

**Fresh-Pak Chilled Foods Limited**

**Directors' report and financial  
statements**

Registered number 01616444

For the period ended 31 December 2016



## Contents

Company information	1
Directors' report	2
Strategic report	3
Strategic report ( <i>continued</i> )	4
Independent auditor's report to the members of Fresh-Pak Chilled Foods Limited	6
Profit and loss account	8
Balance sheet	9
Statement of Changes in Equity	10
Cash flow statement	11
Notes to the financial statements	12

## **Company information**

### **Directors**

K Carolan (Resigned 23 March 2016)  
KN Foreman  
T Moy (Resigned 31 August 2016)  
J Murphy (Resigned 23 March 2016)  
RMA Patrick

### **Secretary**

RMA Patrick

### **Registered office**

Waterside Park  
Valley Way  
Wombwell  
Barnsley  
South Yorkshire  
S73 0BB

### **Auditor**

KPMG LLP  
1 Sovereign Square  
Sovereign Street  
Leeds  
LS1 4DA

## Directors' report

The directors present their report and the financial statements for the period ended 31 December 2016.

The Principal Activities, the Performance and Developments during the year, the Future Prospects, The Principal Risks and Uncertainties and the Key Performance Indicators are discussed in detail in the Strategic Report.

### Results and dividends

The profit for the period after taxation is £3,767,000 (2015: £4,140,000). Dividends of £3,590,581 were declared and paid during the period (2015: £81,000).

### Directors

The directors who served during the period were:

K Carolan (Resigned 23 March 2016)  
KN Foreman  
T Moy (Resigned 31 August 2016)  
J Murphy (Resigned 23 March 2016)  
RMA Pattrick

The company has taken out insurance to indemnify, against third party proceedings, the directors of the company whilst serving on the board of the company and of any subsidiary, associate or joint venture. These indemnity policies existed throughout the period and remain in place at the date of this report.

None of the directors had an interest in the share capital of the company as at 31 December 2016. The interests of the directors in Jaguar Capital Asset Management Ltd, which was the ultimate parent company until 23 March 2016, are shown in those accounts.

### Employees

It is the policy of the Company to provide disabled persons, within the limitation of their abilities, with the same opportunities for training and promotion as are available to other employees.

The company encourages communication between employees and keeps all employees informed of matters affecting them. Regular meetings are held between employees and senior management to encourage the development of new ideas and to enable an open exchange of views when decisions are made which affect employees' interests.

### Disclosure of information to auditor

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 auditor is unaware; and each director has taken all the steps that he or she ought to have taken as a director to make himself or herself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

### Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

This report was approved by the board on 27<sup>th</sup> September 2017 and signed on its behalf.

RMA Pattrick  
Director



Waterside Park  
Valley Way  
Wombwell  
Barnsley  
S73 0BB

## Strategic report

### Business model

The company creates, prepares, and sells chilled food products to major retailers and the food service industry in the United Kingdom and Europe. The company employs skilled and enthusiastic people to create and prepare, from high quality ingredients, food products that are convenient to use, wholesome, and great to eat. We aim to delight our consumers by providing high quality, innovative convenience food products that are "as good as homemade" and offer good value for money.

### Development and Performance during the year

The company's key financial and other performance indicators during the period were as follows:

	52 weeks 2016 £'000	52 weeks 2015 £'000
Turnover	67,747	64,414
EBITDA	5,613	5,935
Net funds/(debt)	2,078	4,803

The company achieved a strong performance in the year, driven by a resolute focus on the management and control of costs.

### Position at year end and prospects

The company has retained its focus on product quality, development, and food provenance in what continues to be a very competitive and exceptionally price sensitive market. The company remains confident that in spite of the continuing pressure on industry margins, its strategy of strong and uncompromised technical standards combined with competitive manufacturing costs will place it in a favourable position in the year ahead.

### Principal risks and uncertainties

#### *Economic and market risk*

In common with the food industry generally, the company's costs and revenues are subject to the effect of fluctuations in input prices, changes in consumer trends and the competitive environment. Exposure to raw material price fluctuations is managed by a central procurement function, agreeing forward prices where appropriate. Commodity prices could continue to rise and the Company would seek to pass on costs, where possible, to its customers through price rises. However, constraints in achieving this could affect the Company's results. The Company seeks to manage changes in consumer trends through portfolio changes and new product innovation.

#### *Operational continuity risk*

A major incident, for example a fire, could present significant operational difficulties. The company has plans to manage the impact of such an event and has insurance programmes to mitigate the financial consequences.

## **Strategic report (continued)**

### ***Food safety risk***

The quality and safety of our products is of the utmost importance. There is an associated risk if they are below standard. The company has strict controls in place and regularly reviews health and safety policies.

### ***Credit risk***

The company provides goods and services to well-established customers and consequently credit risk is intrinsically low, as is reflected in a generally low incidence of bad debt write-offs. The company manages this risk by normal credit control processes but to further reduce this risk the company has, during the year, maintained credit insurance on certain key customers.

The credit risk associated with trade creditors is managed by maintaining a list of alternative suppliers to ensure that the risk of interrupted supply is minimised.

### ***Financing and liquidity risk***

The company aims to mitigate liquidity risk by the close management of cash generation and utilisation by the business.

### ***Foreign exchange risk***

The company's policy is to reduce exposure to movements in foreign exchange rates on external cash flows. Where there is a forward commitment to purchase goods denominated in a currency other than Sterling then forward foreign contracts are taken out to provide partial protection against future movement in foreign exchange rates.

This report was approved by the board on 27<sup>th</sup> September 2017 and signed on its behalf.



**RMA Pattrick**  
*Director*

Waterside Park  
Valley Way  
Wombwell  
Barnsley  
S73 0BB

## **Statement of directors' responsibilities in respect of the Directors' Report, the Strategic Report and the financial statements**

The directors are responsible for preparing the Directors' Report, the Strategic Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice), including Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102).

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing each of the group and parent financial statements, the directors are required to:

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

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

They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.



## KPMG LLP

1 Sovereign Square  
Sovereign Street  
Leeds  
LS1 4DA

### **Independent auditor's report to the members of Fresh-Pak Chilled Foods Limited**

We have audited the financial statements of Fresh-Pak Chilled Foods Limited for the period ended 31 December 2016 set out on pages 8 to 21. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice), including FRS 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland.

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

#### **Respective responsibilities of directors and auditor**

As explained more fully in the Directors' Responsibilities Statement set out on page 5, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

#### **Scope of the audit of the financial statements**

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's web-site at [www.frc.org.uk/auditscopeukprivate](http://www.frc.org.uk/auditscopeukprivate).

#### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2016 and of its profit for the period then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice: and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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

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

Based solely on the work required to be undertaken in the course of the audit of the financial statements and from reading the Strategic report and the Directors' report:

- we have not identified material misstatements in those reports; and
- in our opinion, those reports have been prepared in accordance with the Companies Act 2006.



**Independent auditor's report to the members of Fresh-Pak Chilled Foods Limited** *(continued)*

**Matters on which we are required to report by exception**

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

- adequate accounting records have not been kept, 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.



**Chris Hearld (Senior Statutory Auditor)**

For and on behalf of  
**KPMG LLP**  
**Statutory Auditor**

Chartered Accountants  
1 Sovereign Square  
Sovereign Street  
Leeds  
LS1 4DA

29 September 2017

**Profit and loss account**  
*for the period ended 31 December 2016*

	<i>Note</i>	<b>For the period ended 31 December 2016 £000</b>	<b>For the period ended 2 January 2016 £000</b>
<b>Turnover</b>	<i>1,2</i>	<b>67,747</b>	<b>64,414</b>
Cost of sales		<b>(55,746)</b>	<b>(52,596)</b>
<b>Gross profit</b>		<b>12,001</b>	<b>11,818</b>
Selling and distribution costs		<b>(4,468)</b>	<b>(4,010)</b>
Administrative expenses		<b>(2,598)</b>	<b>(2,684)</b>
<b>Operating profit</b>	<i>3</i>	<b>4,935</b>	<b>5,124</b>
Interest receivable and similar income		<b>10</b>	<b>26</b>
Interest payable and similar charges	<i>6</i>	<b>(100)</b>	<b>(11)</b>
<b>Profit on ordinary activities before taxation</b>		<b>4,845</b>	<b>5,139</b>
Tax on profit on ordinary activities	<i>7</i>	<b>(1,078)</b>	<b>(999)</b>
<b>Profit on ordinary activities after taxation</b>		<b>3,767</b>	<b>4,140</b>

All amounts relate to continuing operations.

There was no other comprehensive income for 2016 or 2015 other than that included in the profit and loss account.

The notes on pages 12 to 21 form part of these financial statements.

## Balance sheet

At 31 December 2016

	Note	As at 31 December 2016		As at 2 January 2016	
		£000	£000	£000	£000
<b>Fixed assets</b>					
Tangible fixed assets	8		5,232		4,441
Fixed asset investments	9		270		270
			<hr/>		<hr/>
			5,502		4,711
<b>Current assets</b>					
Stocks	10	1,855		1,310	
Debtors	11	21,076		19,269	
Cash at bank		2,078		4,803	
		<hr/>		<hr/>	
		25,009		25,382	
<b>Creditors: amounts falling due within one year</b>	12	(11,191)		(10,721)	
		<hr/>		<hr/>	
<b>Net current assets</b>			13,818		14,661
			<hr/>		<hr/>
<b>Total assets less current liabilities</b>			19,320		19,372
<b>Provision for liabilities</b>	13	(897)		(1,125)	
		<hr/>		<hr/>	
<b>Net assets</b>			18,423		18,247
			<hr/>		<hr/>
<b>Capital and reserves</b>					
Called up share capital	14	2,864		2,864	
Share premium account		131		131	
Other reserve		35		35	
Profit and loss account		15,393		15,217	
		<hr/>		<hr/>	
<b>Shareholders' funds</b>			18,423		18,247
			<hr/>		<hr/>

These financial statements were approved by the board of directors on 27<sup>th</sup> September 2017 and were signed on its behalf by:



**RMA Pattrick**

Director

The notes on pages 12 to 21 form part of these financial statements.

**Statement of Changes in Equity**  
*for the period ended 31 December 2016*

	<b>Called-up Share Capital £000</b>	<b>Share premium account £000</b>	<b>Other reserves £000</b>	<b>Profit and loss account £000</b>	<b>Total Capital and Reserves £000</b>
At 3 January 2015	2,864	131	35	11,158	14,188
Profit for the period	-	-	-	4,140	4,140
Dividends paid	-	-	-	(81)	(81)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>At 2 January 2016</b>	<b>2,864</b>	<b>131</b>	<b>35</b>	<b>15,217</b>	<b>18,247</b>
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

	<b>Called-up Share Capital £000</b>	<b>Share premium account £000</b>	<b>Other reserves £000</b>	<b>Profit and loss account £000</b>	<b>Total Capital and Reserves £000</b>
At 2 January 2016	2,864	131	35	15,217	18,247
Profit for the period	-	-	-	3,767	3,767
Dividends paid	-	-	-	(3,591)	(3,591)
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<b>At 31 December 2016</b>	<b>2,864</b>	<b>131</b>	<b>35</b>	<b>15,393</b>	<b>18,423</b>
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>

The notes on pages 12 to 21 form part of these financial statements.

## Cash flow statement

At 31 December 2016

	Note	Period ended 31 December 2016 £000	Period ended 31 December 2016 £000
<b>Cash flows from operating activities</b>			
Profit for the year		3,767	4,140
Adjustments for:			
Depreciation, amortisation and impairment		678	811
Interest receivable and similar income		(10)	(26)
Interest payable and similar expenses		100	11
Gain on sale of tangible fixed assets		(12)	-
Taxation		1,078	999
(Increase)/decrease in trade and other debtors		(820)	510
(Increase)/decrease in stocks		(545)	239
(Decrease)/increase in trade and other creditors		766	298
(Increase)/decrease in amounts owed by group undertakings		(1,217)	(276)
(Decrease)/increase in provisions		(200)	-
Tax paid		(1,165)	(905)
<b>Net cash from operating activities</b>		<b>2,420</b>	<b>5,801</b>
<b>Cash flows from investing activities</b>			
Proceeds from sale of tangible fixed assets		12	-
Interest received		10	15
Acquisition of tangible fixed assets		(1,476)	(612)
<b>Net cash from investing activities</b>		<b>(1,454)</b>	<b>(597)</b>
<b>Cash flows from financing activities</b>			
Net funding paid to parent undertaking		-	(3,597)
Interest paid		(100)	-
Dividends paid		(3,591)	(81)
<b>Net cash from financing activities</b>		<b>(3,691)</b>	<b>(3,678)</b>
Net increase/(decrease) in cash and cash equivalents		(2,725)	1,526
Cash and cash equivalents at start of period		4,803	3,277
<b>Cash and cash equivalents at 31 December</b>		<b>2,078</b>	<b>4,803</b>

## Notes to the financial statements (forming part of the financial statements)

### 1 Accounting policies

#### *Going concern*

The company's business activities, together with the factors likely to affect its future development, performance and position are set out in the Strategic Report on pages 3 to 4.

For the purposes of their assessment of the appropriateness of the preparation of the company's accounts on a going concern basis, the directors have considered the principle areas of uncertainty within the forecasts and the underlying assumptions, in particular those relating to market and customer risks, process efficiencies and reorganisation, cost management and working capital management. On the basis of these forecasts and these considerations, the directors have assessed future facility headroom to 27<sup>th</sup> September 2018 and have concluded that it is appropriate for the company financial statements for the period ended 31 December 2016 to be prepared on a going concern basis.

#### *Basis of preparation*

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

The company is exempt from the requirement to prepare group accounts by virtue of section 400 of the Companies Act 2006. These financial statements present information about the Company as an individual undertaking and not about its group. Information in respect of Deli Fresh Chilled Foods Limited, the company's subsidiary undertaking, is included in Note 9 to the accounts.

These financial statements were prepared in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) as issued in August 2014. The amendments to FRS 102 issued in July 2015 and effective immediately have been applied. The presentation currency of these financial statements is Sterling. All amounts in the financial statements have been rounded to the nearest £1,000.

#### *Turnover*

Turnover comprises revenue recognised by the company in respect of goods supplied, exclusive of Value Added Tax and trade discounts.

#### *Investments in subsidiaries*

These are separate financial statements of the company. Investments in subsidiaries are carried at cost.

#### *Tangible fixed assets and depreciation*

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Long term leasehold property	-	over 10 to 25 years
Plant and machinery	-	over 5 to 11 years
Motor vehicles	-	25% reducing balance

The carrying values of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

## **Notes to the financial statements** *(continued)*

### ***Operating leases***

Rentals under operating leases are charged on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

### ***Stocks***

Stocks are valued at a lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

### ***Deferred taxation***

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

### ***Foreign currencies***

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rate of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the profit and loss account.

## Notes (continued)

### 2 Turnover

Turnover represents the total invoice value, excluding value added tax, of sales made during the period.

Turnover is attributable to one continuing activity, the manufacture of convenience chilled food products.

An analysis of turnover by geographical market is as follows:

	For the period ended 31 December 2016 £000	For the period ended 2 January 2016 £000
United Kingdom	67,633	64,327
Ireland	114	87
	<hr/> 67,747 <hr/>	<hr/> 64,414 <hr/>

### 3 Operating profit

The operating profit is stated after charging:

	For the period ended 31 December 2016 £000	For the period ended 2 January 2016 £000
Depreciation of tangible fixed assets - owned by the company	678	811
Auditor remuneration		
- Audit of these financial statements	20	20
- Taxation compliance services	2	5
- Corporate finance services	-	15
Operating lease rentals – land and buildings	524	525
Operating lease rentals – plant and machinery	354	351
	<hr/> 524 <hr/>	<hr/> 525 <hr/>

### 4 Staff costs

Staff costs were as follows:

	For the period ended 31 December 2016 £000	For the period ended 2 January 2016 £000
Wages and salaries	10,010	9,384
Social security costs	774	783
Other pension costs	132	114
	<hr/> 10,916 <hr/>	<hr/> 10,281 <hr/>



## Notes (continued)

### 4 Staff costs (cont)

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

	For the period ended 31 December 2016 No of employees	For the period ended 2 January 2016 No of employees
Production staff	372	369
Sales and distribution staff	7	6
Administration staff	97	95
	<u>476</u>	<u>470</u>

Pensions contributions outstanding at the period end amount to £nil (2015: £nil).

### 5 Directors' remuneration

	For the period ended 31 December 2016 £000	For the period ended 2 January 2016 £000
Emoluments	528	827
	<u>53</u>	<u>47</u>
Company pension contributions to money purchase pension schemes		

During the period retirement benefits were accruing to 3 directors (2015: 3) in respect of money purchase pension schemes.

The amounts in respect of the highest paid director were as follows:

	For the period ended 31 December 2016 £000	For the period ended 2 January 2016 £000
Emoluments	201	386
Pension contributions	18	16

### 6 Interest payable and similar charges

	For the period ended 31 December 2016 £000	For the period ended 2 January 2016 £000
Bank loans and overdrafts	100	11

## Notes (continued)

### 7 Tax on profit on ordinary activities

	For the period ended 31 December 2016 £000	For the period ended 2 January 2016 £000
<i>UK corporation tax</i>		
Current tax on profit/(loss) for the period	896	838
Net payment for Group Relief	229	222
Adjustments in respect of prior periods	(19)	-
	<hr/>	<hr/>
Total current tax	1,106	1,060
<i>Deferred tax</i>		
Origination and reversal of timing differences		
- previous year	2	2
- current year	(1)	(4)
- adjustment for change of rate	(29)	(59)
	<hr/>	<hr/>
	1,078	999
	<hr/>	<hr/>

#### Factors affecting tax charge for the period

The tax assessed for the period is higher than the standard rate of corporation tax (20%) in the UK (average 20.25% during 2015). The differences are explained below:

	For the period ended 31 December 2016 £000	For the period ended 2 January 2016 £000
Profit on ordinary activities before tax	4,845	5,139
	<hr/>	<hr/>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2015: 20.25%)	969	1,041
<i>Effects of:</i>		
Expenses not deductible for tax purposes	114	7
Capital allowances	42	10
Effect of change of tax rate	(28)	(59)
Adjustment to tax in respect of prior periods	(19)	
	<hr/>	<hr/>
Total tax charge for the period (see note above)	1,078	999
	<hr/>	<hr/>

**Notes (continued)**

**7 Taxation (continued)**

***Deferred taxation***

Deferred tax provided is as follows:

	For the period ended 31 December 2016 £000	For the period ended 2 January 2016 £000
Liability at start of the period	525	586
Current period	(28)	(61)
	<hr/>	<hr/>
Liability at end of the period	497	525
	<hr/>	<hr/>

The deferred tax liability comprises:

	For the period ended 31 December 2016 £000	For the period ended 2 January 2016 £000
Accelerated capital allowances	497	525
	<hr/>	<hr/>
Total (note 13)	497	525
	<hr/>	<hr/>

***Factors affecting the tax charge for future periods***

A reduction in the UK corporation tax rate from 21% to 20% (effective from 1 April 2015) was substantively enacted on 2 July 2013. Further reductions to 19% (effective from 1 April 2017) and to 18% (effective 1 April 2020) were substantively enacted on 26 October 2015, and an additional reduction to 17% (effective 1 April 2020) was substantively enacted on 6 September 2016. This will reduce the company's future current tax charge accordingly.

The deferred tax balance at 31 December 2016 has been calculated with reference to future tax rates and the date that items are expected to unwind.

## Notes (continued)

### 8 Tangible fixed assets

	Leasehold land and buildings £000	Plant and Machinery £000	Total £000
<b>Cost</b>			
At 2 January 2016	4,282	13,245	17,527
Additions	-	1,469	1,469
Disposals	-	-	-
	<hr/>	<hr/>	<hr/>
At 31 December 2016	4,282	14,714	18,996
	<hr/>	<hr/>	<hr/>
<b>Depreciation</b>			
At 2 January 2016	2,249	10,837	13,086
Charge for the period	214	464	678
On Disposals	-	-	-
	<hr/>	<hr/>	<hr/>
At 31 December 2016	2,463	11,301	13,764
	<hr/>	<hr/>	<hr/>
<b>Net book value</b>			
At 31 December 2016	1,819	3,413	5,232
	<hr/>	<hr/>	<hr/>
At 2 January 2016	2,033	2,408	4,441
	<hr/>	<hr/>	<hr/>

### 9 Fixed asset investments

	Shares in group companies £000
<b>Cost</b>	
As at 2 January 2016 and 31 December 2016	550
	<hr/>
<b>Amount provided</b>	
As at 2 January 2016 and 31 December 2016	280
	<hr/>
<b>Carrying value</b>	
As at 2 January 2016 and 31 December 2016	270
	<hr/>

Under the provisions of section 400 of the Companies Act 2006 the company is exempt from preparing consolidated accounts. Therefore the accounts show information about the company as an individual entity.

The company holds 100% of the issued ordinary share capital of Deli Fresh Chilled Foods Limited, which is incorporated in England, and does not currently trade.

## Notes (continued)

### 10 Stocks

	As at 31 December 2016 £000	As at 2 January 2016 £000
Raw material	1,529	1,073
Finished goods and goods for resale	326	237
	<u>1,855</u>	<u>1,310</u>

### 11 Debtors

	As at 31 December 2016 £000	As at 2 January 2016 £000
Trade debtors	7,956	7,072
Amounts owed by group undertakings	12,510	11,523
Other debtors	263	281
Prepayments and accrued income	347	393
	<u>21,076</u>	<u>19,269</u>

### 12 Creditors: amounts falling due within one year

	As at 31 December 2016 £000	As at 2 January 2016 £000
Trade creditors	6,500	6,111
Amounts owed to group undertakings	350	350
Corporation Tax	454	743
Social security and other taxes	235	221
Other creditors	131	122
Accruals and deferred income	3,521	3,174
	<u>11,191</u>	<u>10,721</u>

### 13 Provisions

	Property provisions £000	Deferred Tax £000	Total £000
At 2 January 2016	600	525	1,125
Utilised during the period	-	(28)	(28)
Released During the Period	(200)	-	(200)
At 31 December 2016	<u>400</u>	<u>497</u>	<u>897</u>

Property provisions comprise net future rents payable on onerous property leases and provision for terminal dilapidations. The majority of the provision is expected to be utilised over the remaining 26 years of the main lease provided for.

**Notes** *(continued)*

**14 Called up equity share capital**

	As at 31 December 2016 £000	As at 2 January 2016 £000
<i>Allotted, called up and fully paid</i>		
2,864,473 Ordinary shares of £1 each	2,864	2,864
	<u>2,864</u>	<u>2,864</u>

**15 Commitments**

a) Capital commitments at the end of the financial period for which no provision has been made, are as follows:

	As at 31 December 2016 £000	As at 2 January 2016 £000
Contracted	21	210
	<u>21</u>	<u>210</u>

b) Non-cancellable operating lease rentals are payable as follows:

	As at 31 December 2016 £000	As at 2 January 2016 £000
Less than one year	668	683
In the second to fifth years inclusive	2,380	2,384
Over five years	1,997	2,585
	<u>5,045</u>	<u>5,652</u>

## **Notes** *(continued)*

### **16 Related party transactions**

The company has taken advantage of the exemption from disclosing transactions with related parties that are part of the Upsilon Topco Limited group of companies.

During the year the company traded with Coveris Flexibles UK Limited, a company which is now under common ownership. The amount traded with the company during 2016 was £1,044,379 (2015:£1,093,894) and the amount outstanding at the year end was £248,915 (2015:£105,994)

The only other related party transactions are payments to directors under their service contracts. They are disclosed in the director's emoluments note. (Note 5).

### **17 Ultimate parent undertaking and controlling party**

The immediate parent undertaking is Chilled Foods (UK) Ltd and the company's ultimate parent undertaking and controlling entity since 23 March 2016 is a private equity investment fund advised by an affiliate of Sun Capital Partners, Inc.

Upsilon Topco Limited is the smallest and largest company for which consolidated accounts including Fresh-Pak Chilled Foods Limited are prepared. The consolidated accounts of Upsilon Topco Limited are available from Companies House.

### **18 Post Balance Sheet Event**

In September 2017, the Group restructured its borrowings and as a result an additional £4.5m of intercompany loan notes has been injected into the company.