

BH ACQUISITIONS LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

52 WEEKS ENDED 28 JULY 2012

REGISTERED NO. 7495745

WEDNESDAY



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24/04/2013
COMPANIES HOUSE

BH ACQUISITIONS LIMITED
OFFICERS AND PROFESSIONAL ADVISORS

DIRECTORS

S Henderson
BK Boparan
RS Boparan

Bankers

BNP Paribas UK Ltd
10 Harewood Avenue
London
NW1 6AA

HSBC Bank Plc
8 Canada Square
London
E14 5HQ

Rabobank International
Thames Court
One Queenhithe
London
EC4V 3RL

INDEPENDENT AUDITOR

Deloitte LLP
Chartered Accountants and Statutory Auditor
1 Woodborough Road
Nottingham
NG1 3FG

REGISTERED OFFICE

Trinity Park House
Fox Way
Wakefield
WF2 8EE

BH ACQUISITIONS LIMITED

DIRECTORS' REPORT

The directors present their Annual report and audited financial statements for the 52 weeks ended 28 July 2012

This directors' report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption

BUSINESS REVIEW AND PRINCIPAL ACTIVITIES

The Company is a wholly owned subsidiary of Boparan Holdings Limited RS Boparan and BK Boparan are the ultimate controlling parties

The principal activity is that of a holding company The Company holds investments and intercompany balances

Principal risks and uncertainties

The Company is financed by inter group loans and therefore has no external interest rate exposure Principal risks and uncertainties in relation to the Boparan Holdings Group are discussed in the Annual report of Boparan Holdings Limited which does not form part of this report

Environment

The Boparan Holdings Group and the Company recognises the importance of its environmental responsibilities, monitors its impact on the environment, and designs and implements policies to reduce any damages that might be caused by the Group's activities

Employees

The Company has no employees other than directors Details of the directors' emoluments can be found in note 2

Going Concern and Future Prospects

The Company is in a net liabilities position but does not have any exposure to external debt as short term cash flow requirements are managed through a combination of retained earnings and financial support from the ultimate parent company The parent company has confirmed its intention to provide sufficient financial support, should it be required, to enable the Company to meet its liabilities as they fall due for a period of not less than 12 months from the date of approval of the financial statements

The Boparan Holdings Group has two main sources of finance The Bond comprises £400m of Senior Notes due 2018 at an interest rate of 9.875% and €340m of Senior Notes due April 2018 at an interest rate of 9.750% The Revolving Credit Facility (RCF) of £40m expires in April 2016 The Company and other Group subsidiary companies are cross guarantors of the Bond 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 five year £40m Revolving credit facility which is a facility of Boparan Holdings Limited This facility was undrawn at the balance sheet date The total bond value as at 28 July 2012 per the Boparan Holdings Group accounts was £649.1m net of fees (2011: £673.1m) however the individually guaranteed amount is not readily available

Group forecasts indicate that there will be no breach of financial covenants for a period of at least 12 months from the date of approval of these financial statements

The directors have considered the future activities of the Company to be satisfactory, they have also considered expected future cash flows and the availability of financial support from the ultimate parent company and have concluded that the Company is a going concern

RESULTS AND DIVIDENDS

The loss for the period attributable to shareholders amounts to £34,032,000 (2011: £nil) No interim dividend was paid in the period and the directors do not recommend the payment of a final dividend

DIRECTORS

The directors of the Company who served during the 52 weeks ended 28 July 2012 and up to the date of signing the financial statements are those listed on page 1

BH ACQUISITIONS LIMITED

DIRECTORS INDEMNITIES

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

AUDITOR

In the case of each of the persons who are directors of the Company at the date when this report was approved,

- So far as each of the directors is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- Each of the directors has taken all the steps that he/she ought to have taken as a director to make himself/herself aware of any relevant audit information and to establish that the Company's auditor is aware of that information

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006

Deloitte LLP were appointed in the period and have expressed their willingness to continue in office as the auditor and a resolution to reappoint them will be proposed at the forthcoming Annual General Meeting

By order of the board



S Henderson
Director
23 November 2012

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 year. 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). 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, 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BH ACQUISITIONS LIMITED

We have audited the financial statements of BH Acquisitions Limited for the 52 weeks ended 28 July 2012 which comprise the Profit and Loss Account, the Balance Sheet and the related notes 1 to 13. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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, 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

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. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

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 28 July 2012 and of its loss for the period then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

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

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, or
- the Directors' were not entitled to take advantage of the small companies exemption in preparing the Directors' report.



Mark Doleman (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
Nottingham, United Kingdom
23 November 2012

BH ACQUISITIONS LIMITED

PROFIT AND LOSS ACCOUNT
52 weeks ended 28 July 2012

	<i>Notes</i>	28 July 2012 £'000	30 July 2011 £'000
Interest receivable and similar income	3	2,259	-
Interest payable and similar charges	4	(47,837)	-
Loss on ordinary activities before taxation		(45,578)	-
Taxation on loss on ordinary activities	5	11,546	-
Loss for the financial period	11,12	(34,032)	-

All results derive from continuing operations

The accompanying notes are an integral part of this profit and loss account

There are no recognised gains or losses in either period other than the loss for that period

BH ACQUISITIONS LIMITED

BALANCE SHEET
as at 28 July 2012

	Notes	28 July 2012 £'000	30 July 2011 £'000
Fixed assets			
Investments	6	352,276	352,276
Debtors: amounts falling due within one year	7	250,877	268,440
Creditors: amounts falling due within one year	8	(621,185)	(604,716)
Net current liabilities		(370,308)	(336,276)
Total assets less current liabilities		(18,032)	16,000
Net (Liabilities) / Assets		(18,032)	16,000
Capital and reserves			
Share capital	9	-	-
Share premium	10	16,000	16,000
Profit and loss account	10	(34,032)	-
Shareholders' (deficit) / funds	11	(18,032)	16,000

The financial statements of BH Acquisitions Limited (registered number 7495745) were approved by the Board of Directors on 23 November 2012

Signed on behalf of the Board of Directors



S Henderson
Director

BH ACQUISITIONS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Period ended 28 July 2012

1 ACCOUNTING POLICIES

Basis of accounting

The financial statements are prepared under the historical cost convention and in accordance with applicable UK accounting standards

A summary of the more important accounting policies, applied consistently in the current and preceding periods, are set out below

Basis of preparation

The Company is in a net liabilities position but does not have any exposure to external debt as short term cash flow requirements are managed through a combination of retained earnings and financial support from the ultimate parent company. The parent company has confirmed its intention to provide sufficient financial support, should it be required, to enable the Company to meet its liabilities as they fall due for a period of not less than 12 months from the date of approval of the financial statements

The Boparan Holdings Group has two main sources of finance. The Bond comprises £400m of Senior Notes due 2018 at an interest rate of 9.875% and €340m of Senior Notes due April 2018 at an interest rate of 9.750%. The Revolving Credit Facility (RCF) of £40m expires in April 2016. The Company and other Group subsidiary companies are cross guarantors of the Bond 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 five year £40m Revolving credit facility which is a facility of Boparan Holdings Limited. This facility was undrawn at the balance sheet date. The total bond value as at 28 July 2012 per the Boparan Holdings Group accounts was £649.1m net of fees (2011: £673.1m) however the individually guaranteed amount is not readily available.

Group forecasts indicate that there will be no breach of financial covenants for a period of at least 12 months from the date of approval of these financial statements.

The directors have considered the future activities of the Company, its expected future cash flows and the availability of financial support from the ultimate parent company and have concluded that the Company is a going concern. The financial statements have therefore been prepared on a going concern basis.

The Company is a wholly owned subsidiary undertaking of a body registered in England and Wales and advantage has been taken of Section 400 of the Companies Act 2006, in that consolidated financial statements have not been prepared. Therefore these accounts present information about the Company as an individual undertaking and not about its group.

Cash flow statement

The Company is exempt from the requirement of FRS 1 to present a cash flow statement since it is a wholly owned subsidiary undertaking of Boparan Holdings Limited, in whose financial statements a cash flow statement is presented.

Taxation

Current tax is provided at amounts expected to be paid or recovered using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Investments

Investments are stated at cost less any provision for impairment.

BH ACQUISITIONS LIMITED

2. EMOLUMENTS OF DIRECTORS AND AUDITORS REMUNERATION

None of the directors received any remuneration from the Company during the period. S Henderson, BK Boparan and RS Boparan were directors during the period and are remunerated by other Group companies. The directors received combined emoluments of £1,247,172 (2011: £862,173). It is not practicable to ascertain what proportion of these emoluments relates to the Company.

Fees payable to the Company's auditors' for the audit of the Company's annual accounts of £3,000 (2011: £3,000) were borne by another Group company. Non-audit fees for the period were £nil (2010/11: £nil).

3. INTEREST RECEIVABLE TO GROUP UNDERTAKINGS

	28 July 2012 £'000	30 July 2011 £'000
Group interest receivable	2,259	-

4. INTEREST PAYABLE TO GROUP UNDERTAKINGS

	28 July 2012 £'000	30 July 2011 £'000
Group interest payable	47,837	-

5. TAXATION ON LOSS ON ORDINARY ACTIVITIES

	28 July 2012 £'000	30 July 2011 £'000
Corporation tax at 24% (2011: 28%)	11,546	-

The corporation tax credit is higher than (2011: the same as) the standard UK corporation tax rate of 24% (2011: 28%). The differences are explained below:

	28 July 2012 £'000	30 July 2011 £'000
Loss on ordinary activities before taxation	45,578	-
Taxation on loss on ordinary activities at the standard UK Corporation tax rate of 24% (2011: 28%)	10,939	-
Factors affecting the credit		
Tax rate differences	607	-
Corporation tax credit for period	11,546	-

The Finance Act which provides for a reduction in the main rate of corporation tax to 23% effective from 1 April 2013, was substantively enacted on 3 July 2012.

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6. INVESTMENTS

<i>Subsidiary undertaking:</i>	£'000
Cost and net book value At start and end of period	352,276

Details of the investments in subsidiary undertakings are as follows

<i>Name of company</i>	<i>Holding</i>	<i>Proportion of shares held</i>	<i>Country of registration</i>
Northern Foods Limited	Ordinary shares and preference shares	100%	England and Wales

The Company is a subsidiary undertaking of Boparan Holdings Limited, a company incorporated in the United Kingdom and as such is exempt from the requirements to prepare consolidated financial statements by virtue of s400 of the Companies Act 2006. These financial statements therefore present information about the Company as an individual undertaking and not about its Group.

7 DEBTORS FALLING DUE WITHIN ONE YEAR

	28 July 2012 £'000	30 July 2011 £'000
Amounts falling due within one year:		
Corporation tax	11,546	-
Amounts due from group undertakings	20,451	268,440
Preference shares held in Northern Foods Limited	218,880	-
	250,877	268,440

On 20 July 2012 the Company acquired 278,000,000 preference shares with a nominal value of €1 each in Northern Foods Limited.

The consideration for the subscription of the new shares was satisfied by the issue of loan notes by BH Acquisitions Limited to Northern Foods Limited in the amount equal to £216,984,070, being the sterling equivalent of €278,000,000 on the day of issue. The preference shares may be redeemed at the option of the shareholders and the Company.

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

8. CREDITORS

	28 July 2012 £'000	30 July 2011 £'000
Amounts falling due within one year:		
Amounts due to group undertakings	621,185	604,716

9 CALLED UP SHARE CAPITAL

	28 July 2012 £'000	30 July 2011 £'000
Allotted, called up and fully paid		
3 ordinary share of £1 each		-

The nominal value of the ordinary shares is £3 (2011 £3) The share premium is £15,999,998 (2011 £15,999,998)

10. RESERVES

	Share premium 2012 £'000	Profit and loss account 2012 £'000	Total 2012 £'000
At start of period	16,000		16,000
Loss for the financial period		(34,032)	(34,032)
At end of period	16,000	(34,032)	(18,032)

11. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS (DEFICITS) / FUNDS

	28 July 2012 £'000	30 July 2011 £'000
Loss for the financial period	(34,032)	-
Dividend paid	-	-
Movement in shareholders' funds	(34,032)	-
Issue of new shares		16,000
Opening shareholders' funds	16,000	-
Closing shareholders' funds	(18,032)	16,000

12. CONTINGENT LIABILITIES

The Boparan Holdings Group has two main sources of finance. The Bond comprises £400m of Senior Notes due 2018 at an interest rate of 9.875% and €340m of Senior Notes due April 2018 at an interest rate of 9.750%. The Revolving Credit Facility (RCF) of £40m expires in April 2016. The Company and other Group subsidiary companies are cross guarantors of the Bond 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 five year £40m Revolving credit facility which is a facility of Boparan Holdings Limited. This facility was undrawn at the balance sheet date. The total bond value as at 28 July 2012 per the Boparan Holdings Group accounts was £649.1m net of fees (2011 £673.1m) however the individually guaranteed amount is not readily available.

BH ACQUISITIONS LIMITED

13 ULTIMATE PARENT UNDERTAKING AND RELATED PARTY TRANSACTIONS

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, registered in England and Wales. 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, for the 52 weeks ended 28 July 2012. As at 28 July 2012 Boparan Holdco Limited was also the Company's ultimate parent undertaking. RS Boparan and BK Boparan are the ultimate controlling parties.

The Company has taken advantage of the exemption in FRS 8 from disclosing transactions with related parties that are part of the Boparan Holdings Group.