fresca Group
YOUR FIRST CHOICE PRODUCE PARTNER

Annual Report and Financial Statements

For the 52 week period ended 28 April 2023

Fresca Group Limited
Company registration no. 05307204

Our Business Today

A leading force in the fresh produce industry both in the UK and abroad, Fresca Group Limited is an investor and parent company.

The portfolio of businesses and brands within the Group reflects a deep-rooted entrepreneurial spirit and drive. Whilst originally known as an importer and trader, selling to customers in the retail and wholesale sectors, the interests of the Group have broadened in recent years, with vertical integration a key part in our story.

Fresca Group now includes companies that own land and grow fresh produce, often together with specialist partners of global renown. This production is located both in the UK and much further afield. The Group's facilities also add value to that produce with the capacity to ripen and pack to order.

Still dedicated to fresh produce and still privately-owned (with in fact over 40% being employee owned), Fresca Group can trace its roots back to a stand at Covent Garden Market nearly 150 years ago.

Net Assets **£70m**

YOUR FIRST CHOICE PRODUCE PARTNER

Sales **£459m**

YOUR FIRST CHOICE PRODUCE PARTNER

Contents

Directors: C P Mack (Chairman), M P Fletcher, J N M Cox, S J Hodson (non-executive), E McMeikan (non-executive)

Registered Number: 05307204

Registered Office: The Fresh Produce Centre, Transfesa Road, Paddock Wood Kent, TN12 6UT

Auditor: BDO LLP, Arcadia House, Maritime Walk, Ocean Village, Southampton, SO14 3TL

Bankers: HSBC UK Bank Plc, 38 High Street, Dartford, Kent, DA1 IDG

Solicitors: DAC Beachcroft LLP, The Walbrook Building, 25 Walbrook, London, EC4N 8AF

Group Structure

100% Owned

Fresca Group – YOUR FIRST CHOICE PRODUCE PARTNER

Primafruit – Importer, packer, ripener and marketeer of fresh fruit. Based in Evesham, Worcestershire.

The Avocado Company – Avocado specialist, importer and marketeer. Based in Paddock Wood, Kent.

Fresh Plus – Fresh produce service solutions, from field to consumer. Based in Paddock Wood, Kent.

Fresh Clear (Customs / Freight) – Logistics and customs service for fresh produce.

dgm Growers – Experts in the growing & supply of speciality vegetables. Innovative, with an ever expanding product portfolio.

Mack Wholesale – Branches in Birmingham, Bristol and Southampton. Broad customer base, including foodservice, caterers, secondary wholesalers, cruise lines and retail chains.

Mack Fruit – Importer and marketeer of fresh fruit. Based in Paddock Wood, Kent.

Grape Evolution – Marketing and commercial rights management of new table grape varieties.

Joint Ventures

thanet earth

Growing, packing & marketing speciality tomatoes, peppers & cucumbers from a landmark site in Kent.

manor fresh limited

Packing and marketing the highest quality potatoes and vegetables. Based in Lincolnshire.

cartama UK

Marketing the avocado production of the leading Colombian avocado producer, Cartama, in the UK.

cartama europe

Importer of Colombian avocados for customers across Europe.

The Custom plum Company

Research and commercialisation of exceptional new plum and interspecific stone fruit varieties from the Zaiger breeding programme in South Africa.

Our Values

flexibility

In our way of working, our service and our direction

resourcefulness

Finding solutions, even in the toughest of times

excellence

In our products, our people, our facilities and our performance

Sustainability

Working for a greater future, stronger ethics & longer relationships

Character

A Group with diversity, passion and personality, with people who care

ambition

Driving developments for Fresca, for our people and our partners

Success in business today now depends on a great many things that, even 10 years ago, would not seem the slightest bit relevant or important.

Chairman's Report

Firstly, I am delighted that we are reporting that the business has made substantial progress over the past year, increasing both sales and profit. A constant focus on costs, considerable investments in both labour and energy saving technologies, staying close to our customers, together with an excellent focus on detail and trading margins have all produced an excellent result. In this report, you will find more information regarding the progress made on all fronts.

The last 10 years has certainly been dominated by one challenge after another. Some domestic, many others more global – Covid, the war in Ukraine, energy, weather, and the single greatest challenge at the moment is inflation, which has now hit a level that few of us can remember.

Of course most of these challenges aren't new, but we'd perhaps encounter one or two of them in a year, rather than experiencing several at once, and several lasting for a number of years.

As a business, we need to be able to respond to these challenges with an agility like never before. As managers, we need to be constantly challenging ourselves as well as our teams. Simply put, we need to be relentlessly dissatisfied with the status quo.

At the same time we have seen a great many positives have arisen in the last 10 years. The criteria for judging success have changed. In addition to driving sales and profit, focuses such as the importance of good governance, operating sustainably – with integrity and authenticity, and the welfare of our colleagues and communities have become pillars of success. None of that is new to us within Fresca – it's always been how we do business.

The introduction of new ways to measure operating standards through the advent of ISO14001, BRC-GS and B-Corp, are all relative new-comers in recent years. They weren't part of our industry make-up 10 years ago, but clearly being good at these things is now of fundamental importance to all our stakeholders. So across Fresca we continue to embrace these new methodologies, and relish in challenging ourselves to be better than we were yesterday.

With all that said, the fundamental rules of making a margin when trading in fresh produce are the same as they always ever were. Being very close to our customers, whose needs are changing as a result of shifting consumer behaviours accelerated by the current economic pressures. Valuing our partnerships with our suppliers.

Having a relentless attention to detail in all areas in pursuit of being our customers first choice produce partner, backed by an understanding and acceptance that nothing ever remains the same in our business – things changing hourly, not just daily. And this happens 365 days of the year.

So, although some things will remain the same, everything else needs to be challenged, and challenged constantly. Just because something's worked fine in the past, doesn't mean it's going to be a recipe for success in the future.

Despite all the challenges over the past 12 months, the enduring tenacity and commitment of all our colleagues to create solutions has resulted in impressive growth for this financial year.

On behalf of the Fresca Board, I would like to extend our thanks to all our colleagues for continuing to make this business the success it is today.

Chris Mack
Chairman

In what has been another testing year for both society and the economy, Fresca Group has delivered strong growth in both sales and profit.

Group Strategic Review

Business Review

It's been another demanding year for the business. Any return to normality following the post Covid rebalancing of shopping behaviour was short lived. Especially when considering the continued fallout from the war in Ukraine, and its impact on energy and other commodity markets. Combine these changes with those of our new independent status with Europe, have added significant inflationary pressures on costs, and negatively influenced consumer confidence, creating a new set of challenges for all within the food industry.

However, it is our business to manage these challenges on behalf of our customers. To procure the very best fresh produce, ethically sourced, of the right quality and to ensure it is delivered on time and in full, whilst skilfully navigating complicated supply chains across land and sea. It's all in a hard day's work, carried out by a brigade of dedicated, skilled, and highly capable people – our colleagues across our businesses - and our sincere thanks go to each and every one of them.

We are delighted to report solid sales growth of 7.9% or £25.2m across the group, with profits also delivering above our expectations. EBITDA (earnings before interest, tax, and depreciation before exceptional items) of £12.9m was achieved, against £9.7m last year, with stand-out contributions from many parts of the business, in particular our Wholesale division and joint venture businesses, Thanet Earth and Cartama Europe. We have invested significantly in automation, to reduce our reliance on labour and the associated costs; and also in energy reduction projects, to lessen the impact of rising charges. It is without a doubt that both have contributed to the strength of our overall result. All of this is once again a testament to our great people, who continue to find value and improvements in everything they do.

Our wholesale business has performed extremely well despite the food industry still rebuilding post covid. The business has pivoted its activities to take full advantage of the resurgence of the cruise line industry, winning new business within this sector.

Primafruit, our fruit sourcing and packing facility in Evesham, benefitted from the renewal of its long-term supply agreement with its dedicated commercial partner. The company has successfully negotiated increased shares of some existing product lines, and also the addition of new lines. The business has invested significantly in automation and alternative energy solutions at the site and continues to operate an industry-leading facility with a continuous improvement mindset.

At our Paddock Wood location, The Avocado Company continues to invest in ripening and automation to underpin their industry leading expertise in the ripening and supply of avocados, whilst incorporating both Mack Fruit and FreshPlus within its operations.

In the year ahead, we will see further significant capital investment reinforcing product quality, service credentials and increased capacity to satisfy all customer requirements.

Cartama Europe, the joint venture business we have with our Colombian avocado growing partners, has achieved significant new business wins across the year, as the popularity of avocados continues to grow across the continent.

DGM Growers has successfully started growing Pak Choi in its brand new hydroponic vertical smart farm, with the first commercial harvests being delivered to customers in the summer of 2023. This exciting new extension to our primary production enables us to provide a directly sourced high quality product with one of the lowest environmental impacts in the UK market.

Our largest joint venture business, Thanet Earth, has delivered a strong performance. The winter saw unprecedented food shortages which put pressure on UK growers to deliver more capacity. The team expertly navigated the challenges and provided full support to its retail partners, confirming its premier position as a leading UK salad grower.

The business continues to invest in energy efficiencies, such as LED lighting, thermal screens, and 2,630 solar panels, which generate just under 1 megawatt of energy. In addition, the energy generated through its combined heat and power engines would be enough to provide electricity to supply 30,000 local homes in East Kent.

Our joint venture potato and vegetable business, Manor Fresh, also delivered another robust performance off the back of significant capital investment in optical grading equipment, improving both yield and product quality to its dedicated customer.

Our in-house customs clearance business, Fresh Clear, has delivered a healthy performance and remain a key resource to our businesses. In addition, the team continue to build their 3rd party external customer portfolio.

Fresca Spain maintained its assistance to the wider business, supporting our growers to navigate the complex import processes. The business has contributed significantly to the Group's resilience in these challenging times.

In June 2022, an unused freehold property located in Kent was sold by the Group for a profit of £2.6m. This income is netted off against exceptional costs incurred during the period relating to provisions for onerous leases and dilapidations covering two properties as well as redundancies at TFPC as part of the transition to a more flexible operating model.

Across Fresca there have been significant capital investments in this trading year to enable our businesses to function more efficiently. Given the reduction of available workers in the UK, it is particularly pertinent that we introduced more automation around our operations and thus provided more rewarding work for our colleagues.

To further develop our ESG credentials, we are pleased to report that in addition to our Primafruit business, our sites at Paddock Wood, DGM Growers and Mack Wholesale - Southampton have achieved accreditation to the international environment management standard ISO14001. This will help the group to achieve a route to net zero in collaboration with our customers.

Our focus on our social responsibilities is evident too. Fresca Group continues to take a leading position in the combatting of worker exploitation. We continue to provide support such as worker welfare talks, mock audits, newsletters and multi-language training videos for our supply partners.

Modern slavery is a growing global concern for ourselves and our partners, so our focus on the welfare of people throughout our industry continues to be resolute.

Fresca's Employer of Choice strategy continues at pace. We introduced a series of development initiatives under our 'Grow with Fresca' banner and kicked off with our first group-wide graduate development programme. Furthermore, to ensure a strong talent pipeline we also invested in new internal senior leadership training courses.

Alongside this, we are continuing to raise awareness across all our management teams, to provide the right environment that is welcoming to all. This year, unconscious bias training has been given to all managers involved in the recruitment process to continue to ensure Equality, Diversity and Inclusion in our workplace.

Combined with the above, our recent Group-wide survey results reflect positively on our culture of treating people well. To develop this further, each business has established listening groups to encourage genuine two-way conversations as part of a "good-to-great" colleague welfare improvement plan.

Principal Risks and Uncertainties

The disruption to our operations and the wider economy from the Coronavirus pandemic has thankfully abated this year although we continue to operate under welfare protocols that aim to effectively manage the ongoing risk whilst delivering a high quality, business-as-usual service for our customers. We remain vigilant against further disruption and benefit from an uncompromising approach to health and safety standards at all facilities and our committed and flexible colleagues whose welfare is our main priority.

The ongoing war in the Ukraine and its geo-political consequences to supply chains, commodity prices and the labour market since February 2022 has impacted our businesses in a variety of ways.

We do not operate in the region or source from growers in either Russia or Ukraine, but we have needed to respond quickly to the consequences of the war and the resultant uncertainty. We have a long history of providing employment to colleagues from the region and continue to support families who are impacted by the conflict. Our agility and resourcefulness along with deep relationships across our supply chain have helped us mitigate the impact of the conflict on our own business but we are not immune to the inflation triggered in energy markets and within our sector.

The Fresca Board monitors market performance for its key customers and products, seeking to identify trends and opportunities which then feed into the strategic direction for the business. Maintaining current partnerships and forging new customer relationships are critical elements in managing growth and the competitive threat. To this end, our ambition is to be the 'first choice produce partner' for our customers, and our management teams work tirelessly to bring forward initiatives to promote longer term relationships delivering shared objectives and optimal commercial outcomes.

review this risk and each have robust reporting mechanisms in place to help identify issues. Furthermore, the Group promotes awareness campaigns and offers multiple channels for staff and contractors to report a concern.

Risks of extreme weather, drought and global politics remain. Each have the potential to interrupt supply, and events beyond our control will inevitably arise. Maintaining a global network is an essential risk mitigation and contingency sources are developed for all products.

The impact of inflation across our supply chain and operations has the potential to adversely impact our margins and sales volumes. Consumption may fall as household budgets are stretched by high inflation and retailers look to us to support efforts to minimise increases in food prices. We continue to actively engage with our suppliers and customers to develop strategies to mitigate the impact of inflation and will continue to invest to deliver greater productivity whilst finding innovative ways to design solutions that address the threats high inflation poses.

Primafruit, Manor Fresh, Thanet Earth, The Avocado Company and Mack Ship Stores all have long term contractual agreements with primary customers, thereby reducing risk and encouraging a sustainable, value sharing approach to growing business together. Such agreements underpin capital expenditure projects and drive ongoing efficiencies.

Access to labour remains a primary concern particularly within our growing, operations and distribution teams. Labour availability is mitigated in part by the partnerships built with agency labour and seasonal labour providers, as well as the effectiveness of our work with policymakers and industry voices. Fresca employs people from 34 nations, many of whom have migrated to the UK from Europe seeking permanent employment. The Group values the diversity of its workforce and works hard on attracting and retaining colleagues in all departments.

We continue to invest in solutions that can automate repetitive manual tasks and provide extensive training and opportunities for career progression across the Group.

The risk of modern slavery in the food supply chain remains a concern. Our businesses continue to

Going Concern

The Directors have considered the status of the Group as a going concern and are satisfied it will continue in business for the foreseeable future. To reach this conclusion the Directors considered the business activities of the Group and the principal risks and uncertainties as set out above.

The Directors believe the Group will continue to perform to expectations underpinned by an operating model that achieves sustainable and profitable growth. However, as a precaution, the Directors have prepared cash flow forecasts out to September 2024 under a range of scenarios.

These show that the Group could continue to trade as a going concern under various scenarios within the existing finance facilities which are assumed to remain available over this period.

As a result, the Directors believe the Group is well placed to manage its financing and other significant risks and will be able to operate within the scope of its existing facilities for the foreseeable future. For this reason, the Directors consider it appropriate for the Company to adopt the going concern principle in preparing its financial statements.

Business Performance

Each Company in the Group has a defined strategy and measures performance with specific KPIs developed as appropriate. The Fresca Group Board maintains an overview by using these KPIs which cover both financial and non-financial measures, such as case volume data, turnover, gross margin, operating costs and waste. Regular reporting of health, safety and welfare data, environmental performance and of employee survey results adds context and warning of non-financial risks that might affect the performance of the business. At least one member of the Fresca Group Board sits on the Board of each subsidiary.

Section 172 Statement

The Directors recognise that their duties, as set out in section 172 of the Companies Act 2006, require them to act in the way they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its members as a whole, and in doing so have regard (amongst other matters) to:

(a) the likely consequences of any decision in the long term;

(b) the interests of the Company's employees;

(c) the need to foster the Company's business relationships with suppliers, customers and others;

(d) the impact of the Company's operations on the community and the environment;

(e) the desirability of the Company maintaining a reputation for high standards of business conduct; and

(f) the need to act fairly as between members of the Company.

A rolling three-year business plan runs parallel to the Company's strategy and promotes the success of the Company for the benefit of our members. As described in the Directors' Report we actively engage with and support our employees as a responsible employer. We also consider health, safety and welfare as our primary responsibility with structure and processes to support this. Each site is resourced to support these aims and all Board meetings consider health, safety and welfare as a primary agenda item.

Our strategy is focused on delivering value to our customers and we recognise the importance of all in our supply chain who make this possible. Customer and supplier relationships are embedded and managed in each of our businesses. Each business reports on these to their managing Board which in turn reports to the Fresca Board.

We actively consider the many communities we impact. Fresca companies continue to support food donation charities like FareShare, who take surplus food and redistribute it to around 8,500 frontline charities and community groups across the UK. Through their network, nutritious food reaches school breakfast clubs, homeless shelters, food banks and community cafes, providing almost a million meals a week for vulnerable people.

For the second year in a row, we have been recognised as a Leading Food Partner to FareShare. For the calendar year 2022, Fresca companies donated 576 tonnes of food, and over 1.3million equivalent meals.

During the course of our relationship with FareShare, Fresca companies have donated over 7million equivalent meals. (Source: FareShare & Fresca Partnership Impact Report).

Additionally, we made a significant donation, in excess of £350k, to support the welfare of workers involved in the fresh produce supply chain in Southern Africa and Costa Rica.

Further afield, we encourage and acknowledge the work of our growers who are improving facilities and services in their own communities in pursuit of a more sustainable future. We are proud of our attention and commitment to prevent modern slavery.

As reported in the Directors' Report, our sites are increasingly energy efficient as a result of investments in improved systems and new technology; our strategy specifically considers opportunities to further improve our energy efficiency and reduce our reliance on fossil fuels.

Our reputation and high standards of service are critical to all our customers. In order to serve the retail sector, compliance with comprehensive audit schemes is a prerequisite and the Group invests in systems, processes and training to ensure that compliance and accreditation is maintained and that high standards are assured.

Our accreditations cover facilities, ethical practice and operating processes. Our businesses are regularly audited by the British Retail Consortium, Sedex and our customers' own food integrity audit teams.

Our shareholders, including the employee trusts, expect that we maintain high standards of corporate governance and together we believe in transparent and open communication. We aim to promote fairness in our relationships with all stakeholders and regularly communicate with members including through the annual general meeting.

Our Board met nine times during the year and is very engaged in reviewing progress against the strategic plan and influencing the approach we adopt in responding to immediate challenges and opportunities. In particular, the Board ensures that decisions arrived at give due consideration to the interests of all stakeholders and it encourages engagement across all relevant parties.

Key decisions taken during the year involving extensive consultation and impact assessments include our investments in further automation at several sites, developing growing capacity at DGM, investing in site improvements, more efficient operations and investments in ripening capacity at TFPC and our ongoing investments in our joint venture partnerships. We are alert to cyber threats across our business and continue to invest in ensuring our systems are resilient and secure. We operate in markets where labour availability and increasing input costs are a daily challenge accordingly, we are very alive to managing and mitigating the impact of these changes in partnership with all stakeholders.

Future Developments

Investing in automation is crucial to running efficient businesses. The UK's workforce continues to shrink as a consequence of Brexit and changing attitudes to work following the pandemic. The tide has turned where focus is no longer about 'equipping the man' but more about 'manning the equipment'. Technology brings opportunities in this regard, including improving consistency, increasing output and enhancing reliability by supplementing our people with a mechanical workforce. Introducing technology to do more menial and repetitive tasks empowers our colleagues to carry out more interesting and varied jobs and reduces some of the occupational risks like repetitive strain injuries.

In recent times, our businesses have automated many routine processes. From over-head box conveyors to manage the constant flow of cardboard cases, installing autonomous guided fork-lift trucks to carry out short shunt journeys, automated optical grading technology, and even installing robotics for lifting heavy trays for washing, de-boxing or stacking.

We will continue to capitalise on such investments as their returns are greater than just financial.

Over the past year, we've also seen significant investments and progress in moving our environmental and social governance forward. Working for a greater future, with stronger ethics and longer relationships is one of our core values, and we are proud of what we've accomplished across the group. Achieving long commercial relationships with both growers and customers provides stability and security, from which organisations throughout the supply chain can confidently invest in both their business and their people, for the longer term.

Our people are deeply committed to our organisations and genuinely feel they are part of something bigger as a Fresca colleague. They continue to collaborate across the group and with key growers and customer partners. Their continuous improvement mindset and doing business the right way is at the heart of everything we do.

It is because of this dedication that we have delivered another strong set of results.

The board would like to thank all our colleagues for their efforts over the last 12 months. We will continue to build on this momentum, sharing knowledge and best practice and maximising our collective capabilities for the wider benefit. We look forward to embracing further challenges and opportunities together in the year ahead.

This report was approved by the board on 1 September 2023 and signed on its behalf.

Martyn Fletcher
Group Chief Executive Officer

The Directors present their report and the financial statements for the 52 week period ended 28 April 2023. The comparative information is for the 52 week period ended 29 April 2022.

Directors' Report

Directors

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

C P Mack (Chairman)
S J Hodson (non-executive)
E McMeikan (non-executive)
M P Fletcher
J NM Cox

Principal activities

The principal activity of the Group remains the supply of fresh produce to retail, processor, catering and wholesale customers. The principal activity of the Company continues to be that of acting as a group holding company.

Qualifying third party indemnity provisions

The Company has put in place qualifying indemnity provisions for all of the Directors.

Results and dividends

The profit for the period, after taxation, amounted to £5,489,000 (2022 - £2,391,000).

Dividends of £1,240,000 were paid during the period (2022: £1,240,000) and the directors recommended a final dividend of 1.1p per share (2022: 1.1p).

Donations

Companies within the Fresca Group support a number of local charities on a divisional basis. During the period the Group made £17,507 of charitable donations (2022: £96,883).

Likely future developments in the business

Information on likely future developments in the business have been included in the Group Strategic Report.

Employee Involvement, Diversity and Development

Contrary to the phrase 'great minds think alike', across Fresca we prefer to embrace the fact that we have an increasingly diverse workforce, so we need to listen to different views and think differently ourselves. We need to constantly challenge the status quo, question orthodoxies, be appropriate and relevant for 'now' and bring fresh perspectives to the way we think and the decisions we make. Therefore, part of our Diversity agenda is to celebrate the fact that 'great minds think differently'.

Our recent Group-wide survey results reflect positively on our culture of treating colleagues well. Open questions around equal opportunities and development illustrated a fairly balanced view from our colleagues, yet we continue to explore and encourage regular involvement from all groups of colleagues. To develop this further, each business has established Listening Groups to encourage genuine two-way conversations as part of a "good-to-great" colleague welfare improvement plan.

Alongside this, we are continuing to raise awareness of positive ED&I practices across our management teams, to provide the right environment that is welcoming to all. This year, particular attention has been given to train all management in avoiding unconscious bias and ensure Equality, Diversity and Inclusion remains at the heart of our internal and external recruitment processes.

As a group of successful fresh produce businesses, we benefit from having a pool of inspiring experts in their fields. Across the functions, they unite and share knowledge and examples of best practice whilst maintaining any commercial sensitivities. Where there have been common challenges, there are clear demonstrations of collaboration amongst peers, and a real sense of everyone being part of something bigger.

Colleagues across Fresca come together at key times of the year to celebrate, raise awareness and support group-wide initiatives. All our businesses took a very active part in GroceryAid Day once again, and as well as raising awareness of the charity for our own colleagues, we used the occasion to raise funds as well - through cake sales, Eurovision sweepstakes, dressing in different colours to portray the GroceryAid rainbow amongst other activities. The same can be said for other national popular charitable campaigns throughout the year.

Environment

Environmental issues continue to be a highly important consideration in our supply chain, and we continue to measure our impact regarding waste, energy, water, plastic and greenhouse gases resulting from our trade.

All of Fresca's retail supply businesses are members of WRAP and have actively taken steps to reduce food waste - all are zero waste to landfill sites. Our goals are complimented by our significant donations to Fareshare, and the supplies we make to OddBox.

Streamlined Energy & Carbon Reporting

GHG emissions and energy use data for period 30th April 2022 to 28th April 2023 are as follows:

Location Based Emissions	*Units*	*Current Reporting Period (2022/23) Location Based*	*Comparison Reporting Period (2021/22) Location Based*
Emissions from activities for which the Company has ownership or control including combustion of gas and of fuel for transport (Scope 1)	tCO2e	1,072	1,275
Emissions from purchased electricity, heat, steam and cooling purchased for own use (Scope 2)	tCO2e	2,249	2,767
Emissions from electricity generation consumed in a transmission and distribution system for which the Group does not have ownership or control (Scope 3)	tCO2e	206	245
Emissions from business travel in rental cars or employee-owner vehicles where the Group is responsible for the purchased fuel (Scope 3)	tCO2e	41	29
Total Gross emissions	tCO2e	3,568	4,316
Energy consumption used to calculate above emissions	kWh	16,459,879	18,764,079
Intensity Measurement	Turnover (£m)	341.4	316.2
Intensity Ratio	tCO2e/ £m Turnover	10.5	13.6
Total Gas Usage	kWh	1,022,166	1,091,789
Total Electricity Usage	kWh	11,629,011	13,029,842
Total Transport Usage	kWh	3,808,702	4,642,448

Fresca Group has selected an electricity contract sourced from 100% renewable energy. The effect of the Fresca Group procuring energy from this source reduces our intensity ratio by 68.5% - dropping from 10.5 to 3.3.

Quantification & Reporting Methodology

We have followed the 2019 HM Government Environmental Reporting Guidelines and GHG Reporting Protocol - Corporate Standard. We have also used the 2022 UK Government's Conversion Factors for Company Reporting. We have used an operational approach to define our boundary and scopes

SECR covers UK entities only and this is reflected in the SECR statement herein. This statement excludes any joint venture organisations.

This energy and emissions data includes subsidiaries wholly owned by Fresca Group. Data for Joint Ventures has not been included as Fresca Group do not have control of the energy consumption at these sites.

The primary source for gas and electricity energy consumption is supplier invoices or metered usage. Where invoices are not in line with the financial year a pro rata calculation has been used to estimate the usage, which falls within the reporting period. Where supplies are not directly billed, the consumption data was provided by the landlord.

Transport usage was primarily calculated from litres used or from mileage.

The 2021/2022 turnover and Intensity Measurement calculation have been updated to reflect an amendment in the turnover figure for that year.

Intensity Measurement

The chosen intensity measurement ratio is total gross emissions in metric tonnes CO2e per £M turnover.

Measures Taken to Improve Energy Efficiency

With our drive towards energy efficiency and decarbonisation, we have undertaken a number of measures across the business intended to manage down our energy usage. We continue to replace conventional lighting with LED solutions across all sites and have seen the benefits of our solar panel installations at both our Holbeach and Evesham sites. We continue to investigate the viability of similar projects at other locations.

We are currently trialling more energy efficient ripening solutions and are investing in replacing all our ripening chambers with more efficient technology.

Upon completion of our ongoing energy management plan, we anticipate a reduction in excess of 10% of all electricity consumed across the Group.

We can proudly state that all electrical energy consumed by Fresca Group's wholly owned subsidiaries is purchased from renewable sources. Our recent Green Car Policy which offers exclusively electric and hybrid vehicles to drivers has proved a great success and we continue to see more and more EVs around the business.

Over the last year, we have implemented ISO 14001 Environmental Management Systems at our Paddock Wood, Holbeach & Southampton sites, achieving certification at all. Our Evesham site has been certified since 2021.

ISO 14001 has provided a robust management system with which to monitor, measure and improve our environmental performance. This of course includes energy use, in addition to for example waste, water and carbon. Each business has put in a lot of hard work to implement and manage these systems, including enhancing the environmental cultures at each site further, as we seek to minimise our footprints further.

Information on exposure to price risk, credit risk, liquidity risk and cash flow risk

Price risk

Prices of fresh produce are subject to the vagaries of demand and supply, both of which are often weather related. The Directors expect Group entities to manage this risk sensibly, securing long term fixed price contracts when appropriate or by trading in the open market. Circumstances often vary by entity and due to multiple seasonal changeovers. The Group recognises and understands this variety and as such bespoke policies are applied within each Group entity.

Credit risk
Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

Credit risk across the Group is largely attributable to trade receivables and in turn predominantly to large UK retailers for whom the risk of material default is low.

The Group also serves, largely through our Wholesale business, higher credit risk customers. These higher risk customers fall under robust credit control processes which define the credit limit and payment terms acceptable in managing the underlying credit risk. Higher credit risk customers are often further secured by appropriate credit insurance.

Trade receivables are reviewed by each Group entity on a weekly basis and at Board level at least quarterly. Credit risk also arises from cash and cash equivalents and deposits with banks and financial institutions. For banks and financial institutions, only independently rated parties with minimum rating "A" are deemed accepted counterparties. Most of the Group's cash reserves are held with HSBC UK Bank Plc as our primary UK bank.

Liquidity risk
Liquidity risk arises from the Group's management of working capital and the finance charges and principal repayments on its debt instruments. It is the risk that the Group will encounter difficulty in meeting its financial obligations as they fall due. The group aims to manage liquidity risk by ensuring the exposure to sudden changes in the cost of capital and the working capital requirements of the group are understood and that cash reserves and borrowing capacity exists to manage these. This approach is referenced further in the Interest rates risk section below.

Cash flow risk
Our treasury function monitors cash flow as part of their day-to-day control procedures. The Board considers the Group's cash flow monthly, ensuring that appropriate facilities are in place to support activities. Operations are financed by a mixture of retained cashflows, hire purchase arrangements and longer-term loans. In addition, the group also has access to invoice finance facilities.

Financial instrument risk management objectives and policies

Market risk arises from the Group's use of interest bearing, tradeable and foreign currency financial instruments. It is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in interest rates (interest rate risk), foreign exchange rates (currency risk) or other market factors (other price risk).

Interest rate risk
The Group is exposed to cash flow interest rate risk from long term borrowings at a variable rate. It is currently Group policy to match finance and asset terms. To this end the Group has secured a fixed term loan and invoice finance and hire purchase facilities. This policy and the related borrowings are managed centrally. The Group's long-term borrowings incur interest at a floating rate by reference to SONIA. The Board regularly reviews the interest rate risk in this regard.

Although the Board accepts that this policy neither protects the Group entirely from the risk of paying rates greater than current market rates nor eliminates fully cash flow risk associated with variability in interest payments, it considers that it achieves an appropriate balance of exposure to these risks.

Currency risk
Foreign exchange risk arises when individual Group entities enter into transactions denominated in a currency other than their functional currency. The Group is predominantly exposed to currency risk on purchases made in euros, US dollars and South African rand. Group policy requires that Group entities take appropriate forward cover across unmatched liability or asset positions using a limited range of forward hedge instruments to lock in costs and related profits. Where foreign currency hedging is managed by customers, Group entities will work with the customer to meet their hedging policy, subject to the foreign exchange risk remaining with the customer up to the point of securing forward cover.

Research and development activities

Research and development spend across the Group is directed primarily at future-proofing our supply chain, investing in new technologies for more efficient production, delivering innovation for our customers and adding value to our functions.

Directors' responsibilities statement

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

Company law requires the Directors to prepare financial statements for each reporting 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).

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 the Group and of the profit or loss of the Group 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 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 Group 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.

Disclosure of information to auditor

Each of the persons who are Directors at the time when this Directors' Report is approved has confirmed that:

- so far as the Director is aware, there is no relevant audit information of which the Company auditor is unaware; and
- the Director has taken all the steps that ought to have been taken as a Director in order to be aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

Auditor

A resolution to re-appoint BDO LLP for the forthcoming period will be proposed at the next Annual General Meeting.

This report was approved by the board on 1 September 2023 and signed on its behalf.

James Cox
Group Chief
Financial Officer

Independent Auditor's Report

Opinion on the financial statements

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and of the Parent Company's affairs as at 28 April 2023 and of the Group's profit for the period then ended;
- the financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements of Fresca Group Limited ("the Parent Company") and its subsidiaries ("the Group") for the 52 week period ended 28 April 2023 which comprise the consolidated profit and loss account, the consolidated statement of comprehensive income, the consolidated and company balance sheets, the consolidated and company statements of changes in equity, the consolidated statement of cashflows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group and the Parent Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's and Parent Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report and financial statements, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Other Companies Act 2006 reporting

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the group strategic report and the directors' report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the group strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

In the light of the knowledge and understanding of the Group and the Parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the group strategic report or the directors' report.

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

- adequate accounting records have not been kept by the Parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the Parent Company 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.

Responsibilities of Directors

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, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Group's and the Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or the Parent Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Extent to which the audit was capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Based on our understanding of the Group and the sector in which it operates, we considered those laws and regulations that have a direct impact on the financial statements, such as the Companies Act 2006 and tax legislation. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to manipulate financial results and management bias in accounting estimates.

The group engagement team shared this risk assessment with the auditors of significant components so that they could include appropriate audit procedures in response to such risks in their work. Audit procedures performed by the group engagement team and/or component auditors included:

- discussions with management, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud, corroborating responses with information gained from other aspects of the audit;
- evaluation of controls designed to prevent and detect irregularities;
- challenging assumptions made by management in their significant accounting estimates, in particular in relation to the estimated provision for onerous leases; and
- identifying and testing journal entries, in particular any large or unusual journal entries outside the normal course of business, journals posted to revenue and direct postings made to cash.

Our audit procedures were designed to respond to risks of material misstatement in the financial statements, recognising that the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery, misrepresentations or through collusion. There are inherent limitations in the audit procedures performed and the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely we are to become aware of it.

A further description of our responsibilities is available on the Financial Reporting Council's website at: *https://www.frc.org.uk/auditorsresponsibilities.*

This description forms part of our auditor's report.

Use of our report

This report is made solely to the Parent 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 Parent 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 Parent Company and the Parent Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

David I'Anson (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
Southampton, UK

Date: 1 September 2023

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

CONSOLIDATED PROFIT AND LOSS ACCOUNT
FOR THE PERIOD ENDED 28 APRIL 2023

	Note	52 week period ended 28 April 2023 £000	(Restated) 52 week period ended 29 April 2022 £000
Turnover			
Group and share of joint ventures' turnover		**459,408**	420,630
Less: share of joint ventures' turnover		**(118,007)**	(104,475)
Group turnover	4	**341,401**	316,155
Cost of sales		**(324,717)**	(300,600)
Gross profit		**16,684**	15,555
Operating expenses		**(12,640)**	(11,913)
Exceptional operating expenses	5	**(185)**	(1,197)
Operating profit	6	**3,859**	2,445
Share of profits of joint ventures		**3,058**	1,667
Share of profits of associates		**592**	498
Interest receivable and similar income	11	**233**	68
Interest payable and similar expenses	12	**(940)**	(482)
Profit before tax		**6,802**	4,196
Tax on profit	13	**(1,313)**	(1,805)
Profit for the financial period		**5,489**	2,391
Profit for the period attributable to:			
Owners of the parent company		**5,489**	2,391
		5,489	2,391

The notes on pages 38 to 72 form part of these financial statements.

The details of restatement is provided in note 2.27.

FRESCA GROUP LIMITED

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED 28 APRIL 2023

	52 week period ended 28 April 2023 £000	52 week period ended 29 April 2022 £000
Profit for the financial period	**5,489**	2,391
Other comprehensive income		
Movement on cash flow hedge	**30**	47
Other comprehensive income for the period	**30**	47
Total comprehensive income for the period	**5,519**	2,438
Profit for the period attributable to:		
Owners of the parent Company	**5,519**	2,438
	5,519	2,438

The notes on pages 38 to 72 form part of these financial statements.

FRESCA GROUP LIMITED
REGISTERED NUMBER: 05307204

CONSOLIDATED BALANCE SHEET
AS AT 28 APRIL 2023

	Note		28 April 2023 £000		29 April 2022 £000
Fixed assets					
Intangible assets	15		**1,492**		1,877
Tangible assets	16		**52,259**		49,794
Investments	17		**14,554**		11,645
			68,305		63,316
Current assets					
Stocks	18	**14,224**		12,186	
Debtors: amounts falling due after more than one year	19	**529**		582	
Debtors: amounts falling due within one year	19	**38,398**		39,433	
Cash at bank and in hand	20	**23,136**		17,502	
		76,287		69,703	
Creditors: amounts falling due within one year	21	**(58,342)**		(52,870)	
Net current assets			**17,945**		16,833
Total assets less current liabilities			**86,250**		80,149
Creditors: amounts falling due after more than one year	22		**(10,246)**		(10,560)
Provisions for liabilities					
Deferred taxation	25		**(3,112)**		(2,914)
Other provisions	26		**(2,562)**		(1,465)
			(5,674)		(4,379)
Net assets			**70,330**		65,210

FRESCA GROUP LIMITED
REGISTERED NUMBER: 05307204

CONSOLIDATED BALANCE SHEET (CONTINUED)
AS AT 28 APRIL 2023

	Note	28 April 2023 £000	29 April 2022 £000
Capital and reserves			
Called up share capital	27	**1,253**	1,253
ESOP shares	30	**(27,703)**	(27,203)
Revaluation reserve	30	**69**	69
Foreign exchange reserve	30	**2**	2
Hedge reserve	30	**33**	3
Share based payment reserve	30	**4,999**	4,183
Merger reserve	30	**2,618**	2,618
Profit and loss account	30	**89,059**	84,285
		70,330	65,210

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 1 September 2023.

C P Mack (Chairman)
Director

J N M Cox
Director

The notes on pages 38 to 72 form part of these financial statements.

FRESCA GROUP LIMITED
REGISTERED NUMBER: 05307204

COMPANY BALANCE SHEET
AS AT 28 APRIL 2023

	Note		28 April 2023 £000		29 April 2022 £000
Fixed assets					
Intangible assets	15		**1,387**		1,741
Tangible assets	16		**756**		887
Investments	17		**20,200**		19,557
			22,343		22,185
Current assets					
Debtors: amounts falling due after more than one year	19	**461**		516	
Debtors: amounts falling due within one year	19	**15,264**		13,876	
Cash at bank and in hand	20	**9,250**		5,390	
		24,975		19,782	
Creditors: amounts falling due within one year	21	**(9,880)**		(8,790)	
Net current assets			**15,095**		10,992
Total assets less current liabilities			**37,438**		33,177
Creditors: amounts falling due after more than one year	22		**(290)**		(456)
Net assets			**37,148**		32,721

FRESCA GROUP LIMITED
REGISTERED NUMBER: 05307204

COMPANY BALANCE SHEET (CONTINUED)
AS AT 28 APRIL 2023

	Note	**28 April 2023 £000**	29 April 2022 £000
Capital and reserves			
Called up share capital	27	**1,253**	1,253
ESOP share reserve	30	**(27,703)**	(27,203)
Share based payment reserve	30	**4,999**	4,183
Profit and loss account carried forward		**58,599**	54,488
		37,148	32,721

The Company has taken advantage of Section 408 of the Companies Act 2006 not to publish its own profit and loss account.

The profit recorded in the accounts of Fresca Group Limited for the period ended 28 April 2023 is £4,826,000 (2022: profit of £2,929,000)

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 1 September 2023.

C P Mack (Chairman)
Director

J N M Cox
Director

The notes on pages 38 to 72 form part of these financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 28 APRIL 2023

	Called up share capital	ESOP share reserve	Revaluation reserve	Hedge reserve	Foreign exchange reserve	Share based payment reserve	Merger reserve	Profit and loss account	Total equity
	£000	£000	£000	£000	£000	£000	£000	£000	£000
At 30 April 2022	1,253	(27,203)	69	3	2	4,183	2,618	84,285	65,210
Comprehensive income for the period									
Profit for the period	-	-	-	-	-	-	-	5,489	5,489
Movement in cash flow hedges	-	-	-	30	-	-	-	-	30
Other comprehensive income for the period	-	-	-	30	-	-	-	-	30
Total comprehensive income for the period	-	-	-	30	-	-	-	5,489	5,519
Contributions by and distributions to owners									
Dividends contributed to owners	-	-	-	-	-	-	-	(715)	(715)
Purchase of shares by ESOP	-	(500)	-	-	-	-	-	-	(500)
Share based payment credit	-	-	-	-	-	816	-	-	816
Total transactions with owners	-	(500)	-	-	-	816	-	(715)	(399)
At 28 April 2023	1,253	(27,703)	69	33	2	4,999	2,618	89,059	70,330

The notes on pages 38 to 72 form part of these financial statements.

FRESCA GROUP LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 29 APRIL 2022

	Called up share capital	ESOP share reserve	Revaluation reserve	Hedge reserve	Foreign exchange reserve	Share based payment reserve	Merger reserve	Profit and loss account	Total equity
	£000	£000	£000	£000	£000	£000	£000	£000	£000
At 1 May 2021	1,253	(26,957)	69	(44)	2	3,855	2,618	82,594	63,390
Comprehensive income for the period									
Profit for the period	-	-	-	-	-	-	-	2,391	2,391
Taxation in respect of other comprehensive income	-	-	-	47	-	-	-	-	47
Total comprehensive income for the period	-	-	-	47	-	-	-	-	47
Total comprehensive income for the period	-	-	-	47	-	-	-	2,391	2,438
Contributions by and distributions to owners									
Dividends contributed to owners	-	-	-	-	-	-	-	(700)	(700)
Purchase of shares by ESOP	-	(246)	-	-	-	-	-	-	(246)
Share based payment credit	-	-	-	-	-	328	-	-	328
Total transactions with owners	-	(246)	-	-	-	328	-	(700)	(618)
At 29 April 2022	1,253	(27,203)	69	3	2	4,183	2,618	84,285	65,210

The notes on pages 38 to 72 form part of these financial statements.

COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 28 APRIL 2023

	Called up share capital	ESOP share reserve	Share based payment reserve	Profit and loss account	Total equity
	£000	£000	£000	£000	£000
At 30 April 2022	1,253	(27,203)	4,183	54,488	32,721
Comprehensive income for the period					
Profit for the period	-	-	-	4,826	4,826
Contributions by and distributions to owners					
Dividends	-	-	-	(715)	(715)
Purchase of shares by ESOP	-	(500)	-	-	(500)
Share based payment credit	-	-	816	-	816
Total transactions with owners	-	(500)	816	(715)	(399)
At 28 April 2023	1,253	(27,703)	4,999	58,599	37,148

The notes on pages 38 to 72 form part of these financial statements.

COMPANY STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 29 APRIL 2022

	Called up share capital	ESOP share reserve	Share based payment reserve	Profit and loss account	Total equity
	£000	£000	£000	£000	£000
At 1 May 2021	1,253	(26,957)	3,855	52,259	30,410
Comprehensive income for the period					
Profit for the period	-	-	-	2,929	2,929
Contributions by and distributions to owners					
Dividends	-	-	-	(700)	(700)
Purchase of shares by ESOP	-	(246)	-	-	(246)
Share based payment credit	-	-	328	-	328
Total transactions with owners	-	(246)	328	(700)	(618)
At 29 April 2022	1,253	(27,203)	4,183	54,488	32,721

The notes on pages 38 to 72 form part of these financial statements.

FRESCA GROUP LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED 28 APRIL 2023

	28 April 2023 £000	29 April 2022 £000
Cash flows from operating activities		
Profit for the financial period	**5,489**	2,391
Adjustments for:		
Amortisation of investment	**334**	334
Amortisation of intangible assets	**385**	221
Depreciation of tangible assets	**4,450**	3,311
(Profit) / loss on disposal of tangible assets	**(2,660)**	47
Net interest payable	**268**	226
Interest receivable	**(233)**	(68)
Taxation charge	**1,313**	1,805
(Increase) in stocks	**(2,038)**	(2,423)
Decrease/(increase) in debtors	**680**	(1,416)
Increase in creditors	**5,670**	1,557
Increase in provisions	**1,097**	896
Share of operating profit in associates and joint ventures	**(3,984)**	(2,499)
Corporation tax received / (paid)	**124**	(203)
Shared based payment charges	**816**	328
Net cash generated from operating activities	**11,711**	4,507
Cash flows from investing activities		
Purchase of intangible fixed assets	**-**	(341)
Purchase of tangible fixed assets	**(5,299)**	(2,806)
Sale of tangible fixed assets	**3,280**	38
Purchase of shares in joint ventures	**(318)**	-
Interest received	**224**	22
Dividends received from joint ventures	**-**	1,209
Net cash (used in) investing activities	**(2,113)**	(1,878)

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE PERIOD ENDED 28 APRIL 2023

	28 April 2023 £000	29 April 2022 £000
Cash flows from financing activities		
Purchase of own shares by ESOP	**(500)**	(246)
Repayment of bank loans	**(1,000)**	(1,000)
Repayment of finance leases	**(1,124)**	(739)
Movements on invoice discounting	**(625)**	4,446
Dividends paid	**(715)**	(700)
Net cash generated (used in) / from financing activities	**(3,964)**	1,761
Net increase in cash and cash equivalents	**5,634**	4,390
Cash and cash equivalents at beginning of period	**17,502**	13,112
Cash and cash equivalents at the end of period	**23,136**	17,502
Cash and cash equivalents at the end of period comprise:		
Cash at bank and in hand	**23,136**	17,502
	23,136	17,502

CONSOLIDATED ANALYSIS OF NET DEBT
FOR THE PERIOD ENDED 28 APRIL 2023

	At 30 April 2022 £000	**Cash flows £000**	**New finance leases £000**	**Non-cash movement £000**	**At 28 April 2023 £000**
Cash at bank and in hand	**17,502**	**5,634**	**-**	**-**	**23,136**
Debt due after 1 year	**(7,667)**	**-**	**-**	**1,000**	**(6,667)**
Debt due within 1 year	**(1,000)**	**1,000**	**-**	**(1,000)**	**(1,000)**
HP and finance leases	**(3,883)**	**1,124**	**(2,237)**	**-**	**(4,996)**
Invoice discount facility	**(4,446)**	**625**	**-**	**-**	**(3,821)**
	506	**8,383**	**(2,237)**	**-**	**6,652**

The notes on pages 38 to 72 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 28 APRIL 2023

1. General information

Fresca Group Limited is a private company limited by shares incorporated in England and Wales under the Companies Act 2006. The address of the registered office and its registered number are shown on the Company Information page. The nature of the Group's operations and its principal activities are outlined in the Directors' Report.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the accounting policies (see note 3).

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own profit and loss account in these financial statements.

Parent company disclosure exemptions

In preparing the separate financial statements of the parent company, advantage has been taken of the following disclosure exemptions available in FRS 102:

- no statement of cash flows has been presented for the parent company;
- disclosures in respect of the parent company's financial instruments have not been presented as equivalent disclosures have been provided in respect of the Group as a whole; and
- no disclosures have been given for the aggregate remuneration of the key management personnel of the parent company as their remuneration is included in the totals for the Group as a whole.

The following principal accounting policies have been applied:

2.2 Going concern

The financial statements have been prepared on the going concern basis. In adopting the going concern basis, the Directors have considered the business activities of the Group and the principal risks and uncertainties as set out in the Strategic Report. The Group continued to trade profitably during a period which was witness to multiple economic shocks, public sector strikes, labour and fuel shortages, rampant inflation around raw materials and energy, and disruption to supply-chains, particularly in an international context. The Group was able to manage these factors and the additional complexity each brings and has continued to work collaboratively with its UK based food retailers. The Group successfully sourced, stored, packaged and transported product from suppliers to customers through existing logistics partners and continues to maintain a safe working environment. The Directors believe the Group will continue to perform in line with expectations. However, as a precaution, the Directors have prepared cash flow forecasts out to September 2024 under a range of scenarios which suggest that the Group has appropriate mitigation strategies and is likely to have access to funding sufficient to manage a deterioration in the trading outlook.

The Directors believe the Group is well placed to manage its financing and other significant risks satisfactorily and will be able to operate within the scope of its existing facilities for the next twelve months. For this reason, the Directors consider it appropriate for the Group and Company to adopt the going concern principle in preparing its financial statements.

2. Accounting policies (continued)

2.3 Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and all of its subsidiary undertakings.

The financial statements of the subsidiary undertakings included within the consolidated figures are adjusted, where appropriate, to conform to Group accounting policies. Where reporting dates differ the latest available management information is used.

Acquisitions are accounted for under the acquisition method and goodwill on consolidation is capitalised and written off over a period representing the useful life from the year of acquisition. The results of companies acquired or disposed of are included in the profit and loss account after or up to the date that control passes respectively.

2.4 Associates and joint ventures

Associates

An entity is treated as an associated undertaking where the Group has a participating interest and exercises significant influence over its operating and financial policy decisions. In the consolidated financial statements, interests in associated undertakings are accounted for using the equity method of accounting. The consolidated profit and loss account includes the Group's share of the consolidated operating results, interest, pre-tax results and attributable taxation as shown in the Group's share of the identifiable consolidated net assets, including any unamortised premium paid on acquisition. Any premium on acquisition is dealt with in accordance with the goodwill policy below.

Joint ventures

An entity is treated as a joint venture where the Group holds a long term interest and shares control under a contractual agreement. In the consolidated financial statements, interests in joint ventures are accounted for using the gross equity method of accounting. The consolidated profit and loss account includes the Group's share of the joint venture's turnover and includes the Group's share of the operating results, interest, pre-tax results and attributable taxation of such undertakings based on audited financial statements. In the consolidated balance sheet, the Group's share of the identifiable gross assets (including any unamortised premium paid on acquisition) and its share of the gross liabilities attributable to its joint ventures are shown separately. Where a joint venture company has net liabilities rather than net assets, the Group's share of the net liabilities is reflected within provisions for liabilities and charges in the consolidated balance sheet. Any premium on acquisition is dealt with in accordance with the goodwill policy below.

2.5 Revenue recognition

Turnover represents the total amount receivable for all goods and services rendered by the Group, including goods sold on a commission basis and through third parties. Revenue is recognised when goods are despatched or delivered to customers, depending on the terms of trade. Sales of services are recognised when rendered to customers. Turnover is stated net of VAT, rebates and trade discounts.

2.6 Cost of sales

Cost of sales includes the cost of goods purchased plus the cost of acquiring and distributing the goods to customers.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 28 APRIL 2023**

2. Accounting policies (continued)

2.7 Interest income

Interest income is recognised in the profit and loss account using the effective interest method.

2.8 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.9 Exceptional items

Exceptional items are transactions that fall within the ordinary activities of the Group but are presented separately due to their size or incidence.

2.10 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

2.11 Intangible assets

Goodwill

Positive and negative purchased goodwill arising on acquisitions are capitalised, classified as assets on the balance sheet and amortised over their estimated useful life. Goodwill is reviewed for impairment at the end of the first full financial year following each acquisition and subsequently as and when necessary if circumstances emerge that indicate that the carrying value may not be recoverable.

Amortisation - Immediate to 20 years

Other intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

2.12 Tangible fixed assets

All fixed assets are initially recorded at cost.

2. Accounting policies (continued)

2.12 Tangible fixed assets (continued)

Depreciation is provided on the following basis:

Freehold property	- 50 years
Long-term leasehold property	- 50 years
Short-term leasehold property	- over the remaining period of the lease
Plant and machinery	- between 4 and 15 years
Motor vehicles	- 4 years
Fixtures and fittings	- between 4 and 8 years
Assets under construction	- Not depreciated

The Group's freehold and leasehold properties were revalued in 1993, on the basis set out in note 16. On transition to FRS102 this valuation was deemed the cost of these assets.

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

2.13 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.14 Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items. Cost is defined as the supplier's invoiced price, together with freight and duty costs if applicable. Net realisable value is defined as the estimated selling prices less further costs expected to be incurred to disposal.

2.15 Debtors

Short-term debtors are measured at transaction price, less any impairment.

2.16 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the consolidated statement of cash flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

2.17 Financial instruments

(i) Financial assets

Basic financial assets, including trade and other receivables, cash and bank balances, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Such assets are subsequently carried at amortised cost using the effective interest method.

2. Accounting policies (continued)

2.17 Financial instruments (continued)

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

(ii) Financial liabilities

Basic financial liabilities, including trade and other payables, bank loans and loans from fellow Group companies, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments.

(iii) Hedge accounting

The Group (including its joint venture investments) applies hedge accounting for those transactions entered into in respect of forward foreign exchange contracts where a hedging instrument is taken out in order to manage the cash flow exposures of future known transactions for the purchase of stock denominated in foreign currency. Forward foreign exchange contracts are held to manage the currency fluctuation exposures from the date the stock is contracted to be bought to the date that the stock is paid for and are designated as cash flow hedges. Changes in the fair value of derivatives designated as cash flow hedges and which are effective are recognised directly in equity. The gain or loss recognised in other comprehensive income is reclassified to the income statement when the hedge relationship ends. Hedge accounting is discontinued when the hedge instrument expires, no longer meets the hedging criteria or the hedge is terminated.

Those forward foreign exchange contracts entered into to manage exposure to currency fluctuations deemed not to be effective hedges are measured at fair value at each reporting date with any change in fair value being recognised in profit or loss.

2.18 Creditors

Short-term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2. Accounting policies (continued)

2.19 Current and deferred taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company and the Group operate and generate income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the balance sheet, except that:

- the recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- where they relate to timing differences in respect of interests in subsidiaries, associates, branches and joint ventures and the Group can control the reversal of the timing differences and such reversal is not considered probable in the foreseeable future.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2.20 Dividend income received by the ESOP

Dividends received by the ESOP are accounted for on a cash basis and have been netted off against dividend expense.

2.21 ESOP shares

The cost of the Company's shares held by the ESOP is deducted from shareholders' funds and any income received by the ESOP on disposal of shares is credited to shareholders' funds in the company and group balance sheets. Other assets and liabilities of the ESOP (including borrowings) are recognised as assets and liabilities of the Company.

2. Accounting policies (continued)

2.22 Foreign currency translation

(i) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in 'sterling', which is the Company's functional and the Group's presentation currency.

(ii) Transactions and balances

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies and commitments are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at operating profit.

2.23 Share based payments

When shares and share options are awarded to employees a charge is made to the profit and loss account based upon the fair value of options granted. The fair value is measured at the date of grant and spread over the years during which the employees become unconditionally entitled to the options. The fair value of the options granted is measured using a Black-Scholes option pricing model. The amount recognised as an expense in any period is adjusted to reflect the actual number of share options that vest or are expected to vest. The credit entry for the charge is taken to the profit and loss reserve and reported in the reconciliation of movements in shareholders' funds.

Where options are issued to the employees of a subsidiary, cost of the issue is recorded within that company. Fresca Group Limited records an increase in the investment in the subsidiary when such options are issued, with the credit entry being taken to a non-distributable equity reserve.

2.24 Operating leases: the Group as lessee

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

2.25 Leased assets: the Group as lessee

Assets held under finance lease and hire purchase contracts are capitalised and depreciated on a straight line basis over the shorter of the lease term and the estimated useful economic life. The interest element of the rental obligation is charged to the profit and loss account over the period of the lease.

2.26 Pensions - Defined contribution scheme

Contributions to the Group's defined contribution scheme are charged to the profit and loss account when they become payable.

2.27 Prior Period Adjustment

During the year, the directors identified that rebates given against sales proceeds in the prior period had incorrectly been recorded as a Cost of Sale rather than as a reduction in the revenue recorded. Accordingly, Group and Share of Joint Ventures' Turnover in the comparative period has been reduced by £12.5m from £433.1m to £420.6m with a corresponding decrease in Cost of Sales from £313.1m to £300.6m. This adjustment has no impact on the result for the prior period nor on the reported cashflows for that period.

3. Judgments in applying accounting policies and key sources of estimation uncertainty

In preparing these financial statements, the directors have made the following judgements:

- Determined whether leases entered into by the Group either as a lessor or a lessee are operating or finance leases. These decisions depend on an assessment of whether the risks and rewards of ownership have been transferred from the lessor to the lessee on a lease by lease basis.

- Determined whether there are indicators of impairment of the Group's tangible and intangible assets, including goodwill. Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset and where it is a component of a larger cash-generating unit, the viability and expected future performance of that unit.

- Determined whether the Employee Share Ownership Plan (ESOP) should be considered to be under the control or de facto control of the parent company. The judgement that the parent company does exert de facto control has resulted in the ESOP's assets and liabilities being recognised on the parent company and consolidated balance sheets.

Other key sources of estimation uncertainty:

- Consignment provisions

Provision is made for expected costs on consignments. These provisions require management's best estimate of the costs that will be incurred based on legislative and contractual requirements.

- Tangible fixed assets

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

Investment property fair values are determined using independent valuations and market evidence for similar properties in the local area.

- Investments

Estimates, assumptions and judgements relate to the determination of carrying value of unlisted investments at fair value through profit and loss. In determining this amount, the Group applies the overriding concept that fair value is the amount for which an asset can be exchanged between knowledgeable willing parties in an arm's length transaction. The nature, facts and circumstance of the investment drives the valuation methodology.

- Onerous contracts

Provision is made in respect of property lease commitments that are now deemed onerous. In calculating the provision, the Group has made assumptions and judgements on the expected time to obtain sub-leases of the related properties and the level of sub-lease rent to be achieved.

- Dilapidation provisions

Where the Group has a legal obligation, a dilapidations provision is created on inception of a lease. These provisions are a best estimate of the cost required to return leased properties to their original condition upon termination of the lease. Where the obligation arises from "wear and tear", the provision is accrued and expensed in profit or loss as the "wear and tear" occurs.

4. Turnover

Analysis of turnover by country of destination:

	52 week period ended 28 April 2023 £000	(Restated) 52 week period ended 29 April 2022 £000
United Kingdom	**339,790**	314,517
Rest of Europe	**643**	482
Rest of the World	**968**	1,157
	341,401	316,156

Substantially all turnover is in respect of the Group's principal activities of sourcing, marketing, packaging and selling fresh fruit and vegetables.

The details of restatement is provided in note 2.27.

5. Exceptional operating expenses

	52 week period ended 28 April 2023 £000	52 week period ended 29 April 2022 £000
Redundancy costs	**490**	350
Onerous lease provisions	**1,536**	622
Other provisions	**532**	-
Dilapidation provisions	**255**	225
Profit on disposal of building	**(2,628)**	-
	185	1,197

Exceptional costs incurred during the period relate to provisions for onerous leases and property dilapidations covering two properties, provision for consultancy fees in relation to a one off event as well as redundancy costs incurred as part of the transition to a more flexible operating model. During the period an unused property based in Kent was sold and profit on disposal is also included as exceptional income.

6. Operating profit

Operating profit is stated after charging/(crediting):

	52 week period ended 28 April 2023 £000	52 week period ended 29 April 2022 £000
Amortisation of intangible assets, including goodwill	**385**	221
Depreciation of tangible fixed assets - owned	**3,789**	2,849
Depreciation of tangible fixed assets - hire purchased	**661**	462
(Profit) / Loss on disposal of fixed assets	**(2,428)**	47
Amortisation of investments	**334**	334
Exchange gains / (losses)	**375**	(394)
Other operating lease rentals	**1,696**	2,157

7. Auditor's remuneration

During the period, the Group obtained the following services from the Company's auditor and its associates:

	52 week period ended 28 April 2023 £000	52 week period ended 29 April 2022 £000
Fees payable to the Company's auditor and its associates for the audit of:		
The consolidated and parent Company's financial statements	**32**	10
The Company's subsidiaries	**137**	127
Fees payable to the Company's auditor in respect of:		
Taxation compliance services	**59**	53
Services relating to corporate finance transactions	**8**	7
All other services	**1**	2

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 28 APRIL 2023

8. Employees

Staff costs, including directors' remuneration, were as follows:

	Group 52 week period ended 28 April 2023 £000	Group 52 week period ended 29 April 2022 £000	**Company 52 week period ended 28 April 2023 £000**	Company 52 week period ended 29 April 2022 £000
Wages and salaries	**32,543**	32,566	**5,292**	4,648
Social security costs	**2,992**	2,957	**275**	305
Share based payment	**816**	328	**491**	184
Cost of defined contribution scheme	**1,522**	1,573	**326**	313
	37,873	37,424	**6,384**	5,450

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

	Group 52 week period ended 28 April 2023 No.	Group 52 week period ended 29 April 2022 No.	**Company 52 week period ended 28 April 2023 No.**	Company 52 week period ended 29 April 2022 No.
Distribution	**756**	809	-	-
Administrative	**174**	166	59	59
	930	975	59	59

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 28 APRIL 2023

9. Directors' remuneration

	52 week period ended 28 April 2023 £000	52 week period ended 29 April 2022 £000
Directors' emoluments	**1,853**	1,793
Company contributions to defined contribution pension schemes	**40**	24
Amounts paid to third parties in respect of directors' services	**37**	29
	1,930	1,846

During the period retirement benefits were accruing to one Director (2022 - one) in respect of defined contribution pension schemes.

The highest paid Director received remuneration of £676,000 (2022 - £598,000).

The value of the Group's contributions paid to a defined contribution pension scheme in respect of the highest paid Director amounted to £NIL (2022 - £NIL).

No Director exercised share options in either period.

10. Key management compensation

	52 week period ended 28 April 2023 £000	52 week period ended 29 April 2022 £000
Salaries and other short term benefits	**8,381**	7,179
Company contributions to defined contribution pension scheme	**692**	533
Share based payments	**816**	328
	9,889	8,040

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 28 APRIL 2023**

11. Interest receivable

	52 week period ended 28 April 2023 £000	52 week period ended 29 April 2022 £000
Share of joint ventures' interest receivable	**9**	14
Share of associates' interest receivable	**-**	32
Other interest receivable	**224**	22
	233	68

12. Interest payable and similar expenses

	52 week period ended 28 April 2023 £000	52 week period ended 29 April 2022 £000
Bank interest payable	**344**	146
Finance leases and hire purchase contracts	**183**	70
Share of joint ventures' interest payable	**109**	52
Share of associates' interest payable	**158**	174
Other interest payable	**146**	40
	940	482

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 28 APRIL 2023

13. Taxation

	52 week period ended 28 April 2023 £000	52 week period ended 29 April 2022 £000
Corporation tax		
Current tax on profits for the year	-	57
Adjustments in respect of previous periods	82	91
	82	148
Foreign tax	2	67
Tax in respect of ESOP	200	199
Double tax relief	-	(57)
Total current tax	284	357
Deferred tax		
Origination and reversal of timing differences	321	325
Adjustments in respect of previous periods	(123)	50
Effect of rate change on opening liability	-	622
Total deferred tax	198	997
Other tax		
Joint venture taxation	745	383
Associate taxation	86	68
Taxation on profit on ordinary activities	1,313	1,805

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 28 APRIL 2023

13. Taxation (continued)

The tax assessed for the period is higher than (2022 - higher than) the standard rate of corporation tax in the UK of 19.5% (2022 - 19%). The differences are explained below:

	52 week period ended 28 April 2023 £000	52 week period ended 29 April 2022 £000
Profit on ordinary activities before tax	**6,802**	4,196
Share of joint ventures' profit before taxation	**(2,958)**	(1,628)
Share of associates' profit before taxation	**(434)**	(356)
	3,410	2,212
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19.50% (2022 - 19%)	**665**	420
Effects of:		
Expenses not deductible for tax purposes	**(78)**	42
Non taxable group income	**(57)**	(35)
Adjustments to tax charge in respect of prior periods	**83**	91
Adjustments to deferred tax charge in respect of previous periods	**(123)**	50
Tax movement arising from exercise of employee options	**121**	46
Foreign tax credits	**-**	6
Deferred tax rate changes	**54**	660
Deferred tax not recognised	**15**	1
Additional rate of income tax in respect of ESOP	**205**	104
Fixed asset differences	**(403)**	(32)
Difference in foreign tax rate	**1**	1
Share of joint ventures' tax charge	**745**	383
Share of associates' tax charge	**85**	68
Total tax charge for the period	**1,313**	1,805

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 28 APRIL 2023

14. Dividends

The following dividends have been paid in respect of the period:

	52 week period ended 28 April 2023 £000	52 week period ended 29 April 2022 £000
Final dividend in respect of previous period 1.10p (2022: 1.10p) on 62,630,720 2p ordinary shares	**689**	689
Interim dividend in respect of current period 0.88p (2022: 0.88p) on 62,630,720 2p ordinary shares	**551**	551
Dividend income received by ESOP	**(525)**	(540)
	715	700

15. Intangible assets

Group

	Varietal rights £000	**Computer software £000**	**Goodwill £000**	**Total £000**
Cost				
At 30 April 2022	**155**	**5,582**	**5,905**	**11,642**
Disposals	**-**	**(388)**	**-**	**(388)**
At 28 April 2023	**155**	**5,194**	**5,905**	**11,254**
Amortisation				
At 30 April 2022	**148**	**3,787**	**5,830**	**9,765**
Charge for the period	**7**	**354**	**24**	**385**
On disposals	**-**	**(388)**	**-**	**(388)**
At 28 April 2023	**155**	**3,753**	**5,854**	**9,762**
Net book value				
At 28 April 2023	**-**	**1,441**	**51**	**1,492**
At 29 April 2022	7	1,795	75	1,877

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 28 APRIL 2023

15. Intangible assets (continued)

Company

	Computer software £000
Cost	
At 30 April 2022	**5,532**
Disposals	**(388)**
At 28 April 2023	**5,144**
Amortisation	
At 30 April 2022	**3,791**
Charge for the period	**354**
On disposals	**(388)**
At 28 April 2023	**3,757**
Net book value	
At 28 April 2023	**1,387**
At 29 April 2022	1,741

16. Tangible fixed assets

Group

	Land & buildings £000	Assets in course of construction £000	Plant & machinery £000	Motor vehicles £000	Fixtures & fittings £000	Total £000
Cost or valuation						
At 30 April 2022	49,560	745	27,755	1,199	12,246	91,505
Additions	537	3,124	2,910	500	464	7,535
Disposals	(838)	-	(1,508)	(206)	(1,623)	(4,175)
Transfers between classes	-	(819)	656	-	163	-
At 28 April 2023	49,259	3,050	29,813	1,493	11,250	94,865
Depreciation						
At 30 April 2022	11,842	-	20,284	536	9,049	41,711
Charge for the period on owned assets	1,321	-	1,565	206	697	3,789
Charge for the period on financed assets	-	-	506	86	69	661
Disposals	(468)	-	(1,478)	(195)	(1,414)	(3,555)
At 28 April 2023	12,695	-	20,877	633	8,401	42,606
Net book value						
At 28 April 2023	36,564	3,050	8,936	860	2,849	52,259
At 29 April 2022	37,718	745	7,471	663	3,197	49,794

The net book value of fixed assets of £52.3 million (2022: £49.8 million) includes an amount of £5.6 million (2022: £3.7 million) in respect of assets held under hire purchase or finance lease contracts.

Included in land and buildings is freehold land classified as an investment property of £0.4m (2022: £0.4m) the fair value has been reviewed based on evidence for similar land sold in the local area.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 28 APRIL 2023

16. Tangible fixed assets (continued)

Land and buildings

The land & buildings owned by M.&W. Mack Limited were revalued, on an open market existing use basis, as at 30 April 1993, by Edward Symmons & Partners, consultant surveyors and valuers.

The net book value of land and buildings comprises:

	28 April 2023 £000	29 April 2022 £000
Freehold land	**3,719**	3,719
Freehold buildings	**30,207**	31,160
Long leasehold properties (over 50 years)	**2,392**	2,525
Short leasehold properties	**246**	314
	36,564	37,718

In respect of certain fixed assets stated at valuation, the comparable historical cost and depreciation values are as follows:

	28 April 2023 £000	29 April 2022 £000
Net book value at end of period	**36,560**	36,362
Historical cost	**46,813**	47,114
Depreciation	**(9,486)**	(9,673)
Historical cost net book value at end of period	**37,327**	37,441

16. Tangible fixed assets (continued)

Company

	Fixtures and fittings £000	Computer equipment £000	Assets in course of construction £000	Total £000
Cost				
At 30 April 2022	**115**	**4,470**	**-**	**4,585**
Additions	**3**	**164**	**10**	**177**
Disposals	**-**	**(1,083)**	**-**	**(1,083)**
At 28 April 2023	**118**	**3,551**	**10**	**3,679**
Depreciation				
At 30 April 2022	**103**	**3,595**	**-**	**3,698**
Charge for the period on owned assets	**2**	**305**	**-**	**307**
Disposals	**-**	**(1,082)**	**-**	**(1,082)**
At 28 April 2023	**105**	**2,818**	**-**	**2,923**
Net book value				
At 28 April 2023	**13**	**733**	**10**	**756**
At 29 April 2022	12	875	-	887

17. Fixed asset investments

Group

	Investment in joint ventures £000	Investments in associates £000	Trade investments £000	Total £000
Cost				
At 30 April 2022	**15,570**	**4,070**	**195**	**19,835**
Additions	**318**	**-**	**-**	**318**
Share of profit	**2,577**	**348**	**-**	**2,925**
At 28 April 2023	**18,465**	**4,418**	**195**	**23,078**
Amortisation				
At 30 April 2022	**8,190**	**-**	**-**	**8,190**
Charge for the period	**334**	**-**	**-**	**334**
At 28 April 2023	**8,524**	**-**	**-**	**8,524**
Net book value				
At 28 April 2023	**9,941**	**4,418**	**195**	**14,554**
At 29 April 2022	7,380	4,070	195	11,645

The cost of investment in joint ventures includes goodwill arising on the acquisition of the Group's interest, being excess of consideration paid over the fair value of net assets acquired. The goodwill is amortised over its estimated useful life with the amortisation charge being included in the share of profits for year of joint ventures in the consolidated profit and loss account.

17. Fixed asset investments (continued)

Company

	Investments in subsidiary companies £000	Investment in joint ventures £000	Trade investments £000	Total £000
Cost				
At 30 April 2022	12,308	7,418	195	19,921
Additions	325	318	-	643
Disposals	(364)	-	-	(364)
At 28 April 2023	12,269	7,736	195	20,200
Impairment				
At 30 April 2022	364	-	-	364
Disposals	(364)	-	-	(364)
At 28 April 2023	-	-	-	-
Net book value				
At 28 April 2023	12,269	7,736	195	20,200
At 29 April 2022	11,944	7,418	195	19,557

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 28 APRIL 2023

17. Fixed asset investments (continued)

Direct subsidiary undertakings

Unless otherwise indicated, the undertakings listed below are registered at The Fresh Produce Centre, Transfesa Road, Paddock Wood, Kent, United Kingdom, TN12 6UT.

The following were direct subsidiary undertakings of the Company:

Name	Registered office	Principal activity	Class of shares	Holding
Primafruit Limited (1)	01566082	Sourcing, marketing, and selling of fresh fruit	Ordinary	100%
Fresca Development Limited*	06647958	Construction	Ordinary	100%
Fresca Development Property Limited	06647971	Property leasing	Ordinary	100%
M.&W. Mack Limited	00447404	Sourcing, marketing, packaging and selling of fresh fruit and vegetables	Ordinary	100%
Thanet Earth Investments Limited*	06167026	Holding company	Ordinary	100%
The Fresh Produce Centre Limited	10837330	Sourcing, marketing, and selling of fresh fruit	Ordinary	100%
Grape Evolution Limited	09538272	Marketing of grape varietals	Ordinary	100%
The Fresca ESOP Limited*	03594862	Dormant	Ordinary	100%
Fresca Group South Africa (Pty) Limited (4)	2014/227592/07	Technical and quality assurance services	Ordinary	100%
Banafrut UK Limited	11853116	Dormant	Ordinary	100%
The Avocado Company Limited	10785033	Dormant	Ordinary	100%

Indirect subsidiary undertakings

The following were indirect subsidiary undertakings of the Company:

Name	Registered office	Principal activity	Class of shares	Holding
Thanet Growers Seven Limited*	06375842	Site development	Ordinary	100%
Fresca Spain SL (5)	B12917969	Technical and quality assurance services	Ordinary	100%

* Exempt from audit by virtue of S479A of Companies Act 2006.

17. Fixed asset investments (continued)

Associates and joint ventures

The following were joint ventures of the Company:

Name	Principal activity	Holding
Manor Fresh Limited (3)	Sourcing, marketing, and selling of potatoes and vegetables	50
Thanet Earth Holdings Limited, Thanet Earth Limited, Thanet Earth Construction Limited, Thanet Earth Estates Limited (2) **	Group engaged in procurement, packaging and sale of salad products	50
TG1 Holding Limited, Thanet Growers One Limited, Thanet Growers Three Limited, Thanet Growers Six Limited (2)	Group engaged in growing of vegetables	25
Thanet Energy Limited (2)	Transmission of electricity	25
Custom Plum Company Limited	Group engaged in marketing of fruit	50
Custom Plum Company (Pty) Limited	Group engaged in marketing of fruit	50
Fresquita Farms SAS (6)	Avocado Grower	50
Cartama UK Limited	Sourcing, marketing, and selling of fresh fruit	50
Cartama Europe B.V. (7)	Sourcing, marketing, and selling of fresh fruit	50

(1) Vale Business Park, Enterprise Way, Evesham, Worcestershire, WR11 1GT
(2) The Parkhouse, Barrow Man Road, Birchington, Kent, United Kingdom, CT7 0AX
(3) Manor Farm, Holbeach Hurn, Spalding, Lincolnshire, PE12 8LR
(4) Office 301, 3rd Floor, Eikestad Mall, 43 Andringa St, Western Cape, 7600, ZA
(5) Calle Poeta, Verdaguer 26, Castellon 12002, Spain
(6) Carrera 33, 7, 29 Ed Bianco of 502 Medellin, Colombia
(7) Harnaschdreef 10, Den Hoorn, 2635BT Den Hoorn, The Netherlands

** Consolidated at 45.5% of the share of profits in accordance with commercial arrangement entered with the joint venture.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 28 APRIL 2023

18. Stocks

	Group 28 April 2023 £000	Group 29 April 2022 £000
Raw materials and consumables	**14,224**	12,186

The difference between purchase price or production cost of stocks and their replacement cost is not material.

19. Debtors

	Group 28 April 2023 £000	Group 29 April 2022 £000	**Company 28 April 2023 £000**	Company 29 April 2022 £000
Due after more than one year				
Other debtors	**529**	582	**461**	516

	Group 28 April 2023 £000	Group 29 April 2022 £000	**Company 28 April 2023 £000**	Company 29 April 2022 £000
Due within one year				
Trade debtors	**31,257**	32,410	**1,083**	244
Amounts owed by group companies	**-**	-	**12,095**	10,455
Amounts owed by joint ventures and associated undertakings	**2,353**	1,474	**113**	275
Other debtors	**2,478**	2,661	**439**	629
Prepayments and accrued income	**2,190**	2,359	**497**	481
Corporation tax	**120**	529	**905**	1,589
Deferred taxation	**-**	-	**132**	203
	38,398	39,433	**15,264**	13,876

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 28 APRIL 2023

20. Cash and cash equivalents

	Group 28 April 2023 £000	Group 29 April 2022 £000	**Company 28 April 2023 £000**	Company 29 April 2022 £000
Cash at bank and in hand	**23,136**	17,502	**9,250**	5,390
	23,136	17,502	**9,250**	5,390

21. Creditors: Amounts falling due within one year

	Group 28 April 2023 £000	Group 29 April 2022 £000	**Company 28 April 2023 £000**	Company 29 April 2022 £000
Bank loans	**1,000**	1,000	**-**	-
Borrowing under invoice financing facility	**3,821**	4,446	**-**	-
Trade creditors	**42,715**	38,875	**1,553**	1,038
Amounts owed to group undertakings	**-**	-	**5,403**	5,747
Amounts owed to joint ventures and associated undertakings	**-**	1	**-**	-
Income tax	**-**	-	**221**	255
Other taxation and social security	**628**	938	**-**	139
Obligations under finance lease and hire purchase contracts	**1,417**	990	**166**	166
Other creditors and accruals	**8,761**	6,620	**2,537**	1,445
	58,342	52,870	**9,880**	8,790

22. Creditors: Amounts falling due after more than one year

	Group 28 April 2023 £000	Group 29 April 2022 £000	**Company 28 April 2023 £000**	Company 29 April 2022 £000
Bank loans	**6,667**	7,667	**-**	-
Net obligations under finance leases and hire purchase contracts	**3,579**	2,893	**290**	456
	10,246	10,560	**290**	456

Bank loans

As at 28 April 2023, there was a fixed term loan outstanding and drawdowns against the Group's hire purchase facilities. Substantially all the Group's banking arrangements were established with HSBC UK Bank Plc between October and December 2020. The details are as follows:

(a) Fresca Group Limited hire purchase facility

Fresca Group Limited has access to a £10 million hire purchase facility with HSBC UK Bank Plc which carries a variable rate based on asset class. At year end £2.3 million was due under agreements with HSBC UK Bank Plc (2022: £3.3 million) and £0.4 million was due under agreements with Lloyds Bank Plc (2022: £0.6 million).

(b) Fresca Group Limited invoice discount facility

Fresca Group Limited has access to a £20 million invoice discount facility with HSBC UK Bank Plc. Drawdowns bear interest at the rate of 1.25% plus Bank of England base rate. At year end there was £3.8 million drawn down (2022: £4.4 million).

(c) Fresca Development Property Limited

Fresca Development Property Limited agreed a £10m term loan with HSBC UK Bank Plc in October 2020. The loan is secured on certain Group land and buildings and has a term of 3 years from 20 December 2020 with 35 monthly repayments of £83,333 and a final repayment of £7.1 million. The loan carries a rate of interest of SONIA plus 1.4%. At year end the drawn down balance of the loan was £7.7 million (2022: £8.7million) and the management team expect the term to be extended by a further 3 years on substantially the same basis.

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 28 APRIL 2023

22. Creditors: Amounts falling due after more than one year (continued)

Loans

	Group 28 April 2023 £000	Group 29 April 2022 £000
Amounts falling due within one year		
Bank loans	**1,000**	1,000
Amounts falling due 1-2 years		
Bank loans	**6,667**	7,667
	7,667	8,667

An omnibus guarantee and set-off arrangement is in place between HSBC UK Bank Plc and Fresca Group Limited, M.&W. Mack Limited, Primafruit Limited, Thanet Earth Investments Limited, Fresca Development Limited, Fresca Development Property Limited, Grape Evolution Limited and The Fresh Produce Centre Limited in respect of the companies' debts and liabilities.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE PERIOD ENDED 28 APRIL 2023

23. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	Group 28 April 2023 £000	Group 29 April 2022 £000
Within one year	**1,417**	990
Between 2-5 years	**3,579**	2,893
	4,996	3,883

24. Financial instruments

The carrying values of the Group's financial assets and liabilities measured at fair value through profit or loss are summarised by category below:

	Group 28 April 2023 £000	Group 29 April 2022 £000
Financial assets/liabilities		
Derivative financial assets	**-**	341
Derivative financial liabilities	**265**	-

Derivative financial liabilities include forward foreign exchange contracts.

Information regarding the Group's exposure to and management of credit risk, liquidity risk, market risk, cash flow interest rate risk, and foreign exchange risk is included in the Directors' Report.

25. Deferred taxation

Group

	28 April 2023 £000	29 April 2022 £000
Tax liability at beginning of period	**2,914**	1,917
Charged to profit or loss	**198**	997
Tax liability at end of period	**3,112**	2,914

25. Deferred taxation (continued)

Company

	28 April 2023 £000	29 April 2022 £000
Tax liability at beginning of period	**(203)**	31
Charged to profit or loss	**71**	(234)
Tax (asset) at end of period	**(132)**	(203)

	Group 28 April 2023 £000	Group 29 April 2022 £000	Company 28 April 2023 £000	Company 29 April 2022 £000
Accelerated capital allowances	**2,982**	2,910	**95**	49
Tax losses carried forward	**(260)**	(429)	**(207)**	(235)
Other timing differences	**390**	433	**(20)**	(17)
	3,112	2,914	**(132)**	(203)

26. Provisions

Group

	Provision for onerous lease £000	Provision for dilapidation £000	28 April 2023 £000
At 30 April 2022	**622**	**843**	**1,465**
Charged to profit or loss	**1,604**	**260**	**1,864**
Utilised in period	**(767)**	**-**	**(767)**
At 28 April 2023	**1,459**	**1,103**	**2,562**

27. Share capital

	28 April 2023 £000	29 April 2022 £000
Allotted, called up and fully paid		
62,630,720 (2022 - 62,630,720) Ordinary shares of £0.02 each	**1,253**	1,253

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 28 APRIL 2023

27. Share capital (continued)

At 28 April 2023, the following options were outstanding over 2p ordinary shares:

Fresca Group Limited Approved and Qualifying Share Option Scheme

	Number of shares	Vesting date	Expiry date	Exercise price (per share)
29 November 2013	60,000	29/11/2016	29/11/2023	0.687
16 January 2015	72,635	16/01/2018	16/01/2025	0.934
13 January 2016	200,292	13/01/2019	13/01/2026	1.100
19 September 2017	207,079	19/09/2020	19/09/2027	0.840
7 December 2018	80,000	07/12/2021	07/12/2028	0.620
29 October 2019	85,216	29/10/2022	29/10/2029	0.690
21 December 2020	534,800	21/12/2023	21/12/2030	0.500
9 November 2021	212,324	09/11/2024	09/11/2031	0.730
14 October 2022	237,365	14/10/2025	14/10/2032	0.760
	1,689,711			

Fresca Group Limited Unapproved and Supplementary Share Option Scheme

	Number of shares	Vesting date	Expiry date	Exercise price (per share)
16 January 2015	467,365	16/01/2018	16/01/2025	0.934
13 January 2016	389,708	13/01/2019	13/01/2026	1.100
19 September 2017	222,921	19/09/2020	19/09/2027	0.840
7 December 2018	230,000	07/12/2021	07/12/2028	0.620
29 May 2019	750,000	29/05/2022	30/09/2024	0.620
29 May 2019	500,000	29/05/2022	29/05/2029	0.620
29 October 2019	494,784	29/10/2022	29/10/2029	0.690
26 May 2020	1,300,000	26/05/2023	30/09/2024	0.480
21 December 2020	6,315,200	21/12/2023	21/12/2030	0.500
9 November 2021	3,517,676	09/11/2024	09/11/2031	0.730
23 November 2021	20,000	23/11/2024	23/11/2031	0.730
14 October 2022	3,902,635	14/10/2025	14/10/2032	0.760
	18,110,289			

Pursuant to an agreement with Fresca ESOP Limited (''the ESOP''), the Company may request the ESOP to satisfy options that are exercised over a maximum of 11 million shares.

28. Share based payment

Share options

Fresca Group Limited grants options to certain of its employees and those of its subsidiaries over its ordinary shares at not less than the market value on the date of grant. The options vest over three years from the date of grant and unless stated otherwise have a term of seven years from the date of vesting. Exercise of options is subject to continued employment. Options are forfeited if the employee leaves the Group before they vest, unless the conditions under which they leave are such that they are considered to be a good leaver, in which case their options remain exercisable for 6 months after they leave. There are no other performance conditions. Employees are not entitled to dividends on shares attached to vesting or unexercised options.

The fair value of share options awarded has been derived by the use of a Black-Scholes option pricing model, the inputs of which are shown below:

	28 April 2023
Underlying price	**84p**
Exercise price	**64.9p**
Vesting period (years)	**3**
Expected volatility	**33.82%**
Expected life (years)	**4.22**
Risk-free interest rate	**3.84%**
Dividend yield	**2.36%**
Weighted average fair value per option	**30p**

Expected volatility is based on the three-year standard deviation of a basket of comparable listed companies and the expected life is the average period expected to exercise. The risk-free rate of return is the yield on zero coupon UK Government bonds of a term consistent with the assumed option life. No performance conditions have been taken into account in arriving at the fair value of options.

The movement in options to subscribe for shares under the Group's share plans is shown in the tables below.

	28 April 2023 No. of share options	**28 April 2023 Weighted average exercise price (£)**	29 April 2022 No. of share options	29 April 2022 Weighted average exercise price (£)
Opening balance	**16,480,000**	**0.748**	15,925,000	0.730
Granted during the year	**4,160,000**	**0.760**	3,850,000	0.730
Lapsed during the year	**(410,000)**	**0.671**	(3,295,000)	0.550
Exercised during the year	**(430,000)**	**0.618**	-	
Closing balance	**19,800,000**	**0.759**	16,480,000	0.748

3,760,000 share options were exercisable at the period end at a weighted average exercise price of £0.867 (2022: 2,570,000 options at a price of £0.866).

29. Fresca Group Limited Employee Share Ownership Plan (ESOP)

The ESOP was created as a discretionary Trust by a Settlement, dated 16 April 1992, by M.&W. Mack Limited. The Settlement has been amended by supplemental Deeds dated 31 March 1994, 3 September 1998 and 25 September 1998. On 2 May 2005, the sponsoring company was transferred from M.&W. Mack Limited to Fresca Group Limited. From that date, the ESOP now forms part of the Fresca Group Limited company figures within these financial statements.

Under the Trust deed (as amended) the beneficiaries of the Trust are limited to current and former employees and their dependents of Fresca Group Limited and its subsidiaries, and the Trustee has the power to invest the assets of the Trust as it sees fit. Under no circumstances can the Trust confer on Fresca Group Limited any right, benefit or possibility of benefit in, or out of, the Trust. The Trustee of the ESOP is The Fresca ESOP Limited, and the Directors of that company during the year were Simon Hodson (Chair), Christopher Mack, Elizabeth McMeikan, James Cox and Fraser Mckie. Fraser Mckie was appointed as a director on 1 May 2022.

The ESOP is capable of honouring options exercised over Fresca Group Limited shares as a result of options granted under the Fresca Group Limited Executive Share Option Scheme that replaced the M.& W. Mack Limited No. 2 Executive Share Option Scheme, and the Fresca Group Limited Unapproved Executive Share Option Scheme that replaced the M.&W. Mack Limited Unapproved Executive Share Option Scheme.

In 2015, the Fresca Group Limited Executive Share Option Scheme was replaced by the Fresca Group Executive Share Option Scheme where there is both a Qualifying Scheme (replacing the previous Approved Scheme) and Supplementary Scheme (which replaced the previous Unapproved Scheme).

At 28 April 2023, the ESOP controlled 27,621,213 (2022: 27,252,229) 2p ordinary shares in Fresca Group Limited.

The Trustee of the ESOP has not waived its entitlement to dividends on the shares that it owns.

The Fresca Group Limited Employee Share Incentive Plan (SIP)

On 21 October 2004, M.&W. Mack Limited set up a share incentive plan (SIP) to enable employees throughout the Group to purchase shares in the company in an efficient way. Contributions to the SIP are deducted from participants' gross pay over the accumulation periods. The first accumulation period started on 1 November 2004. Upon the acquisition of that company by Fresca Group Limited, the SIP was renamed The Fresca Group Limited Employee Share Incentive Plan.

At the end of each accumulation period, the monies collected are used to purchase partnership shares in Fresca Group Limited which are placed in the Trust for the benefit of the participants. In addition, each participant is awarded one matching share for every two partnership shares purchased.

If staff within the scheme leave the Group's employ within three years of the purchase of the partnership shares, save for certain special circumstances, they will lose the initial income tax and National Insurance benefit gained from having deductions made from their gross pay and the matching shares received will be forfeited. Participants are able to receive dividends declared on their shares. Under the rules of the scheme they can either take the dividend as cash or by re investing in purchasing further shares.

30. Reserves

The Group and Company's other reserves are as follows:

Revaluation reserve

The revaluation reserve represents the cumulative effect of revaluations of freehold land and buildings which are revalued.

Merger reserve

The merger reserve was created in 2006 following the consolidation of Fresca Group Limited and M. &W. Mack Limited. Under merger accounting principles this gave rise to a merger reserve in the consolidated balance sheet.

Foreign exchange reserve

The foreign exchange reserve represents all foreign exchange differences arising from the translation of the net assets of the Group's non-sterling denominated operations.

Profit and loss account

The profit and loss account reserve represents cumulative profits or losses, net of dividends paid and other adjustments.

Hedge reserve

The hedge reserve is used to record transactions from the Group's cash flow hedging arrangements.

ESOP share reserve

The ESOP share reserve represents the cost of the Company’s shares held by the ESOP.

Share based payment reserve

The share based payment reserve is used to record transactions from the Group's share based payment arrangements.

31. Capital commitments

At 28 April 2023 the Group and Company had capital commitments as follows:

	Group 28 April 2023 £000	Group 29 April 2022 £000
Contracted for but not provided in these financial statements	**1,122**	1,775
	1,122	1,775

32. Pension commitments

The Group operates defined contribution pension schemes for employees. The assets of the schemes are held separately from those of the Group in independently administered funds. The pension costs charged in the profit and loss account represents contributions payable by the Group to the funds and amounted to £1,522,000 (2022: £1,573,000). At 28 April 2023, contributions amounting to £311,000 (2022: £219,000) were payable to the funds and are included within creditors.

33. Commitments under operating leases

At 28 April 2023 the Group and the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	Group 28 April 2023 £000	Group 29 April 2022 £000	**Company 28 April 2023 £000**	Company 29 April 2022 £000
Within 1 year	**1,476**	1,481	**-**	170
Within 2 to 5 years	**4,654**	4,947	**-**	465
Later than 5 years	**3,302**	4,355	**-**	-
	9,432	10,783	**-**	635

34. Foreign Exchange Contracts

At 28 April 2023 the Group had entered into forward foreign exchange purchase contracts totalling £19.2 million (2022: £23.3 million).

35. Related party transactions

Fresca Group Limited has taken advantage of the exemption in Financial Reporting Standard No.102 not to disclose transactions between wholly owned members of the Fresca group of companies.

Associate and joint ventures

Fresca Group Limited owns 50% of the share capital in each of the joint ventures Manor Fresh Limited and Thanet Earth Holdings Limited, and 25% of the ordinary share capital of TG1 Holding Limited.

During the period, the joint venture companies acquired goods and services from the group of companies headed by Fresca Group Limited to the value of £8.6 million (2022: £6.0 million).

During the period the joint venture companies sold products and services to the group of companies headed by Fresca Group Limited to a value of £0.9 million (2022: £0.8 million).

As at 28 April 2023, the associate and joint venture companies owed £2,353,000 (2022: £1,474,000) to the group of companies headed by Fresca Group Limited and were owed £NIL (2022: £766) by the group of companies.


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