

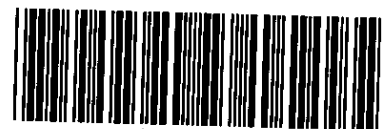
BH Acquisitions Limited

Annual report and financial statements

For the 52 weeks ended 29 July 2023

Company registration no. 07495745

SATURDAY



AD1WPQG9

A08

27/04/2024

#78

COMPANIES HOUSE

Contents	Page
Officers and professional advisors	1
Strategic report	2
Directors' report	7
Directors' responsibilities statement	8
Statement of comprehensive income	9
Balance sheet	10
Statement of changes in equity	11
Notes to the financial statements	12

BH Acquisitions Limited

Officers and professional advisors

Directors

B K Boparan
R S Boparan
R K O Kers (resigned 26 May 2023)
C A Tomkinson

Registered office

Trinity Park House
Fox Way
Wakefield
West Yorkshire
WF2 8EE

BH Acquisitions Limited

Strategic report

The directors present their strategic report for the 52 weeks ended 29 July 2023.

Business overview and principal activities

BH Acquisitions Limited ("the Company") is a wholly owned subsidiary of the group headed by Boparan Holdings Limited ("the Group").

The principal activity of the Company is that of a holding company.

The loss for the period attributable to shareholders amounts to £45,155,000 (2022: £45,101,000).

Key performance indicators

The Company has not identified any key performance indicators due to the nature of its operations as a holding company.

Principal risks & uncertainties and financial risk management

The Company does not have any exposure to external financing and funds its operations through financial support from its parent company.

The principal risk to the Company is the risk of impairment of the investment balance which is dependent on the performance of the underlying businesses within the Group. The performance of the underlying subsidiaries is periodically reviewed in order to mitigate this risk.

The principal risks and uncertainties facing the Group are discussed in the annual report of Boparan Holdings Limited, which does not form part of this annual report. The Group annual report is available as detailed in note 12.

Going Concern

The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis in preparing the annual financial statements. Further details regarding the adoption of the going concern can be found in note 1.

Our stakeholders

Section 172(1) statement

The stakeholders of the Company are managed by the Group Board, therefore the Company's Section 172 statement is the same as the Groups, Boparan Holdings Limited.

The Board is responsible for leading shareholder engagement and recognises the need for high standards of business conduct. Like many major UK businesses, the Group and Company operates in a complex and interconnected commercial and regulatory environment, which impacts and touches many different stakeholders. The Board recognises the need to act fairly when balancing the needs and requirements of the different stakeholders. Equally we understand our long-term growth and success are dependent on engagement with stakeholders. By understanding and engaging with stakeholders, the Board can consider their views and interests are considered when making key decisions.

Our sustainability strategy, 'Better For All' was launched during the year and sets out how our purpose and sustainability strategy are interlinked with stakeholders in mind.

Strategic report (continued)

The table below sets out the Board's approach to stakeholder engagement under Section 172 of the Companies Act, why stakeholders matter and some key decisions made during FY23.

Our People	
Why we engage	Our people contribute to the success of the Group. We have an experienced and dedicated workforce of nearly 15,000 colleagues at 23 sites and dedicated office facilities across the UK, Netherlands and Poland. We have a responsibility to ensure all colleagues work in a safe environment and have opportunities to learn and develop in their careers.
How we engage	<ul style="list-style-type: none"> • Internal communication briefings on our priorities and performance. • Colleague engagement surveys and "temperature" checks. • Colleague appraisal process. • Employee app inclusive of local and group wide updates. • A formal whistleblowing procedure.
What our stakeholders have told us matters most to them	<ul style="list-style-type: none"> • Understanding our purpose, strategy and values. • Reward and recognition. • Safe and pleasant working conditions. • Learning and development opportunities and career progression. • Employee wellbeing.
How we are responding	<p>Specific actions taken in the year include:</p> <ul style="list-style-type: none"> • The Board are committed to the investing in the Group's facilities, which this year included enhancements to our facilities such as changing rooms and canteens, impacting the daily working experience of our workforce. • The Board receives regular updates on key employee issues, and we have undertaken regular pay reviews within the local area to ensure our pay is competitive. • We have updated our appraisal process and launched a new program of in-house training courses to help support our people's development. • Members of the Board have continued to meet and listen to the views of colleagues as part of its site visits. Equally as part of the internal communication briefings, members of the Board conducted a Q&A session with colleagues. • We have continued to enhance our communications through the deployment of the employee app, the dedicated translation feature within the application ensures the communications are accessible to our colleagues of different nationalities. <p>Other measures we have in place are as follows:</p> <ul style="list-style-type: none"> • We are driving engagement initiatives, with clear targets for employee engagement score improvement. • We are committed to protecting the health, safety, and welfare of our colleagues. Health and Safety matters are reported and discussed at the Safety and Governance committee. • A formal whistleblowing procedure is in place to allow employees to raise any concerns or issues they have confidentially, and details of all cases raised are fed back to the Board via the Audit Committee. • We continue to offer recognition awards for 'employees of the month' and long service.

Strategic report (continued)

Our stakeholders (Section 172 Statement) continued

Our Customers

Why we engage	Customers and consumers buy and eat our products – they are at the heart of our business model. The Board recognises the importance of changing consumer behaviours and preferences and is committed to delivering great products to ensure their needs are fully met.
How we engage	<ul style="list-style-type: none"> Regular meetings take place at many levels, through the commercial sales team, technical team, senior management and Directors. These cover product range reviews, new products, promotions, food quality and service levels. Customer insights, from various channels, are shared and discussed at Board meetings, including details on consumer behaviours, market trends and competitor activities. Product tastings and NPD are showcased at Board meetings. Customer and consumer feedback is reported to the Board and its sub-committees.
What our stakeholders have told us matters most to them	<ul style="list-style-type: none"> Great tasting and quality products that meet consumers' needs. Value for money. Environmental, nutritional and sustainability issues. Excellent customer service and consistent service levels.
How we are responding	<ul style="list-style-type: none"> The Board is regularly updated on customer initiatives and performance and developing trends. This assists the Board in understanding our customers, the opportunities, and potential issues. The Company, including a Director works closely with retail customers to ensure we can address customer demand patterns, have the right commercial structures in place and to focus on new product development. The Board approved the sustainability strategy in the year, an area that is a key focus for our customers.

Our Suppliers

Why we engage	The effectiveness of the Group's interaction with our suppliers is essential given the level of ingredients and packaging purchases we make. The Board fully appreciates that ongoing dialogue with our suppliers has never been more important as the food industry continues to face challenges in respect of labour availability, inflation and material sourcing.
How we engage	<ul style="list-style-type: none"> Audits and visits. Supplier policies. Industry events and forums. Regular meeting with suppliers.
What our stakeholders have told us matters most to them	<ul style="list-style-type: none"> Understanding the Group's strategy and growth plans. Forming long-term collaborative partnerships. Transparent terms of business. Fair payment terms.
How we are responding	<ul style="list-style-type: none"> We continue to undertake supplier audits to ensure the safety, traceability, quality and provenance of the raw materials that we use. Matters such as these are reported to the Board via the Safety and Governance committee. Payment policies, practice and performance are reported through the Government's Payment Practices Reporting portal and reviewed by the CFO.

Strategic report (continued)

Our stakeholders (Section 172 Statement) continued

Trade Bodies, Industry and Government Groups

Why we engage	We work with many trade bodies including, British Poultry Council (BPC), Chilled Food Association (CFA), Red Tractor. We also actively engage in key industry groups such as Food Industry Intelligence Network (fiin), Food Industry Initiatives on Antimicrobials (FIIA) and Food Network, Ethical Trade (FNET). We engage with key government and related departments such as DEFRA, FSA, FSS and the UK Health Security Agency. This allows us to help inform policies and improve industry standards.
How we engage	<ul style="list-style-type: none"> Our directors and senior management sit on steering committees, groups & boards including co- chairing some prominent industry groups such as FIIN and the IGD Sustainable Diets Forum.
What our stakeholders have told us matters most to them	<ul style="list-style-type: none"> Food safety. Animal welfare. Human rights.
How we are responding	<ul style="list-style-type: none"> We continue to provide input, resources and leadership into these groups for the benefit of our business, the sectors we operate in and the food industry as a whole. The Group has a comprehensive supplier management programme to assure the safety, quality and integrity of our end-to-end supply chain. It encompasses physical audits, integrity testing and traceability challenges. Matters such as these are reported to the Board via the SAG. In the last 12 months the agricultural team conducted over 1,000 audits for our customers, Red Tractor and RSPCA. Results of these audits are reported to the Board via the SAG.

Our Communities

Why we engage	Our business depends on the communities in which we operate. We see it as our responsibility to actively engage with and support our local communities, including local businesses, residents, and charities. We also have an important role to play in ensuring we reduce our impact on the environment.
How we engage	<ul style="list-style-type: none"> Working with local schools and universities. Charity fundraising and foodbank donations. Environmental commitments.
What our stakeholders have told us matters most to them	<ul style="list-style-type: none"> Giving back to the community. Act responsibly.
How we are responding	<ul style="list-style-type: none"> Food donation continues to be a central focus for our community engagement efforts. The Group works with a number of food redistribution organisations – including FareShare and Company Shop to donate food or equipment to those within our local communities who need it most. Some of our sites have signed the Armed Forces Covenant and have been awarded the bronze employer recognition award in recognition of their pledge to support Service Leavers and their spouses. The Board continues to support colleagues taking part in fundraising activities for a variety of charities.

Strategic report (continued)

Our stakeholders (Section 172 Statement) continued

Shareholders, Bond holders, Bank and Pension schemes

Why we engage	The Group's shareholders, banks, bondholders and lenders provide short- and long-term capital that supports the viability of the Group. The Group also has defined benefit pension schemes who depend on the Group's long-term ability to fund the schemes.
How we engage	<ul style="list-style-type: none">• Annual Financial Accounts.• Quarterly updates to lenders including trading updates, financial statements, and outlook statements.• Regular update meetings with the Chair of the pension trustees.• Website including Investor Relations section.
What our stakeholders have told us matters most to them	<ul style="list-style-type: none">• Strong management.• Sustainable growth supported by an appropriate balance sheet.• Compliance with covenants.• Ongoing schedule of contributions.
How we are responding	<ul style="list-style-type: none">• Direct engagement by the CFO and Group treasurer with the Group's lenders via conference calls and face-to-face meetings.• Regular dialogue, including attendance at pension trustee meeting with updates on trading performance. Periodic updates are provided to the Board on funding levels, investment strategy and performance via the Finance and Pension Committee.

Future prospects

The directors expect the Company to continue to operate as a holding company within the Group.

Approved by the board of directors and signed on its behalf by:



C A Tomkinson
Director

23 April 2024

BH Acquisitions Limited

Directors' report

The directors present their annual report and financial statements for the 52 weeks ended 29 July 2023.

Directors

The directors of the Company who served during the period ended 29 July 2023 and up to the date of signing the financial statements are those listed on page 1.

Directors' indemnities

The Company made qualifying third party indemnity provisions for the benefit of its directors during the period which remain in force at the date of this report.

Dividends

No interim dividend was paid in the period (2022: £nil) and the directors do not recommend the payment of a final dividend (2022: £nil).

Going concern

The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis in preparing the annual financial statements.

Further details regarding the adoption of the going concern basis can be found in note 1.

Employees

The Company has no employees other than directors. Details of the directors' emoluments can be found in note 3.

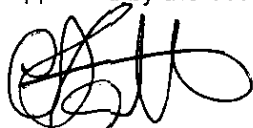
Future prospects

Details of the future prospects of the Company can be found in the strategic report and form part of this report by cross reference.

Post balance sheet events

Details of the post balance sheet events can be found in note 13 and form part of this report by cross-reference.

Approved by the board of directors and signed on its behalf by:



C A Tomkinson
Director

13 April 2024

BH Acquisitions Limited

Directors' responsibilities statement

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

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

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

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476.

Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

BH Acquisitions Limited

Statement of comprehensive income For the 52 weeks ended 29 July 2023

	Note	52 weeks ended 29 July 2023 £'000	52 weeks ended 30 July 2022 £'000
Operating Profit		-	-
Net finance expense	4	(45,155)	(42,216)
Loss before taxation		(45,155)	(42,216)
Taxation charge on loss	5	-	(2,885)
Loss for the financial period		(45,155)	(45,101)
Retained loss at the start of the period		(404,893)	(359,792)
Retained loss at the end of the period		(450,048)	(404,893)

BH Acquisitions Limited

Balance sheet

At 29 July 2023

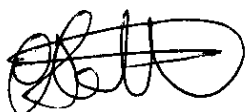
	Note	29 July 2023 £'000	30 July 2022 £'000
Fixed assets			
Investments	6	352,276	352,276
Current assets			
Debtors: amounts falling due within one year	7	270,192	269,262
Creditors: amounts falling due within one year	8	(436,610)	(390,525)
Net current liabilities		(166,418)	(121,263)
Total assets less current liabilities		185,858	231,013
Net assets		185,858	231,013
Capital and reserves			
Called up share capital	9	-	-
Share premium account	9	16,000	16,000
Profit and loss account		(450,048)	(404,893)
Capital contribution reserve		619,906	619,906
Shareholders' funds		185,858	231,013

For the 52 weeks ended 29 July 2023 the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

No members have required the Company to obtain an audit of its accounts for the 52 weeks ended 29 July 2023 in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and for the preparation of the accounts.

The financial statements of BH Acquisitions Limited were approved by the board of directors and authorised for issue on 23 April 2024. They were signed on its behalf by:



C A Tomkinson
Director
Company number 07495745

BH Acquisitions Limited**Statement of changes in equity****At 29 July 2023**

	Called up share capital £'000	Share premium £'000	Profit and loss reserve £'000	Capital contribution reserve £'000	Total capital employed £'000
At 31 July 2021	-	16,000	(359,792)	-	(343,792)
Loss for financial period	-	-	(45,101)	-	(45,101)
Waiver of intercompany loan	-	-	-	619,906	619,906
Total comprehensive (loss) / income	-	-	(45,101)	619,906	574,805
At 30 July 2022	-	16,000	(404,893)	619,906	231,013
Loss for financial period	-	-	(45,155)	-	(45,155)
Total comprehensive loss	-	-	(45,155)	-	(45,155)
At 29 July 2023	-	16,000	(450,048)	619,906	185,858

BH Acquisitions Limited

Notes to the financial statements For the 52 weeks ended 29 July 2023

1. Accounting policies

Basis of accounting

BH Acquisitions Limited is a company incorporated in the United Kingdom under the Companies Act 2006. The Company is a private company limited by shares and is registered in England and Wales. The address of the Company's registered office is shown on page 1 and the nature of the Company's operations and its principal activities are set out in the strategic report.

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102 (FRS102) issued by the Financial Reporting Council.

The functional currency of the Company is considered to be pounds sterling, because that is the currency of the primary economic environment in which the Company operates. These financial statements are also presented in pounds sterling.

Financial Reporting Standard 102 – reduced disclosure exemptions

The Company, as a qualifying entity, has taken advantage of the disclosure exemptions available to it in FRS102 Paragraph 1.12. In preparing these financial statements, exemptions have been taken in respect of:

- The requirements of Section 3; Financial Statement Presentation paragraph 3.17(d), and Section 7, Statement of Cashflows;
- The requirements of Section 11; Basic Financial Instruments paragraphs 11.41(b) – (c), 11.41 © – (f), 11.42, 11.44 – 11.45, 11.47, 11.48(a)iii) – (a)iv), 11.48(b) – (c);
- The requirements of Section 12; Other Financial Instruments Issues paragraph 12.26 – 12.27, 12.29(a) – (b) and 12.29A; and
- The requirements of Section 33; Related Party Disclosures paragraph 33.7.

The Company is consolidated in the financial statements of its ultimate parent, Boparan Holdco Limited. Copies of these financial statements may be obtained from the Company's registered office.

Net financing charges

Interest income is accrued by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

Finance costs of financial liabilities are recognised in the profit and loss account over the term of such instruments at the effective interest rate applicable on the carrying amount.

Taxation

Current tax is recognised for the amounts payable (or receivable) in respect of the taxable profit for the current or past reporting periods using the tax rates and laws that have been enacted or substantively enacted at the balance sheet date.

Going Concern

In determining whether the Company report can be prepared on a going concern basis, the Directors considered the Group's business activities, together with the factors likely to affect its future development, performance and position. The review included the financial position of the Group, its cash flows, liquidity position, borrowing facilities and covenants. The entity is supported via intercompany funding and is therefore reliant on support from the wider Group.

BH Acquisitions Limited

Notes to the financial statements (continued) For the 52 weeks ended 29 July 2023

1. Accounting policies (continued)

Going concern (continued)

The parent company, Boparan Holdings Limited (BHL), provided a parental support letter confirming it will provide sufficient financial support, should it be required, to enable the Company to meet its liabilities as they fall due for a period of at least 12 months from the date of approval of the financial statements, as long as the Company remains within the Group.

The going concern of the Company is therefore dependent on the going concern of the Group.

The key factors considered by the Directors were as follows:

- consideration of detailed forecasts prepared for the 12-month period from the date of approval of the annual financial statements and the application of sensitivities to those forecasts;
- the implications of the ongoing challenging economic environment and future uncertainties on the Group's revenues and profits and its ability to meet financial covenants;
- the impact of the competitive environment within which the Group's businesses operate;
- the potential actions that could be taken in the event that revenues are worse than expected, to ensure that operating profit and cash flows are protected;
- the potential impact of cost inflation, including the volatility in the prices of energy and industrial gases and the recovery of these from customers;
- *expected changes in customer demand patterns in response to rising inflation and energy costs;*
- the volatility in the wider economy and associated financial markets, and its potential impacts upon the cashflows and credit facilities for the business; and
- the Group's access to a committed bank facility and invoice discounting facility to meet day to day working capital requirements.

At the date of this report the Group's committed bank and invoice discount facilities are not classified as current liabilities, as they mature more than twelve months after the issuance of this report. However, the Group's Revolving Credit Facility, invoice discounting and term loan mature on 27 May 2025, and will therefore become current shortly after this report is issued. Meanwhile the maturity date of the bonds is 30 November 2025. The Group places significant reliance on the access to these facilities and the Directors' expect to renegotiate these or similar facilities as part of a full capital refinance. Preparatory work for this refinance has already commenced and is progressing as planned.

The Directors have noted that if substantially similar liquid facilities were not available to the Group at the date of the maturity, of these facilities, it would represent a material uncertainty which may cast doubt on the Group's ability to continue as a going concern. However, based on the progress made to date, the Directors expect a refinance to complete before the 2023/2024 financial statements are issued in Autumn 2024.

Given the Group's banking facilities expire beyond the 12-month going concern outlook period we have not modelled the potential impact of the refinancing within our assessment, other than sensitising the cash flows for the possible change in interest costs on the Group's fixed rate bonds.

Consistent with previous periods the Group has prepared a base case and a reasonable worst-case scenario. Under the reasonable worst-case scenario, the base cash flows were sensitised for a 20% reduction in EBITDA and negative working capital overlays. Further, mitigating actions in the form of a reduction in discretionary capex spend were applied. Under both scenarios, no breach is identified in respect of either the cash or covenant headroom.

In applying a reverse stress test to the cash flows, which included further working capital mitigations available to the Group, the Directors have concluded the set of circumstances required to exhaust liquidity and breach covenant tests to be remote.

Finally, trading in the first half of FY24 has been above the base cash flows prepared.

Having undertaken this assessment, the Directors have a reasonable expectation that the Group and therefore the Company, have adequate resources to continue in operational existence for the foreseeable future, being a period of not less than 12 months from the date of approval of these financial statements. Accordingly, this report to 29 July 2023 has been prepared on a going concern basis.

Notes to the financial statements (continued)
For the 52 weeks ended 29 July 2023

1. Accounting policies (continued)

Fixed asset investments

Fixed asset investments are shown at cost less provision for impairment. Investments are reviewed for impairment if events or changes in circumstances indicate that the carrying amount may not be recoverable. When a review for impairment is conducted, the recoverable amount is assessed by reference to the net present value of expected future cash flows of the relevant cash generating unit. The discount rate applied is based upon the Company's weighted average cost of capital, with appropriate adjustment for the risks associated with the relevant unit.

Financial instruments

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when there exists a legally enforceable right to set off the recognised amounts and the Company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Debt instruments which meet the following conditions are subsequently measured at amortised cost using the effective interest method:

- a) The contractual return to the holder is (i) a fixed amount; (ii) a positive fixed rate or a positive variable rate; or (iii) a combination of a positive or a negative fixed rate and a positive variable rate.
- b) The contract may provide for repayments of the principal or the return to the holder (but not both) to be linked to a single relevant observable index of general price inflation of the currency in which the debt instrument is denominated, provided such links are not leveraged.
- c) The contract may provide for a determinable variation of the return to the holder during the life of the instrument, provided that (i) the new rate satisfies condition (a) and the variation is not contingent on future events other than (1) a change of a contractual variable rate; (2) to protect the holder against credit deterioration of the issuer; (3) changes in levies applied by a central bank or arising from changes in relevant taxation or law; or (ii) the new rate is a market rate of interest and satisfies condition (a).
- d) There is no contractual provision that could, by its terms, result in the holder losing the principal amount or any interest attributable to the current period or prior periods.
- e) Contractual provisions that permit the issuer to prepay a debt instrument or permit the holder to put it back to the issuer before maturity are not contingent on future events, other than to protect the holder against the credit deterioration of the issuer or a change in control of the issuer, or to protect the holder or issuer against changes in levies applied by a central bank or arising from changes in relevant taxation or law.
- f) Contractual provisions may permit the extension of the term of the debt instrument, provided that the return to the holder and any other contractual provisions applicable during the extended term satisfy the conditions of paragraphs (a) to (c).

Notes to the financial statements (continued)
For the 52 weeks ended 29 July 2023

1. Accounting policies (continued)

Financial instruments (continued)

Debt instruments that have no stated interest rate (and do not constitute financing transaction) and are classified as payable or receivable within one year are initially measured at an undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

With the exception of some hedging instruments, other debt instruments not meeting these conditions are measured at fair value through profit or loss.

Commitments to make and receive loans which meet the conditions mentioned above are measured at cost (which may be nil) less impairment.

All amounts due from, or owed to Group undertakings are repayable on demand and held at amortised cost.

Financial assets are derecognised when and only when (a) the contractual rights to the cash flows from the financial asset expire or are settled, (b) the Company transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or (c) the Company, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party. Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

Equity instruments

Equity instruments issued by the Company are recorded at the fair value of cash or other resources received, net of direct issue costs.

Group financial statements

The Company has taken advantage of the exemption from preparing consolidated accounts afforded by section 400 of the Companies Act 2006, because it is a wholly owned subsidiary of Boparan Holdings Limited which is the smallest group of undertakings which prepare publicly available consolidated accounts that incorporate the results of the Company, see note 12 for further details. Therefore these financial statements present information about the Company as an individual undertaking and not about its group.

2. Critical accounting judgements and key sources of estimation uncertainty

The significant estimates and assumptions used in the preparation of the Company's Financial Statements are outlined below:

Investments are reviewed for impairment at each balance sheet date to determine if there is any indication of impairment. As part of this review, a discount rate is applied to each investment's projected future cashflows in order to estimate the investment's value. Where this value is lower than the carrying value of the investment, an impairment charge is booked. Further details on the carrying value of investments can be found in note 6.

BH Acquisitions Limited

Notes to the financial statements (continued) For the 52 weeks ended 29 July 2023

3. Remuneration of directors

None of the directors received any emoluments from the Company during the period (2022: £nil). The directors are remunerated by other group companies. The directors received combined emoluments of £4,420,000 (2022: £5,133,000). It is not practicable to ascertain what proportion of these emoluments relates to the Company.

The Group made contributions of £5,000 (2022: £5,000) in respect of money purchase benefits for one Company director (2022: one director).

The highest paid director received total emoluments of £1,878,000 (2022: £3,132,000).

No pension contributions were made on behalf of the highest paid director during the period (2022: £nil).

4. Net finance expense

	52 weeks ended 29 July 2023 £'000	52 weeks ended 30 July 2022 £'000
Interest payable to Group undertakings	(47,263)	(43,720)
Interest receivable from Group undertakings	1,504	1,504
Dividends receivable on preference shares	604	-
	<u>(45,155)</u>	<u>(42,216)</u>

5. Taxation on loss

	52 weeks ended 29 July 2023 £'000	52 weeks ended 30 July 2022 £'000
UK corporation tax		
Current tax credit on loss for the period	-	-
Adjustment in respect of previous periods	-	(2,885)
Taxation charge	<u>-</u>	<u>(2,885)</u>

Finance Bill 2021 was substantively enacted on 24 May 2021 with provisions to increase the corporation tax rate from 19% to 25% with effect from 1 April 2023.

There is no expiry date on timing differences.

BH Acquisitions Limited**Notes to the financial statements (continued)**
For the 52 weeks ended 29 July 2023**5. Taxation on loss (continued)**

The effective corporation tax rate is different to the standard UK corporation tax rate of 21.01% (2022: 19.0%). The differences are analysed below:

	52 weeks ended 29 July 2023 £'000	52 weeks ended 30 July 2022 £'000
Loss before taxation	(45,155)	(42,216)
Taxation on loss at the standard UK Corporation tax rate of 21.01% (2022: 19.0%)	9,487	8,021
Factors affecting the charge:		
Group relief not paid for	(9,614)	(8,021)
Income not taxable	127	-
Adjustments in respect of prior periods	-	(2,885)
Tax charge for period	-	(2,885)

BH Acquisitions Limited

Notes to the financial statements (continued) For the 52 weeks ended 29 July 2023

6. Fixed asset investments

	29 July 2023 £'000	30 July 2022 £'000
Subsidiary undertaking:		
Cost and net book value of investments in Group undertaking	<u>352,276</u>	<u>352,276</u>

Details of the investments in subsidiary undertakings are as follows:

Company name	Share Type	Principal activity	Country of incorporation
Northern Foods Limited*	Ordinary	Holding company	England
	Preference		
Cavaghan & Gray Limited	Ordinary	Food processing	England
Convenience Foods Limited	Ordinary	Food processing	England
F. W. Farnsworth Limited	Ordinary	Food processing	England
Northern Foods Grocery Group Limited	Ordinary	Dormant	England
Solway Foods Limited	Ordinary	Food processing	England
Beverley House (9000) Limited	Ordinary	Non-trader	England
Beverley House Investments Limited	Ordinary	Non-trader	England
Century Way (Number One) Limited	Ordinary	Dormant	England
Dreamplayer Limited	Ordinary	Non-trader	England
Dreamphoto Limited	Ordinary	Non-trader	England
Buxted Chicken Limited	Ordinary	Non-trader	England
Ethnic Cuisine Limited	Ordinary	Non-trader	England
Farnsworth Investments Limited	Ordinary	Non-trader	England
Beverley House Foods (Boyle) Limited ⁵	Ordinary	Non-trader	Republic of Ireland
Beverley House Foods Portumna Limited ⁵	Ordinary	Non-trader	Republic of Ireland
Beverley House Group Services Limited ⁵	Ordinary	Non-trader	Republic of Ireland
Beverley House Holdings ApS ¹	Ordinary	Non-trader	Denmark
Hulcay Limited ²	Ordinary	Non-trader	Cayman Islands
Island Wharf (100) Limited	Ordinary	Non-trader	England
Island Wharf (300) Limited	Ordinary	Non-trader	England
Melwood Investments Limited	Ordinary	Non-trader	England
Norcay Limited ²	Ordinary	Non-trader	Cayman Islands
Northern Foods Finance Limited	Ordinary	Non-trader	England
Northern Foods American Holdings Limited	Ordinary	Non-trader	England
Poldy's Fresh Foods Limited	Ordinary	Non-trader	Republic of Ireland
R. & K. Wise Limited	Ordinary	Pension holder	England
	Preference		
Walter Holland & Sons Limited**	Ordinary	Dormant	England
Cavaghan & Gray Group Limited	Ordinary	Holding company	England
Beverley House Food Group Limited ⁵	Ordinary	Holding company	Republic of Ireland
Solway Foods Holdings Limited	Ordinary	Holding company	England
Billcrest Products Limited ⁵	Ordinary	Dormant	Republic of Ireland
Century Way Dale Limited	Ordinary	Dormant	England
George Payne & Co Limited **	Ordinary	Dormant	England
Hortonwood Bakeries Limited **	Ordinary	Dormant	England

BH Acquisitions Limited

Notes to the financial statements (continued) For the 52 weeks ended 29 July 2023

6. Fixed asset investments (continued)

Company name	Share Type	Principal activity	Country of incorporation
Montgomery Bell Limited ³ **	Ordinary	Dormant	Northern Ireland
Silverbeach Limited ⁴	Ordinary	Dormant	Jersey
Swiss Milk Products Limited**	Unclassified	Dormant	England
Todayultra Limited **	Ordinary	Dormant	England
BH9000 (Jersey) Limited ⁴ **	Ordinary	Dormant	Jersey

The company marked * is directly owned by BH Acquisitions Limited.

The Companies marked ** have been dissolved after the balance sheet date.

The registered address of all investments listed above is Trinity Park House, Fox Way, Wakefield, West Yorkshire, WF2 8EE unless stated otherwise.

Registered office:

¹ Harbour House, Sundkrogsgade 21, 2100 Copenhagen, Denmark

² PO Box 309, Ugland House, South Church Street, Grand Cayman, Cayman Islands

³ 19 Bedford Street, Belfast, Northern Ireland, BT2 7EJ

⁴ 12 Castle Street, St Helier, Jersey, JE2 3RT

⁵ Galway Financial Services Centre, Moneenageisha Road, Galway, Ireland

The Company owns 100% of the ordinary share capital and voting rights of all the companies above.

7. Debtors: Amounts falling due within one year

	29 July 2023 £'000	30 July 2022 £'000
Corporation tax	1,365	1,365
Amounts due from Group undertakings	26,456	26,456
Preference Shares held in Northern Foods Limited	242,371	241,441
	270,192	269,262

All amounts due from Group undertakings are repayable on demand and held at amortised cost.

Preference shares comprise of €18,000,000 (2022: €18,000,000) and £224,122,000 (2022: £224,122,000) authorised, allotted and fully paid preference shares in Northern Foods Limited. The shares carry a cumulative preferential dividend of 0.25% per annum. The preference share dividend will be rolled-up in arrears on each 12 month anniversary of the issue date.

On a winding-up of the Company, the holders of the redeemable preference shares shall be entitled, in priority to any payment to the holders of the ordinary shares or any other class of shares issued by the Company, to receive an amount in respect of each redeemable preference share equal to the nominal amount paid up on each such redeemable preference share, together with all arrears and accruals (if any) of the preferential dividend payable thereon.

The holders of the preference shares will be entitled to receive notice of and attend any general meeting of the company (and to receive a copy of a proposed written resolution) but will not be entitled to vote upon or agree to any resolution other than a resolution for winding up the company or reducing its share capital or a resolution directly or adversely varying or abrogating any of the special rights attached to the preference shares.

BH Acquisitions Limited

Notes to the financial statements (continued) For the 52 weeks ended 29 July 2023

8. Creditors: Amounts falling due within one year

	29 July 2023 £'000	30 July 2022 £'000
Amounts due to Group undertaking	<u>436,610</u>	<u>390,525</u>

All amounts due to Group undertakings are repayable on demand and held at amortised cost.

9. Called up share capital and reserves

	29 July 2023 £'000	30 July 2022 £'000
Allotted, called up and fully paid:		
Ordinary share of £1 each	-	-
'B' ordinary shares of £1 each	-	-

The Company has two classes of authorised ordinary shares, which carry no right to fixed income.

The share premium account is £16,000,000 (2022: £16,000,000) and contains the premium arising on issue of 'B' ordinary shares.

The capital contribution reserve arose on the waiver of a loan from the parent company Boparan Holdings Limited. The extinguishment of a liability has been treated as qualifying consideration and has been credited to a distributable capital contribution reserve.

10. Contingent liabilities

BH Acquisitions Limited and other Group subsidiary companies are guarantors in respect of the Senior Loan Notes due November 2025, whereby they absolutely and unconditionally guarantee the principal and interest on the Senior Loan Notes. The same companies are cross guarantors in respect of the Boparan Holdings Group's £80m super senior Revolving Credit Facility (RCF) which is a facility of Boparan Holdings Limited.

The amount drawn down on the RCF at the balance sheet date was £35.0m (2022: £nil). The total bond value as at 29 July 2023 per the Group financial statements was £517.7m net of fees (2022: £512.5m).

The Company and its affiliates focus on proactively managing and improving its capital structure, through opportunities such as refinancing and repaying or repurchasing debt, including through redemptions, open market purchases, tender offers or other such options. Such retirements or repurchases, if any, may depend on prevailing market conditions, the Company's liquidity requirements, contractual restrictions and other factors. The Company and its affiliates may undertake any of these activities from time to time.

11. Related party transactions

The Company has taken advantage of the exemption under FRS102 Section 33; Related Party Disclosures paragraph 33.7, as a wholly owned subsidiary of Boparan Holdings Limited, not to disclose related party transactions with other wholly owned members of the Group.

BH Acquisitions Limited

Notes to the financial statements (continued) For the 52 weeks ended 29 July 2023

12. Ultimate parent undertaking

The Company is a wholly owned subsidiary of Boparan Holdings Limited, a company registered in England and Wales. The parent company of the smallest group of undertakings for which group financial statements are drawn up and of which the Company is a member is Boparan Holdings Limited. The parent company of the largest group of undertakings for which group financial statements are drawn up and of which the Company is a member is Boparan Holdco Limited, registered in England and Wales.

Copies of the consolidated financial statements can be obtained from the Company's registered office, as detailed on page 1. As at 29 July 2023 Boparan Holdco Limited was also the Company's ultimate parent undertaking.

R S Boparan and B K Boparan are the ultimate controlling parties.

13. Post balance sheet events

There were no post balance sheet events.