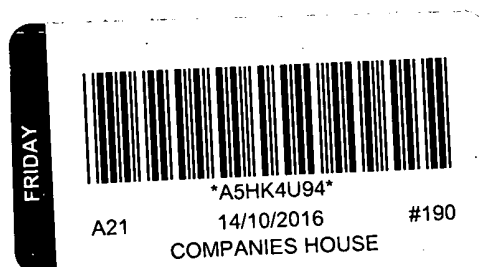


NWF Distribution Holdings Limited
Strategic report and financial statements
for the year ended 31 May 2016

Registered number: 3707824



NWF Distribution Holdings Limited

Contents

Strategic report	1
Directors' report	2
Independent auditors' report to the members of NWF Distribution Holdings Limited	4
Statement of comprehensive income	6
Balance sheet	7
Statement of changes in equity	8
Notes to the financial statements	9

NWF Distribution Holdings Limited

Strategic report

for the year ended 31 May 2016

The Directors present their strategic report on the company for the year ended 31 May 2016.

The business model

The principal activity of the company is that of a holding company for the Distribution operations of NWF Group plc (the group). The company's trading subsidiary is Boughey Distribution Limited which is a leading consolidator of ambient grocery products with significant warehousing and distribution assets.

Key performance indicators

The directors of NWF Group plc manage the group's operations on a divisional basis. For this reason, the company's directors believe that analysis using key performance indicators for the company is not necessary or appropriate for an understanding of the development, performance or position of the business of NWF Distribution Holdings Limited. The development, performance and position of the Distribution division of NWF Group plc, which includes the company, are discussed on pages 14-15 of the group's annual report, which does not form part of this report.

Results and dividends

The profit for the financial year amounted to £1,500,000 (2015: profit of £500,000).

An interim dividend of £1,500,000 was paid during the year (2015: £500,000).

The Directors do not recommend the payment of a final dividend (2015: £Nil). In line with group strategy, there is no remaining surplus transferred to retained earnings.

Review of the business

As at 31 May 2016, the company had net assets of £422,000 (2015: £422,000).

Future developments & strategy

It is the directors' expectation that NWF Distribution Holdings Limited will remain a non-trading holding company for the foreseeable future.

Principal risks and uncertainties

From the perspective of the company, the principal risks and uncertainties are integrated with the principal risks of the group and are not managed separately. Accordingly, the principal risks and uncertainties of NWF Group plc, which include those of the company, are discussed on page 22 of the group's annual report which does not form part of this report.

Further principal risks and uncertainties relating to the company's main trading subsidiary, Boughey Distribution Limited, are included on page 3 of the subsidiary's financial statements.

Brexit

The uncertainty around the implications of the EU exit and exchange rate volatility creates commodity price risk. NWF Agriculture Holdings Limited's trading subsidiary, NWF Agriculture Limited, manages the impact of commodity price volatility by utilising forward contracts and focusing on margin.

This process is considered to be effective given the size and nature of the risk involved, but will be kept under review in the future should circumstances change.

By order of the Board



S R Andrew

Company secretary

Registered number: 3707824

5 October 2016

NWF Distribution Holdings Limited

Directors' report

for the year ended 31 May 2016

The Directors present their report on the affairs of the company together with the audited financial statements for the year ended 31 May 2016.

Results

The profit for the financial year ended 31 May 2016 amounted to £1,500,000 (2015: £500,000).

The company received a dividend of £1,500,000 (2015: £500,000) during the year from NWF Distribution Limited and a dividend of £1,500,000 (2015: £500,000) was paid to NWF Group plc, resulting in unchanged reserves for the year.

The Directors do not recommend payment of a final dividend.

Directors

The Directors who served during the year and up to the date of signing the financial statements were:

R A Whiting

B Banner (resigned 31 August 2016)

Financial risk management

The Directors do not consider that the company is exposed to any significant risks given the nature of its principal activity.

Statement of Directors' responsibilities

The Directors are responsible for preparing the Strategic report, 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 the directors have prepared the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101).

Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable United Kingdom Accounting Standards, including FRS 101 have been followed, subject to any material departures disclosed and explained in the financial statements;
- notify its shareholders in writing about the use of disclosure exemptions, if any, of FRS 101 used in the preparation of 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 the group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for the maintenance and integrity of the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

NWF Distribution Holdings Limited

Directors' report for the year ended 31 May 2016 (continued)

Disclosure of information to auditors

Each of the persons who is a Director of the company at the date of the approval of this report confirms that:

- so far as each Director is 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 as a Director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

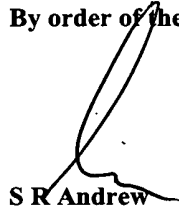
Directors' indemnities

The company has made qualifying third party indemnity provisions for the benefit of the Directors, which were in force during the year and up to the date of this report.

Independent auditors

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and a resolution concerning their reappointment will be proposed at the Annual General Meeting.

By order of the Board



S R Andrew
Secretary

Registered number: 3707824

5 October 2016

NWF Distribution Holdings Limited

Independent auditors' report to the members of NWF Distribution Holdings Limited

Report on the financial statements

Our opinion

In our opinion, NWF Distribution Holdings Limited's financial statements (the "financial statements"):

- give a true and fair view of the state of the company's affairs as at 31 May 2016 and of its profit for the year 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.

What we have audited

The financial statements comprise:

- the balance sheet as at 31 May 2016;
- the statement of comprehensive income for the year then ended;
- the statement of changes in equity for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

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.

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

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

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept, 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.

We have no exceptions to report arising from this responsibility.

NWF Distribution Holdings Limited

Independent auditors' report to the members of NWF Distribution Holdings Limited (continued)

Responsibilities for the financial statements and the audit

Our responsibilities and those of the Directors'

As explained more fully in the Statement of Directors' responsibilities set out on page 2, 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 & Ireland) ('ISAs (UK & Ireland)'). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

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

What an audit of financial statements involves

We conducted our audit in accordance with ISAs (UK and Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the directors; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.



Graham Parsons (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Manchester
5 October 2016

NWF Distribution Holdings Limited
Statement of comprehensive income
for the year ended 31 May 2016

	Note	2016 £'000	2015 £'000
Dividend received		1,500	500
Profit for the financial year	2	1,500	500
Other comprehensive income:			
Other comprehensive income for the year, net of tax		-	-
Total comprehensive income for the financial year		1,500	500

The notes on pages 9 to 14 form part of these financial statements.

NWF Distribution Holdings Limited
Balance sheet
as at 31 May 2016

	Note	2016 £'000	2015 £'000
Fixed assets			
Investments	5	422	422
Net assets		422	422
Capital and reserves			
Called up share capital	6	-	1
Retained earnings		422	-
Share premium account		-	421
Total shareholder's funds		422	422

The notes on pages 9 to 14 form part of these financial statements.

The financial statements on pages 6 to 14 were approved by the Board of Directors on 5 October 2016 and were signed on its behalf by:



R A Whiting
Director

Registered number: 03707824 (England & Wales)

NWF Distribution Holdings Limited
Statement of changes in equity
for the year ended 31 May 2016

	Called up share capital £'000	Share premium £000	Retained earnings £'000	Total shareholder's funds £'000
At 1 June 2014	1	421	-	422
Profit for the financial year	-	-	500	500
Total comprehensive income for the financial year	-	-	500	500
Dividends paid		-	(500)	(500)
At 31 May 2015	1	421	-	422
Profit for the financial year	-	-	1,500	1,500
Total comprehensive income for the financial year	-	-	1,500	1,500
Dividends paid	-	-	(1,500)	(1,500)
Capital reduction (see note 6)	(1)	(421)	422	-
At 31 May 2016	-	-	422	422

The notes on pages 9 to 14 form part of these financial statements

NWF Distribution Holdings Limited

Notes to the financial statements

for the year ended 31 May 2016

1 Accounting policies

General information

NWF Distribution Holdings Limited ("the company") is a holding company for the warehousing and distribution operations of NWF Group plc (the group). The company is a private company and is incorporated (Company number 3707824) and domiciled in the UK. The address of its registered office is Wardle, Nantwich, Cheshire CW5 6BP.

Basis of preparation

The financial statements are prepared on the going concern basis in accordance with the Companies Act 2006 as applicable to companies using FRS 101 and applicable United Kingdom Accounting Standards.

The financial statements have been prepared in accordance with Financial Reporting Standard 101 "Reduced Disclosure Framework" (FRS 101). Accounting policies have been applied consistently, other than where new policies have been adopted.

For periods up to and including the year ended 31 May 2015, the company prepared its financial statements in accordance with UK generally accepted accounting standards ("UK GAAP"). These financial statements for the year ended 31 May 2016 are the first the Company has prepared in accordance with FRS 101. The Company's deemed transition date to FRS 101 is 1 June 2014. The principles and requirements for first time adoption of FRS 101 are set out in IFRS 1. IFRS 1 allows certain exemptions in the application of particular standards to prior periods in order to assist companies with the transition process. The company has adopted the FRS 101 accounting principles on a consistent basis from the date of transition.

There were no transitional adjustments required on transition to FRS101.

The financial statements have been prepared on a historical cost basis and in accordance with the Companies Act 2006 applicable to companies using FRS 101. The financial statements are presented in Sterling and all values are rounded to the nearest thousand (£'000), except when otherwise indicated.

The company has early adopted the July 2015 amendments to FRS 101 and the "Companies, Partnerships and Groups (Accounts and Reports) Regulations 2015" (SI2015/980) in these financial statements.

The company has taken advantage of the following disclosure exemptions under FRS 101 as these items are disclosed in the Group financial statements of NWF Group plc, which are publicly available.

- IFRS 7, "Financial Instruments: Disclosures"
- Paragraphs 91 to 99 of IFRS 13, "Fair value measurement" (disclosure of valuation techniques and inputs used for fair value measurement of assets or liabilities),
- Paragraph 38 of IAS 1, "presentation of financial statements" comparative information in respect of:
 - i. Paragraph 79(a)(iv) of IAS 1;
 - ii. Paragraph 73 (e) of IAS 16 Property, plant and equipment;
 - iii. Paragraph 118(e) of IAS 38 Intangible assets
- The following paragraphs of IAS 1, "Presentation of financial statements";
 - i. 10(d) (statement of cash flows)
 - ii. 10(f) (a statement of financial position as at the beginning of the preceding period when an entity applies an accounting policy retrospectively or makes a retrospective restatement of items in its financial statements, or when it reclassifies items in its financial statements),
 - iii. 16 (statement of compliance with all IFRS),
 - iv. 38A (requirement for minimum of two primary statements, including cash flow statements),
 - v. 38B-D (additional comparative information),
 - vi. 40A-D (requirement for a third statement of financial position),
 - vii. 111 (cash flow statement information), and
 - viii. 134-136 (capital management disclosures).
- IAS 7, "Statement of cash flows";
- Paragraph 30 and 31 of IAS 8 "Accounting policies, changes in accounting estimates and errors" (requirement for the disclosure of information when an entity has not applied a new IFRS that has been issued but is not yet effective);
- Paragraph 17 of IAS 24, "Related party disclosures" (key management compensation);
- The requirements of IAS 24, "Related party disclosures" to disclose related party transactions entered into between two or more members of a group.

NWF Distribution Holdings Limited

Notes to the financial statements

for the year ended 31 May 2016 (continued)

1 Accounting policies (continued)

Basis of preparation (continued)

- Paragraphs 130(f)(ii) (iii), 134(d)-(f) and 135(c)-(e) of IAS 36 Impairment of assets.

The preparation of financial statements in conformity with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies.

Adoption of new and revised standards

The following new EU-endorsed standards, amendments to standards and interpretations are mandatory for the first time for the financial year beginning 1 June 2015, but have not had an impact on the amounts reported in the financial statements:

IFRS 1	'First time adoption'
IFRS 2	'Share-based payment'
IFRS 3	'Business combinations'
IFRS 8	'Operating segments'
IFRS 13	'Fair value measurement'
IAS 16	'Property, plant and equipment'
IAS 38	'Intangible assets'
Amendment to IAS 19	'Employee benefits'
IAS 40	'Investment property'
Consequential amendments to:	
IFRS 9	'Financial instruments'
IAS 37	'Provisions, contingent liabilities and contingent assets', and
Amendment to IAS 39	'Financial Instruments: recognition and measurement'

In addition to the above, the following new EU-endorsed standards, amendments to standards and interpretations have been issued, but are not effective for the financial year beginning 1 June 2015 and have not yet been early adopted:

Amendment to IFRS 11	'Joint arrangements' – on acquisition of an interest in a joint operation
Amendment to IAS 16	'Property, plant and equipment' – depreciation and amortisation
Amendment to IAS 16 and IAS 41	'Agriculture' regarding bearer plants
Amendment to IAS 38	'Intangible assets' – depreciation and amortisation
IFRS 14	'Regulatory deferral accounts'
Amendment to IAS 27 regarding the equity method	
Amendment to IAS 1	'Presentation of financial statements' – on the disclosure initiative
Amendments to IFRS 10 and IAS 28 regarding consolidation exemption	
Amendments to IAS 7 regarding the statement of cash flows on disclosure initiative	
Amendments to IAS 12 on the recognition of deferred tax assets on unrealised losses	
Amendments to IFRS 2	'Share based payments'
IFRS 9	'Financial instruments' – classification and measurement
IFRS 15 and amendments	'Revenue from contracts with customers'
Annual improvements 2012, 2013, 2014 and 2015	

The impact of these new standards and amendments will be assessed in detail prior to adoption; however, at this stage the Directors do not anticipate them to have a material impact on the amounts reported in the financial statements.

NWF Distribution Holdings Limited

Notes to the financial statements

for the year ended 31 May 2016 (continued)

1 Accounting policies (continued)

Dividends

Interim dividends are recognised when paid and final dividends are booked as a liability when they are approved by the company's shareholders.

Exemption from consolidation

The company is a wholly owned subsidiary of NWF Group plc, whose group financial statements are publicly available. Accordingly, the company is exempt under section 400 of the Companies Act 2006 from the obligation to prepare group financial statements. These financial statements therefore present information about the company as an individual entity and not about its group.

Investments

Investments in subsidiary undertakings are stated at cost, unless the Directors consider that their value has been impaired in which case they are valued at the lower of their realisable value or value in use.

Critical accounting estimates

The Company makes estimates and assumptions concerning the future. There are no areas involving a higher degree of judgement or complexity and there are no significant judgements or estimates in these financial statements that have a significant effect on the amounts recognised in these financial statements.

Investments

Investments in subsidiary undertakings are stated at cost, unless the Directors consider that their value has been impaired in which case they are valued at the lower of their realisable value or value in use.

Taxation

The income tax expense represents the sum of current and deferred income tax. Tax is recognised in the statement of comprehensive income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case the tax is also recognised in other comprehensive income or directly in equity, respectively.

Current income tax is based on taxable profits for the year. Taxable profit differs from profit as reported in the statement of comprehensive income because it excludes items of income and expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profits or losses.

Cash flow statement

In accordance with the exemption allowed by paragraph 8(h) of FRS 101 'Reduced Disclosure Framework', a cash flow statement for the company has not been prepared.

NWF Distribution Holdings Limited
Notes to the financial statements
for the year ended 31 May 2016 (continued)

2 Profit on ordinary activities before taxation

There is no taxation charge for the year (2015: £nil).

Fees payable to the company's auditors and its associates for other (non-audit) services are not required to be disclosed because the consolidated financial statements of the company's parent are required to disclose such fees on a consolidated basis.

The company's audit fee is borne by its trading subsidiary, Boughey Distribution Limited.

3 Directors' emoluments

During the year the Directors' emoluments incurred by the company were £nil (2015: £nil).

The Directors R A Whiting and B J Banner are remunerated by the ultimate Parent Company and are therefore included in the consolidated financial statements of NWF Group plc.

The Company Secretary, S R Andrew, is also remunerated by the ultimate Parent Company and is therefore included in the consolidated financial statements of NWF Group plc.

4 Dividends

	2016	2015
	£000	£000
Dividend per share £1,500,000 (2015: £500 per share)	6,500	500

5 Investments

	2016	2015
	£'000	£'000
Cost and net book value at 31 May	422	422

The company owns 100% of the issued ordinary share capital of Boughey Distribution Limited whose principal activity is the warehousing and distribution of ambient groceries. The company is registered and operates in England and Wales. In the Directors' opinion, the value of the investment in the subsidiary undertaking is not less than the amount at which it is stated in these financial statements.

The Directors believe that the carrying value of the investments is supported by their underlying net assets.

NWF Distribution Holdings Limited
Notes to the financial statements
for the year ended 31 May 2016 (continued)

6 Called up share capital

	2016 £	2015 £
1 (2015: 1,000) allotted, called-up and fully paid ordinary shares of £1 each	1	1,000

During the year the company performed a capital reduction on the ordinary shares in issue.

The cancelled share capital and share premium were subsequently transferred to retained earnings.

7 Events after the reporting period

On 23 June 2016 a referendum was held and the outcome of the vote determined that the United Kingdom would leave the European Union. At the time of the signing of the statutory accounts the details of how and when the United Kingdom will leave the European Union, and its impact on the financial markets are uncertain. The company will closely monitor development in this area.

8 Ultimate parent company and controlling party

The company's ultimate parent company and controlling party is NWF Group plc, a company incorporated in Great Britain and the parent company within the Group which consolidates these financial statements. Copies of the financial statements of NWF Group plc, which is the parent company of the smallest and largest group to consolidate the company, may be obtained from the registered address, NWF Group plc, Wardle, Nantwich, Cheshire CW5 6BP.

NWF Distribution Holdings Limited
Notes to the financial statements
for the year ended 31 May 2016 (continued)

9 Transition to FRS 101

The Company previously prepared its financial statements under UK Generally Accepted Accounting Principles ('UK GAAP'). The company has applied FRS 101 "Reduced Disclosure Framework" for the first full period within these financial statements for the period ended 31 May 2016 which are prepared using the accounting policies as set out in the 'Accounting Policies' note.

First time adoption exemptions

The rules for first time adoption of IFRS are set out in IFRS 1 'First-time Adoption of International Financial Reporting Standards'. The company's date of transition to FRS 101 is 1 June 2014 and the comparative information in the financial statements is restated to reflect the company's adoption of IFRS except where otherwise required or permitted by IFRS 1. As a general rule IFRS 1 requires these standards to be applied retrospectively. IFRS 1 allows for a number of exemptions to these general principles to assist companies in reporting under IFRS, none of which were taken by the company.

Estimates

Hindsight is not used to create or revise estimates. The estimates previously made at 1 June 2014 and 31 May 2015 by the company under UK GAAP were not revised for application of IFRS except where necessary to reflect any difference in accounting policies. The impact of the transition to FRS 101 is as follows:

Reconciliation of net assets	Notes	31 May 2015 £'000	1 June 2014 £'000
Net assets as reported under old UK GAAP		422	422
Adjustments on transition		-	-
Net assets as reported under FRS 101		422	422

Reconciliation of profit for the year	Notes	2015 £'000
Profit for the year as reported under old UK GAAP		500
Adjustments on transition		-
Profit for the year as reported under FRS 101		500