisions		66,715	60,238
(Increase)/decrease in trade and other receivables		(4,403)	6,717
(Increase)/decrease in inventories		(5,199)	2,174
Increase in trade and other payables		5,529	1,096
(Increase)/decrease in provisions		1,587	(3)
Cash generated from the operations		64,229	70,222
Interest paid		(1,167)	(831)
Tax paid		(11,657)	(14,932)
Net cash from operating activities		51,405	54,459
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment		349	4,964
Proceeds from sale of intangible assets		359	-
Interest received		1,956	1,887
Acquisition of a business	12	(69)	(573)
Acquisition of property, plant and equipment including inter group transfers	10	(18,995)	(23,526)
Acquisition of intangible assets	11	(11,784)	(3,237)
Net cash used in investing activities		(28,184)	(20,485)
Cash flows from financing activities			
Proceeds from new loan/finance leases entered into		10,015	-
Payment of finance lease liabilities		(512)	(490)
Dividends paid	9	(25,000)	(25,000)
Net cash used in financing activities		(15,497)	(25,490)
Net increase in cash and cash equivalents		7,724	8,484
Cash and cash equivalents at 1 July		47,493	39,009
Cash and cash equivalents at 30 June	15	55,217	47,493

Notes
(forming part of the financial statements)

1 Accounting policies

BFS Group Limited (the "Company") is a company incorporated in the UK.

The Company is exempt by virtue of s228 of the Companies Act 1985 from the requirement to prepare group financial statements. These financial statements present information about the Company as an individual undertaking and not about its group.

The company financial statements have been prepared and approved by the directors in accordance with International Financial Reporting Standards as adopted by the EU ("Adopted IFRSs").

During the year the Company adopted IFRS 7 *Financial Instruments : Disclosures,* and a corresponding amendment to IAS 1 *Presentation of Financial Statements – Capital Disclosures.* The application of IFRS 7 and the amendments to IAS 1 have not affected the balance sheet or income statement but has resulted in significant changes to disclosures provided in respect of financial instruments.

The classification of certain costs has been charged between administration costs and distribution costs. Had the previous classification been applied then administration costs would have been £69,159,000 and distribution costs would have been £209,690,000.

Judgements made by the directors, in the application of these accounting policies that have significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year are discussed in note 29.

Measurement convention

The financial statements are prepared on the historical cost basis. Non-current assets and disposal groups held for sale are stated at the lower of previous carrying amount and fair value less costs to sell.

Foreign currency

Transactions in foreign currencies are translated at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the income statement. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated at foreign exchange rates ruling at the dates the fair value was determined.

Classification of financial instruments issued by the Company

Following the adoption of IAS 32, financial instruments issued by the Company are treated as equity only to the extent that they meet the following two conditions:

(a) they include no contractual obligations upon the company to deliver cash or other financial assets or to exchange financial assets or financial liabilities with another party under conditions that are potentially unfavourable to the company; and

(b) where the instrument will or may be settled in the company's own equity instruments, it is either a non-derivative that includes no obligation to deliver a variable number of the company's own equity instruments or is a derivative that will be settled by the company's exchanging a fixed amount of cash or other financial assets for a fixed number of its own equity instruments.

To the extent that this definition is not met, the proceeds of issue are classified as a financial liability. Where the instrument so classified takes the legal form of the company's own shares, the amounts presented in these financial statements for called up share capital and share premium account exclude amounts in relation to those shares.

Where a financial instrument that contains both equity and financial liability components exists these components are separated and accounted for individually under the above policy.

Notes *(continued)*

1 Accounting policies *(continued)*

Investments in debt and equity securities

Investments in subsidiaries are carried at cost less impairment.

Derivative financial instruments and hedging

Derivative financial instruments

Derivative financial instruments are recognised at fair value. The gain or loss on remeasurement to fair value is recognised immediately in profit or loss. However, where derivatives qualify for hedge accounting, recognition of any resultant gain or loss depends on the nature of the item being hedged (see below).

The fair value of forward exchange contracts is their quoted market price at the balance sheet date.

Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses.

Where parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

Leases in which the Company assumes substantially all the risks and rewards of ownership of the leased asset are classified as finance leases. Where land and buildings are held under finance leases the accounting treatment of the land is considered separately from that of the buildings. Leased assets acquired by way of finance lease are stated at an amount equal to the lower of their fair value and the present value of the minimum lease payments at inception of the lease, less accumulated depreciation and impairment losses. Lease payments are accounted for as described below.

Depreciation is charged to the income statement on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment. Land is not depreciated. The estimated useful lives are as follows:

- land - not depreciated
- freehold building - fifty years
- Long leasehold properties - the shorter of the lease term or fifty years
- Short Leasehold properties- the period of the lease
- Plant, machinery and vehicles - three to ten years

Intangible assets and goodwill

Subject to transitional relief in IFRS1, all unincorporated business combinations are accounted for by applying the purchase method. Goodwill represents amounts arising on acquisition of businesses. In respect of business acquisitions that have occurred since 30 June 2006, goodwill represents the difference between the cost of the acquisition and the fair value of the net identifiable assets acquired. Identifiable intangibles are those which can be sold separately or which arise from legal rights regardless of whether those rights are separable.

Goodwill is stated at cost less any accumulated impairment losses. Goodwill is allocated to cash-generating units and is not amortised but is tested annually for impairment.

In respect of acquisitions prior to 30 June 2006, goodwill is included on the basis of its deemed cost, which represents the amount recorded under UK GAAP which was broadly comparable save that only separable intangibles were recognised and goodwill was amortised. On transition, amortisation of goodwill has ceased as required by IFRS 1.

Notes *(continued)*

1 Accounting policies *(continued)*

Intangible assets and goodwill (continued)

Expenditure on internally generated goodwill and brands is recognised in the income statement as an expense as incurred.

Other intangible assets that are acquired by the Company are stated at cost less accumulated amortisation and impairment losses.

Amortisation is charged to the income statement on a straight-line basis over the estimated useful lives of intangible assets unless such lives are indefinite. Intangible assets with an indefinite useful life and goodwill are systematically tested for impairment at each balance sheet date. Other intangible assets are amortised from the date they are available for use. The estimated useful lives are as follows:

- Software assets three to seven years

Investments

Shares in Group undertakings are stated at cost less any provision for impairment.

Trade and other receivables

Trade and other receivables are stated at their nominal amount (discounted if material) less impairment losses.

Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is based on the first-in first-out principle and includes expenditure incurred in acquiring the inventories and bringing them to their existing location and condition.

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalents for the purpose only of the statement of cash flows.

Impairment

The carrying amounts of the Company's assets other than inventories and deferred tax assets, are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

For goodwill, assets that have an indefinite useful life and intangible assets that are not yet available for use, the recoverable amount is estimated at each balance sheet date.

An impairment loss is recognised whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in the income statement.

Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to cash-generating units and then to reduce the carrying amount of the other assets in the unit on a pro rata basis. A cash generating unit is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

Interest-bearing borrowings

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

Notes *(continued)*

1 Accounting policies *(continued)*

Employee benefits

Defined contribution plans

Obligations for contributions to defined contribution pension plans are recognised as an expense in the income statement as incurred.

Share-based payment transactions

The share option programme allows certain Company employees to acquire shares of the ultimate parent company; these awards are granted by the ultimate parent. The fair value of options granted is recognised as an employee expense with a corresponding increase in equity. The fair value is measured at grant date and spread over the period during which the employees become unconditionally entitled to the options. The fair value of the options granted is measured using an option valuation model, taking into account the terms and conditions upon which the options were granted. The amount recognised as an expense is adjusted to reflect the actual number of share options that vest except where forfeiture is due only to share prices not achieving the threshold for vesting.

Provisions

A provision is recognised in the balance sheet when the Company has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

Revenue

Revenue, which excludes value added tax, represents the amounts invoiced to customers for goods sold and services supplied during the year in respect of the sale and distribution of food and non-food products to the catering trade, less credits for returns. Revenue is recognised when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable and the amount of revenue can be measured reliably.

Expenses

Operating lease payments

Payments made under operating leases are recognised in the income statement on a straight-line basis over the term of the lease. Lease incentives received are recognised in the income statement as an integral part of the total lease expense.

Finance lease payments

Minimum lease payments are apportioned between the finance charge and the reduction of the outstanding liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Net financing costs

Net financing costs comprise interest payable, finance charges on shares classified as liabilities and finance leases, interest receivable on funds invested, dividend income and foreign exchange gains and losses that are recognised in the income statement.

Interest income and interest payable is recognised in profit or loss as it accrues, using the effective interest method. Dividend income is recognised in the income statement on the date the entity's right to receive payments is established.

Notes *(continued)*

1 Accounting policies *(continued)*

Taxation

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

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

Deferred tax is provided on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: the initial recognition of goodwill; the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised.

Adopted IFRS not yet applied

A number of new standards, amendments to standards and interpretations are not yet effective for the year ended 30 June 2008, and have not been applied in preparing these financial statements. The Directors have considered these new standards, amendments to standards and interpretations and their current assessment is that the adoption of these changes will not impact significantly on the Company's financial statements.

2 Revenue

All revenue derives from one class of business and is mainly based in the United Kingdom. The overseas turnover for the business amounted to £4,936,000 *(2007: £9,350,000).*

3 Operating profit is stated after charging

	2008	2007
	£000	£000
Depreciation:		
Owned assets	**13,829**	13,559
Leased assets	**2,240**	2,210
Amortisation of software	**1,009**	1,232
Impairment:		
Cost of investment (note 12)	**769**	-
Inter group loans receivable	**9,703**	-
Operating lease and hire charges:		
Land and buildings	**8,282**	8,578
Other	**8,200**	8,861
(Profit)/Loss on disposal of property plant & equipment	**(133)**	259
Loss on disposal of intangible assets	**3**	11
Foreign exchange losses	**56**	82
Auditors remuneration:		
Audit of these financial statements	**122**	118
Other services relating to tax	**160**	144

Notes *(continued)*

4 Directors' remuneration

	2008 £000	2007 £000
Remuneration	**1,911**	1,621
Compensation for loss of office	**92**	-
Share based payment	**27**	15
Company contributions to money purchase pension scheme	**82**	64
	2,112	1,700
Remuneration includes:		
Highest paid director	**460**	339

	Number of directors	
Retirement benefits are accruing to the following number of directors under:		
Money purchase schemes	**8**	8
The number of directors who exercised share options was	**-**	1

Company pension contributions of £19,000 (*2007: £17,000*) were made to a money purchase scheme on behalf of the highest paid director. At the end of the year, 8 directors *(2007: 8)* were accruing retirement benefits under a money purchase scheme.

5 Staff numbers and costs

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

	Number of employees 2008	2007
Management	**1,231**	1,249
Distribution	**3,658**	3,676
Sales	**927**	977
	5,816	5,902

The aggregate employment costs during the year were as follows:

	2008 £000	2007 £000
Wages and salaries	**143,885**	143,789
Social security costs	**14,248**	13,801
Other pension costs (Note 18)	**2,564**	2,430
	160,697	160,020

Notes *(continued)*

6 Financial income

	2008 £000	2007 £000
Interest income	1,036	1,376
Group interest	712	452
Gain on remeasurement of forward exchange contracts to fair value	-	12
Other interest	208	59
	1,956	1,899

7 Financial expenses

	2008 £000	2007 £000
Bank Interest	4	7
Group interest	950	667
Unwinding of discount on dilapidation provisions	239	242
Finance leases	384	407
Other interest	169	98
	1,746	1,421

8 Taxation

a) Recognised in the income statement

	2008		2007	
	£000	£000	£000	£000
Current year	16,406		12,936	
Adjustments for prior years	(1,515)		(596)	
Total current tax		14,891		12,340
Origination and reversal of temporary differences	734		569	
Adjustments for prior years	(317)		577	
Total deferred tax expense		417		1,146
Total tax in income statement		15,308		13,486

Notes *(continued)*

8 Taxation *(continued)*

b) *Reconciliation of effective tax rate*

	2008 £000	2007 £000
Profit before taxation	**39,478**	43,430
Tax using the UK corporation tax rate of 29.5% *(2007: 30%)*	**11,646**	13,029
Non deductible expenses	**5,532**	787
Over provided in prior years	**(1,832)**	(19)
Change in tax rate	**(38)**	(311)
Total tax in income statement	**15,308**	13,486

The corporation tax rate applicable to the company changed from 30.0% to 28.0% on 1 April 2008. The deferred tax has been calculated at the rate of 28.0% which is applicable to all accounting periods ending on or after 1 April 2008.

9 Dividends

	2008 £000	2007 £000
Interim – paid at 8.3p per share *(2007: 8.3p per share)*	**25,000**	25,000

There are no final dividends proposed.

Notes *(continued)*

10 Property plant and equipment

	Land and Freehold Properties £000	Long leasehold Properties £000	Short leasehold properties £000	Plant machinery and vehicles £000	Assets in the Course of Construction £000	Total £000
Cost						
Balance at 1 July 2006	18,372	24,918	10,368	132,117	5,852	191,627
Additions	95	778	244	9,432	9,632	20,181
Reclassifications	44	(543)	1,008	9,137	(9,646)	-
Inter group transfers	-	-	-	3,631	(419)	3,212
Tfr to intangible assets	-	-	-	(16)	-	(16)
Disposals	(8)	(19)	(1,427)	(13,642)	(4,900)	(19,996)
Balance at 30 June 2007	18,503	25,134	10,193	140,659	519	195,008
Balance at 1 July 2007	18,503	25,134	10,193	140,659	519	195,008
Additions	393	334	5	9,063	9,200	18,995
Reclassifications	(6)	44	-	6,235	(6,273)	-
Tfr from intangible assets	-	-	-	11	-	11
Disposals	-	(18)	(40)	(10,330)	-	(10,388)
Balance at 30 June 2008	18,890	25,494	10,158	145,638	3,446	203,626
Depreciation						
Balance at 1 July 2006	3,156	5,289	4,634	82,305	-	95,384
Charge for year	333	1,447	763	13,226	-	15,769
Reclassifications	-	(209)	224	(15)	-	-
Inter group transfers	-	-	-	(133)	-	(133)
Disposals	(5)	(9)	(1,427)	(13,332)	-	(14,773)
Balance at 30 June 2007	3,484	6,518	4,194	82,051	-	96,247
Balance at 1 July 2007	3,484	6,518	4,194	82,051	-	96,247
Charge for year	361	1,481	759	13,393	75	16,069
Disposals	-	(7)	(40)	(10,125)	-	(10,172)
Balance at 30 June 2008	3,845	7,992	4,913	85,319	75	102,144
Net book value						
At 30 June 2006	15,216	19,629	5,734	49,812	5,852	96,243
At 30 June 2007	15,019	18,616	5,999	58,608	519	98,761
At 30 June 2008	**15,045**	**17,502**	**5,245**	**60,319**	**3,371**	**101,482**

The amount on which depreciation of freehold and long leasehold properties is based is £42,218,000 *(2007: £41,470,000).*

Leased plant and machinery:

The Company leases a number of properties and plant under finance lease agreements. At 30 June 2008, the net carrying amount of leased plant and buildings was £4,650,000 *(2007: £4,900,000)*

Notes *(continued)*

11 Intangible assets

	IT software £000	IT software Work in progress £000	Goodwill £000	Total £000
Cost				
Balance at 1 July 2006	7,740	76	23,999	31,815
Additions	46	3,191	-	3,237
Reclassifications	320	(320)	-	-
Transfer from property plant & equipment	16	-	-	16
Disposals	(181)	-	-	(181)
Balance at 30 June 2007	7,941	2,947	23,999	34,887
Balance at 1 July 2007	7,941	2,947	23,999	34,887
Additions	373	11,411	-	11,784
Reclassifications	54	(54)	-	-
Transfer from property plant & equipment	-	(11)	-	(11)
Disposals	(1,762)	-	-	(1,762)
Balance at 30 June 2008	6,606	14,293	23,999	44,898
Amortisation				
Balance at 1 July 2006	4,725	-	1,943	6,668
Charge for period	1,232	-	-	1,232
Disposals	(170)	-	-	(170)
Balance at 30 June 2007	5,787	-	1,943	7,730
Balance at 1 July 2007	5,787	-	1,943	7,730
Charge for period	934	75	-	1,009
Disposals	(1,400)	-	-	(1,400)
Balance at 30 June 2008	5,321	75	1,943	7,339
Net book value				
At 30 June 2006	3,015	76	22,056	25,147
At 30 June 2007	2,154	2,947	22,056	27,157
At 30 June 2008	**1,285**	**14,218**	**22,056**	**37,559**

Impairment Review: -

The carrying value of the purchased goodwill has been reviewed as at 30 June 2008 and no write down for any impairment is deemed appropriate.

For the purpose of impairment testing, goodwill is allocated to the Group's operating divisions which represent the lowest level within the Group at which goodwill is monitored for internal management purposes.

The recoverable amount is based on the value in use which is determined by discounting the future cashflows generated using a discount rate of 12%.

Notes *(continued)*

11 Intangible assets *(continued)*

Amortisation and impairment charge:

The amortisation and impairment charge is recognised in the following line items in the income statement:

	2008	2007
	£000	£000
Administration expenses	**1,009**	1,232
	1,009	1,232

12 Investments in subsidiaries

	Shares in subsidiary undertakings £000
At start of year	13,713
Additions	69
Impairment of investments	(769)
At end of year	**13,013**

During the year a further 30% holding was acquired in The Barton Meat Company Limited, taking this to a 100% holding. In December 2008, due to ongoing trading losses, it was decided to cease the meat processing activity of this company. Accordingly, the full cost of investment in this wholly owned subsidiary has been impaired

Shares in group undertakings comprise entirely of shares held in subsidiary undertakings.

The company directly or indirectly holds share capital and voting rights in the following companies, which are registered and which operate in England and Wales.

Subsidiary undertakings	**Class of shares held**	**Principal activity**
The Barton Meat Company Ltd (100% holding)	**£1 Ordinary**	Ceased trading
3663 Developments Ltd (100% holding)	**£1 Ordinary**	Property development
3663 (Edinburgh) Ltd (100% holding)	**£1 Ordinary**	Property development

Notes *(continued)*

13 Inventories

	2008 £000	2007 £000
Raw materials and consumables	**733**	549
Goods for resale	**53,241**	48,226
	53,974	48,775

14 Trade and other receivables

	2008 £000	2007 £000
Trade receivables	**128,605**	124,242
Other receivables, prepayments and accrued income	**5,991**	10,515
Other receivables due from subsidiary undertakings	**2,812**	7,996
Other receivables due from immediate parent company	**7,878**	7,831
Other receivables due from fellow subsidiary undertakings	**1,059**	1,061
	146,345	151,645

Full provision has been made against £12,300,000 included within trade receivables due from The Barton Meat Company Limited, a fully owned subsidiary, as at 30 June 2008.

15 Cash and cash equivalents

	2008 £000	2007 £000
Cash and cash equivalent per balance sheet and cash flow statement	**55,217**	47,493

16 Other interest-bearing loans and borrowings

This note provides information about the contractual terms of the Company's interest-bearing loans and borrowings.

	2008 £000	2007 £000
Non-current liabilities		
Finance lease liabilities	**2,104**	2,647
	2,104	2,647
Current liabilities		
Amounts owed to immediate parent company	**20,243**	10,228
Current portion of finance lease liabilities	**536**	505
	20,779	10,733

Notes *(continued)*

16 Other interest bearing loans and borrowings *(continued)*

Finance lease liabilities

Finance lease liabilities are payable as follows:

	Minimum lease payments 2008 £000	Interest 2008 £000	Principal 2008 £000	Minimum lease payments 2007 £000	Interest 2007 £000	Principal 2007 £000
Less than one year	739	203	536	743	238	505
Between one and five years	1,286	642	644	1,817	778	1,039
More than five years	2,234	774	1,460	2,524	916	1,608
	4,259	1,619	2,640	5,084	1,932	3,152

The amount owed to the immediate parent company incurs interest at the following rates:

	2008 £000	2007 £000
At 1.5% above HSBC Bank plc base rate	10,228	10,228
At HSBC Bank plc base rate	7,012	-
At LIBOR	3,003	-
	20,243	10,228

17 Trade and other payables

	2008 £000	2007 £000
Trade payables	191,867	174,943
Other taxation and social security	4,176	4,119
Accruals and deferred income	17,874	27,858
Amounts owed to fellow subsidiary companies	15,300	15,300
Amounts owed to subsidiary companies	16,062	14,619
Amounts owed to immediate parent company	98	72
	245,377	236,911

Notes *(continued)*

18 Employee benefits

Pension scheme

Bidvest (UK) Limited, the immediate parent company, operates a defined contribution scheme, for which BFS Group Limited is a participating employer. The pension cost for the year represents contributions payable by the company to the scheme and amounted to £2,564,000 *(2007 £2,430,000)*.

Contributions amounting to £12,000 *(2007: £6,000)* were payable to the scheme at the year end.

Share-based payments

Share options have been granted to 3 directors of the company by the ultimate parent company.

The terms and conditions of the grants are as follows, whereby all options are settled by physical delivery of shares:

Grant date / employees entitled	Number of instruments £	Vesting conditions	Contractual life of options
September 2002	22,500	Exercisable from Sept 2005	September 2005 to September 2012
May 2004	30,000	Exercisable from May 2007	May 2007 to May 2014
June 2007	100,000	Exercisable from June 2010	June 2010 to June 2017
	152,500		

The number and weighted average exercise prices of share options are as follows:

	Weighted average exercise price 2008	**Number of options 2008**	Weighted average exercise price 2007	Number of options 2007
Outstanding at the beginning of the period	**ZAR99.10**	**152,500**	ZAR47.86	52,500
Forfeited during the period		-		-
Exercised during the period		-		-
Granted during the period		-	ZAR126.00	100,000
Lapsed during the period		-		-
Outstanding at the end of the period	**ZAR99.10**	**152,500**	ZAR99.10	152,500
Exercisable at the end of the period		**45,000**		37,500

Options are exercisable on the following dates:

i) 50% on the third anniversary of grant date

ii) 50% on the fourth anniversary of grant date

Options then remain open for a further 5 years.

Notes *(continued)*

19 Provisions for liabilities and charges

	Self insurance £000	Redundant properties £000	Dilapidations £000	Total £000
At beginning of year	4,277	65	5,988	10,330
Provided during the year	1,561	34	-	1,595
Interest provided	-	-	239	239
Utilised during the year	-	-	(8)	(8)
At end of year	**5,838**	**99**	**6,219**	**12,156**
Current	-	9	86	95
Non-current	5,838	90	6,133	12,061
At end of year	5,838	99	6,219	12,156

The provision for self insurance relates to the programmes the company operates for certain classes of insurance, whereby the company bears the cost of all claims up to an agreed aggregate limit. There is a degree of uncertainty as to when the claims will be settled and for how much and the provision is therefore calculated using management's expertise and experience together with best estimates of liabilities arising, using claims history and details of pending claims supplied by the insurance providers.

The provision for redundant properties relates to rental shortfalls and dilapidation provisions on certain leased properties that are no longer used by the company in its main trading activity. It is envisaged that the provision will be utilised in full by 2016. The major area of uncertainty in the calculation of the provision relates to the dilapidation liabilities at the conclusion of the leases.

The provision for dilapidations relates to amounts payable at lease expiry on certain leased properties which are occupied by the company. Lease expiry dates range from 2009 to 2046. The provisions have been based on estimates provided by the company's property management agents.

Notes *(continued)*

20 Deferred tax assets and liabilities

Recognised deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

	Assets		Liabilities		Net	
	2008	2007	**2008**	2007	**2008**	2007
	£000	£000	**£000**	£000	**£000**	£000
Property, plant and equipment	**-**	-	**5,444**	4,776	**5,444**	4,776
Provisions	**(676)**	(425)	**-**	-	**(676)**	(425)
Net tax (assets) / liabilities	**(676)**	(425)	**5,444**	4,776	**4,768**	4,351

Movement in deferred tax during the year

	1 July 2007 £000	Recognised in income £000	30 June 2008 £000
Property, plant and equipment	4,776	668	5,444
Provisions	(425)	(251)	(676)
	4,351	417	4,768

The corporation tax rate applicable to the company changed from 30.0% to 28.0% from 1 April 2008. The deferred tax has been calculated at the rate of 28.0% which is applicable to all accounting periods ending on or after 1 April 2008

21 Financial instruments

The Company is exposed to the following risks from its use of financial instruments:

a) credit risk

b) liquidity risk

c) market risk

This note presents information about the Company's exposure to each of the above risks, and their objectives, policies and processes for measuring and managing risk.

The Board of Directors has overall responsibility for the establishment, development and monitoring of the Company's risk management framework.

The Company's risk management policies are established to identify and analyse the risks they face, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through training and management standards and procedures aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company receivables from customers and investment securities.

Notes *(continued)*

21 Financial instruments *(continued)*

The directors believe that the Company is not exposed to any significant concentration of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the balance sheet, as follows:

	2008	2007
	£000	£000
Trade receivables	**128,605**	124,242
Amounts due from fellow group companies	**11,749**	16,888
	140,354	141,130

The maximum exposure to credit risk for loans and receivables at the reporting date by geographic region is:

	2008	2007
	£000	£000
UK	**139,430**	141,003
Europe	**924**	127
	140,354	141,130

Impairment losses:

The ageing of loans and receivables at the reporting date was:

	Gross 2008 £000	**Impairment 2008 £000**	Gross 2007 £000	Impairment 2007 £000
Not past due	**139,284**	**(9,703)**	122,728	-
Past due 0-30 days	**3,114**	**-**	14,085	-
Past due 31-60 days	**3,325**	**(181)**	1,979	(179)
Past due 61-90 days	**1,871**	**(543)**	1,441	(537)
More than 90 days	**7,772**	**(4,585)**	4,477	(2,864)
	155,366	**(15,012)**	144,710	(3,580)

The movement in the allowance for impairment in respect of trade receivables during the year was as follows:

	2008	2007
	£000	£000
Balance at 1 July	**(3,580)**	(3,540)
Impairment loss recognised	**(11,432)**	(40)
Balance at 30 June	**(15,012)**	(3,580)

Notes *(continued)*

21 Financial instruments *(continued)*

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient funds to meet its liabilities when due, without incurring unacceptable losses or risking damage to the Company's reputation.

The following are the contractual maturities of financial liabilities, including estimated interest payments and excluding the impact of netting agreements:

30 June 2008	**Carrying amount £000**	**Contractual cash flows £000**	**6 months or less £000**	**6-12 months £000**	**1-2 years £000**	**2-5 years £000**	**More than 5 years £000**
Non-derivative financial liabilities							
Amounts due to group undertakings	**28,863**	**28,863**	**28,863**	**-**	**-**	**-**	**-**
Trade and other payables	**213,917**	**213,917**	**213,917**	**-**	**-**	**-**	**-**
Finance lease	**2,640**	**4,259**	**370**	**370**	**321**	**964**	**2,234**
	245,420	**247,039**	**243,150**	**370**	**321**	**964**	**2,234**

30 June 2007	Carrying amount £000	Contractual cash flows £000	6 months or less £000	6-12 months £000	1-2 years £000	2-5 years £000	More than 5 years £000
Non-derivative financial liabilities							
Amounts due to group undertakings	29,991	29,991	29,991	-	-	-	-
Trade and other payables	206,920	206,920	206,920	-	-	-	-
Finance lease	3,152	4,619	371	371	338	1,014	2,525
	240,063	241,530	237,282	371	338	1,014	2,525

Notes *(continued)*

21 Financial instruments *(continued)*

Interest rate risk:

Interest income on cash deposits is exposed to fluctuations in the market rate of interest. Amounts due to and from related parties are interest free and consequently the Company is not exposed to interest rate risk on those balances.

At the reporting date, the interest rate profile of the Company's interest bearing financial instruments was:

	2008	2007
	£000	£000
Fixed rate instruments		
Finance leases	**4,259**	4,619
Intercompany loans	**28,863**	29,991

Fair value sensitivity analysis for fixed rate instruments

The fixed rate financial liability relates to the bank loan. At a fixed rate of interest for the term of the loan, the Company are not exposed to any interest rate fluctuations.

Cash flow sensitivity analysis for variable rate instruments

A change of 1% in interest rates at the reporting date would have increased (decreased) equity and profit or loss by £81,000.

Fair values

The fair values of financial assets and liabilities are deemed to equal the book value.

Investments in equity securities:

The fair value of available for sale investments is determined by reference to their quoted bid price at the reporting date.

Loans and receivables:

Loans and receivables are valued at their amortised cost, which is deemed to reflect fair value.

Derivatives:

The fair value of forward exchange contracts is estimated by discounting the difference between the contractual forward price and the current forward price for the residual maturity of the contract using a risk-free interest rate.

Non-derivative financial liabilities:

The fair value is calculated based on the present value of future principal and interest cash flows

Notes *(continued)*

22 Share capital

	2008 £000	2007 £000
Authorised		
1,000,000,000 ordinary shares of 10p each	**100,000**	100,000
Allotted, called up and fully paid		
300,000,000 ordinary shares of 10p each	**30,000**	30,000

23 Reserves

	Share capital £000	Share premium £000	Retained profit £000	Total £000
Balance at 1 July 2006	30,000	11,843	62,737	104,580
Profit after taxation	-	-	29,944	29,944
Dividends	-	-	(25,000)	(25,000)
Equity settled share based payments	-	-	15	15
Balance at 30 June 2007	30,000	11,843	67,696	109,539
Balance at 1 July 2007	30,000	11,843	67,696	109,539
Profit after taxation	-	-	24,170	24,170
Dividends	-	-	(25,000)	(25,000)
Equity settled share based payments	-	-	27	27
Balance at 30 June 2008	30,000	11,843	**66,893**	**108,736**

24 Capital commitments

Capital commitments authorised as at 30 June 2008, but not provided for in these financial statements amounted to £28,096,000 *(2007:£29,620,000),* in respect of which contracts for £6,933,000 *(2007: £22,953,000)* have been placed.

25 Operating lease commitments

The Company has total rental commitments in respect of operating leases expiring as follows:

	2008		2007	
	Land and buildings £000	**Other £000**	Land and buildings £000	Other £000
Expiring - within one year	**1,038**	**566**	577	647
Expiring - over one year and under five years	**5,416**	**8,742**	4,393	12,108
Expiring - over five years	**76,280**	-	84,538	69
	82,734	**9,308**	89,508	12,824

Notes *(continued)*

25 Operating lease commitments *(continued)*

The Company leases property, plant and machinery, office equipment and certain commercial vehicles under operating leases. The leases typically run for a period of 3 to 5 years, with an option to renew the lease after that date. None of the leases includes contingent rentals.

During the year ended 30 June 2008, £16,481,000 was recognised as an expense in the income statement in respect of operating leases *(2007: £17,439,000)*

26 Related parties

Name of entity	**Related party relationship**
Bidvest (UK) Limited	Immediate parent company
3663 Developments Limited	100% owned subsidiary company
The Barton Meat Company Limited	100% owned subsidiary company
Pullman Foods Limited	Fellow wholly owned subsidiary company of Bidvest (UK) Limited
HM Group Limited	Fellow wholly owned subsidiary company of Bidvest (UK) Limited
Swithenbank Foods Limited	Fellow wholly owned subsidiary company of Bidvest (UK) Limited
Wilson Watson Limited	Fellow wholly owned subsidiary company of Bidvest (UK) Limited

Summary of related party transactions:

	2008	2007
	£000	£000
Management charge paid to Bidvest (UK) Limited	**505**	492
Management charge receivable from 3663 Developments Limited	**50**	46
Sales to The Barton Meat Company Limited	**2**	23
Purchases from The Barton Meat Company Limited	**4,721**	2,998
Net book value of property plant & equipment transferred to The Barton Meat Company Limited at cost	-	419
Net book value of property plant & equipment transferred from 3663 Developments Limited	-	3,764
Rent payable to Pullman Foods Limited	**23**	22
Interest received on loan to The Barton Meat Company Limited	**712**	452
Interest paid to Bidvest (UK) Limited	**950**	667

Summary of related party balances:

	2008	2007
	£000	£000
Interest free and short term loans due from Bidvest (UK) Limited	**7,878**	7,831
Interest bearing loans payable to Bidvest (UK) Limited	**(20,243)**	(10,228)
Short term loans due to Bidvest (UK) Limited	**(98)**	(72)
Interest free loan due to 3663 Developments Limited	**(13,013)**	(13,013)
Interest free loan due (to) from 3663 Developments Limited	**(452)**	(1,606)
Interest free loan due to HM Group Limited	**(15,000)**	(15,000)
Interest free loan due to Swithenbank Foods Limited	**(100)**	(100)
Interest free loan due to Wilson Watson Limited	**(200)**	(200)
Interest free loan due from Pullman Foods Limited	**1,059**	1,061
Interest free loan due from The Barton Meat Company Limited	**215**	496
Interest bearing loan due from The Barton Meat Company Limited	-	7,500

Notes *(continued)*

26 Related parties *(continued)*

Transactions with key management personnel

Directors of the Company and their immediate relatives control nil per cent of the voting shares of the company.

There have been no transactions with key management personnel in the year, other than remuneration which is disclosed in note 4.

27 Ultimate holding company

The ultimate holding company of BFS Group Limited is The Bidvest Group Limited, a Company incorporated in South Africa. The largest group in which the results of the company are consolidated is that headed by that company.

Copies of the financial statements of The Bidvest Group Limited are available upon application to the Company Secretary at the following address: PO Box 87274, Houghton 2041, Johannesburg, South Africa.

28 Subsequent events

In December 2008, due to the ongoing trading losses, it was decided to cease the meat processing activity of The Barton Meat Company Limited, a fully owned subsidiary of BFS Group Limited.

29 Accounting estimates and judgments

The preparation of the financial statements involves, in certain areas, the use of accounting estimates and management judgment. The key areas involving estimates and judgments are as follows:

(a) Self insurance provisions

Details of the estimates are detailed in note 19.

(b) Provisions for dilapidations

Details of the estimates are set out in note 19.