Registered Number: 1529002

The Big Food Group Limited

Report and Accounts

52 weeks ended 25 March 2011

Contents

Directors' Report

The directors present their report and audited accounts for the 52 week period ending 25 March 2011

Principal activities and review of business
The company's principal activity is that of a holding company

Results and dividends
The company made a loss in the period of £0 2m (2010 loss £2 4m)
The directors do not recommend the payment of a dividend (2010 £nil)

Directors and their interests
The directors who held office during the period were as follows

Charles Wilson
Jonathan Prentis

None of the directors serving at the period end had any interest in the shares of the company

Disclosure of information to auditors
The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditors are unaware, and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information

Auditors
Pursuant to section 487 of the Companies Act 2006, the auditors will be deemed to be reappointed and KPMG Audit plc will therefore continue in office

By order of the Board

Mark Chilton
Company Secretary

Date 27 June 2011

Registered Office
Equity House, Irthlingborough Road, Wellingborough, Northants, NN8 1LT

Statement of Directors' Responsibilities in respect of the Directors' Report and the financial statements

The dırectors are responsıble for preparıng the Dırectors' Report and the fınancıal statements ın accordance wıth applıcable law and regulatıons

Company law requıres the dırectors to prepare financıal statements for each fınancıal year Under that law they have elected to prepare the fınancıal statements ın accordance wıth UK Accountıng Standards and applıcable law (UK Generally Accepted Accountıng Practıce)

Under company law the dırectors must not approve the financıal statements unless they are satısfıed that they gıve a true and faır vıew of the state of affaırs of the company and of the profıt or loss of the company for that perıod In preparıng these fınancıal statements, the dırectors are requıred to

- select suıtable accountıng polıcıes and then apply them consıstently,
- make ȷudgments and estımates that are reasonable and prudent,
- state whether applıcable UK Accountıng Standards have been followed, subȷect to any materıal departures dısclosed and explaıned ın the fınancıal statements, and
- prepare the fınancıal statements on the goıng concern basıs unless ıt ıs ınapproprıate to presume that the company wıll contınue ın busıness

The dırectors are responsıble for keepıng adequate accountıng records that are suffıcıent to show and explaın the company's transactıons and dısclose wıth reasonable accuracy at any tıme the fınancıal posıtıon of the company and enable them to ensure that the fınancıal statements comply wıth the Companıes Act 2006 They have general responsıbılıty for takıng such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other ırregularıtıes

Independent auditor's report to the members of The Big Food Group Limited

We have audited the financial statements of The Big Food Group Limited for the 52 weeks ended 25 March 2011 set out on pages 5 to 15 The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice)

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

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's web-site at www frc org uk/apb/scope/private cfm

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 25 March 2011 and of its loss for the 52 weeks then ended,
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006

Opinion on other matter prescribed by the Companies Act 2006

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

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit

Nicola Quayle

Nicola Quayle (Senior Statutory Auditor)
for and on behalf of KPMG Audit Plc, Statutory Auditor
Chartered Accountants
St James' Square, Manchester, M2 6DS

Date 29 June 2011

Profit and loss account
For the 52 weeks ended 25 March 2011

	Note	**52 weeks ended 25 March 2011 £m**	52 weeks ended 26 March 2010 £m
Administrative expenses		**-**	-
Operating profit	2 – 3	**-**	-
Other finance income	4	**4 0**	1 2
Profit on ordinary activities before taxation		**4.0**	1 2
Tax on profit on ordinary activities	5	**(4.2)**	(3 6)
Retained loss for the period	10	**(0.2)**	(2 4)

All operations in the current and previous period are continuing

There is no material difference between the results as presented above and those presented on a historical cost basis

Balance sheet
At 25 March 2011

	Note	25 March 2011 £m	26 March 2010 £m
Fixed assets			
Investments	6	-	-
Current assets			
Debtors due within one year	7	**287 2**	287 2
		287.2	287 2
Creditors due within one year	8	**(66 2)**	(55 2)
Net current assets		**221 0**	232 0
Net assets excluding net pension liability		**221 0**	232 0
Net pension liability	11	**(5 8)**	(15 7)
Net assets		**215 2**	216 3
Capital and reserves			
Called-up share capital	9	**35 0**	35 0
Merger reserve	10	**330 4**	330 4
Profit and loss account	10	**(150 2)**	(149 1)
Shareholders' funds		**215.2**	216 3

These financial statements were approved by the Board and signed on its behalf by

Jonathan Prentis
Director

Date 27 June 2011

The Big Food Group Limited
Company number 1529002

Statement of total recognised gains and losses
For the 52 weeks ended 25 March 2011

	25 March 2011 £m	26 March 2010 £m
Actuarial loss on pension scheme	(1.2)	(32 6)
Deferred tax on actuarial loss	0.3	9 1
Other recognised losses for the period (net)	(0 9)	(23 5)
Retained loss for the period	(0 2)	(2 4)
Total recognised losses for the period	(1 1)	(25 9)

Reconciliation of movement in shareholders' funds
For the 52 weeks ended 25 March 2011

	25 March 2011 £m	26 March 2010 £m
Retained loss for the period	(0 2)	(2 4)
Other recognised losses for the period (net)	(0 9)	(23 5)
Net decrease in shareholders' funds	(1.1)	(25 9)
Shareholders' funds at the start of the period	216.3	242 2
Shareholders' funds at the end of the period	215 2	216 3

Notes to the accounts

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the financial statements

Basis of preparation
The accounts have been prepared on the going concern basis, under the historical cost convention and in accordance with applicable Accounting Standards

The company is a wholly owned subsidiary undertaking of Booker Group plc, which is registered in England and Wales It is therefore exempt by virtue of s 400 of the Companies Act 2006 from the obligation to prepare and deliver group accounts Accordingly, these reports and accounts present information about the company as an individual undertaking and not about its group

Statement of cash flows
Under FRS 1, the Company is exempt from including a statement of cash flows in its accounts, as it is a wholly owned subsidiary of Booker Group plc, which is a company incorporated in the United Kingdom and has included a consolidated statement of cash flows in its consolidated accounts

Investments
Investments are stated at cost less any provision for impairment in value The carrying values of investments are reviewed for impairment if events or changes in circumstances indicate the carrying values may not be recoverable

Taxation
The charge for taxation is based on the profit or loss for the period and takes into account taxation deferred because of timing differences of the treatment of certain items for taxation and accounting purposes

Deferred tax
In accordance with FRS19 deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, with the following exceptions

- deferred tax assets are only recognised if it is considered more likely than not that there will be suitable profits from which the future reversal of the underlying timing differences can be deducted
- provision is made for gains on disposal of fixed assets that have been rolled over into replacement assets only where, at the balance sheet date, there is a commitment to dispose of the replacement assets

Deferred tax is measured on a non-discounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date

Financial Guarantees
The company has not adopted amendments to FRS 26 in relation to financial guarantee contracts
Where the company enters into financial guarantee contracts to guarantee the indebtedness of other companies within its group, the company considers these to be insurance arrangements, and accounts for them as such In this respect, the company treats the guarantee contract as a contingent liability until such time as it becomes probable that the company will be required to make a payment under the guarantee

Notes to the accounts

1. Accounting policies (continued)

Pension
The Company has a defined benefit scheme, to which it made contributions to fund the retirement benefits of members during the period The scheme is included in these accounts as it was previously a holding company of a larger group of companies which had separate schemes for their members Over the years these individual schemes were merged into the one scheme

The assets of the scheme are held separately from those of the Company

The assets are measured using market values Pension scheme liabilities are measured using a projected unit method and discounted at the current rate of return on high quality corporate bond of equivalent term and currency to the liability The pension scheme surplus (to the extent it is recoverable) or deficit is recognised in full The movement in the scheme surplus/deficit is analysed between operating charges, finance items and in the statement of recognised gains and losses, actuarial gains and losses

2. Operating profit

Auditor's remuneration of £500 (2010 £500) was borne by another group undertaking

3 Employee costs and directors' remuneration

(a) Employee information
The company had no employees throughout this or the previous period

(b) Directors' emoluments
No remuneration or fees were paid by the company to any of its directors during this or the previous period in respect of services to the company

4. Other finance income

	2011 £m	2010 £m
Expected return on pension scheme assets	**35 5**	30 0
Interest on pension scheme liabilities	**(31.5)**	(28 8)
	--------	--------
	4.0	1 2
	=====	=====

Notes to the accounts

5 Tax on profit on ordinary activities	2011 £m	2010 £m
Current tax		
UK corporation tax	-	-
Deferred Tax		
Movement in FRS 17 deferred tax asset	4.2	3 6
Tax charge for the period	4.2	3 6

Reconciliation of the current taxation charge

The tax assessed for the period differs to the standard rate of tax of 28% (2010 28%) in the UK The differences are explained below

	2011 £m	2010 £m
Profit on ordinary activities before tax	4.0	1 2
Tax on profit at 28% (2010 28%)	1 1	0 3
FRS 17 pension adjustments	(1 1)	(0 3)
Group transfer pricing adjustment	3.1	3 3
Short term timing differences	(3.1)	(3 3)
Current tax charge for the period	-	-

Deferred tax asset	2011 £m	2010 £m
At start of period	6.1	0 6
Charge to profit and loss account	(4.2)	(3 6)
Credit to reserves	0 3	9 1
At end of period	2 2	6 1

The deferred tax asset relates to the defined benefit scheme and is offset against the pension scheme deficit in the balance sheet

Factors that may affect future current and total tax charge
The corporation tax applicable to the company was 28% in the current period From 1 April 2011 the corporation tax rate payable by the company was to reduce to 27% with further 1% reductions each year until 2014/15 (stabilising at a rate of 24%) In the Chancellor's budget in March 2011, it was announced that the corporation tax rate in the UK would instead reduce to 26% from 1 April 2011, with further 1% reductions each year until 2014/15 (stabilising at a rate of 23%) As the change in rate of corporation tax to 27% was enacted as at 25 March 2011, deferred tax has been accounted for at that rate in these financial statements As the subsequent change in rate of corporation tax to 26% was not enacted as at 25 March 2011 deferred tax has not been accounted for at this new rate and the impact of the change is not expected to be material

Notes to the accounts

6. Investments

	Subsidiary undertakings £m
Cost	
At start and end of period	**90.0**
	=====
Provision	
At start and end of period	**90.0**
	=====
Net book value	
At start and end of period	**-**
	=====

The Company's principal subsidiary undertakings at 25 March 2011, which are wholly owned and registered in the United Kingdom, are as follows

	Principal activities
B F Limited *	Finance/holding company
Giant Booker Limited	Finance/holding company

* Direct subsidiary of The Big Food Group Limited

Full details of all group subsidiary undertakings are included in the Company's annual return filed with Companies House

7. Debtors due within one year

	2011 £m	2010 £m
Amounts owed by subsidiary undertakings	**287 2**	287 2
	=====	=====

Amounts due from group undertakings are all unsecured and are interest free

8. Creditors due within one year

	2011 £m	2010 £m
Amounts owed to subsidiary undertakings	**66.1**	55 1
Accruals and deferred income	**0.1**	0 1
	--------	--------
	66.2	55 2
	=====	=====

Amounts owed to group undertakings are unsecured, interest free and repayable on demand

9 Share capital

	2011 £m	2010 £m
Authorised		
500,000,000 ordinary shares of 10p each	**50 0**	50 0
	=====	=====
Allotted, called up and fully paid		
350,385,320 ordinary shares of 10p each	**35 0**	35 0
	=====	=====

Notes to the accounts

10. Reserves

	Merger reserve £m	Profit and loss account £m
At start of period	330 4	(149 1)
Retained loss for the period	-	(0 2)
Other recognised losses for the period (net)	-	(0 9)
At end of period	**330 4**	**(150 2)**

	2011 £m	2010 £m
Profit and loss reserves excluding pension liability	**(144 4)**	(133 4)
Pension liability	**(5.8)**	(15 7)
Profit and loss reserves including pension liability	**(150.2)**	(149 1)

11. Pension schemes

The Booker Pension Scheme ('the Scheme') is a funded pension arrangement based on final salary and was closed to new entrants in October 2001 with benefits ceasing to accrue from July 2002 However, active members' benefits retain a link to their final salaries The assets of the scheme are held separately from those of the Group and are invested by independent fund managers appointed by the Trustees The benefit obligations as at 25 March 2011 have been calculated by an independent actuary on an IAS 19 basis using membership data obtained from the 31 March 2010 triennial actuarial valuation which has then been updated to 25 March 2011

(a) Major assumptions used by the actuary

	2011	2010
Discount rate	**5 50%**	5 70%
Rate of increase in salaries	**4 65%**	5 00%
Pension increases	**3 40%**	3 50%
RPI inflation	**3 40%**	3 50%
CPI inflation	**2 70%**	-
Expected rate of return on Scheme assets		
Equities	**8.00%**	8 00%
Bonds	**5 50%**	5 70%
Property	**8 00%**	-
Cash	**0 50%**	0 50%

On 8 July 2010, the Government announced its intention to change the measure of price inflation for private sector schemes from the Retail Prices Index (RPI) to the Consumer Prices Index (CPI) In light of this, the statutory revaluation orders published in January 2011 were based on CPI for the first time and the statutory minimum requirement for pension increases in payment has been linked to CPI rather than RPI The Scheme's Trust Deed and Rules are drafted in a way such that only the benefits of a small historical section of the Scheme are impacted by this change The revaluations in deferment and pension increases in payment for most of the Scheme's membership will continue to be linked to RPI This has resulted in a credit of £3 7m recognised in other comprehensive income within actuarial losses during the period

Notes to the accounts

11. Pension schemes (continued)

The average life expectancy in years of a member is as follows

		2011	2010
Aged 65 retiring immediately (current pensioner)	Male	**20.7**	19 4
	Female	**22.9**	22 4
Aged 40 retiring at 65 (future pensioner)	Male	**22 4**	20 2
	Female	**24 2**	23 1

(b) The amounts recognised in the balance sheet

	2011		2010	
	£m	%	£m	%
Equities	**278.6**	**51%**	285 9	51%
Bonds	**221.8**	**41%**	253 0	45%
Property	**39.3**	**7%**	-	-
Cash	**2.1**	**1%**	24 6	4%
Fair value of Scheme assets	**541.8**	**100%**	563 5	100%
Present value of Scheme liabilities	**(549.8)**		(585 3)	
Deficit in the Scheme	**(8 0)**		(21 8)	
Related deferred tax asset	**2.2**		6 1	
	(5.8)		(15 7)	

(c) Movement in the scheme assets

	2011	2010
	£m	£m
At start of period	**563 5**	437 8
Employer contributions	**11 0**	11 6
Expected return on pension scheme assets	**35 5**	30 0
Actuarial gains	**1 4**	116 3
Benefits paid	**(69 6)**	(32 2)
At end of the period	**541.8**	563 5

The expected rate of return on assets is a weighted average based on actual assets held by the Scheme and the respective returns expected on the separate asset classes and then deducting the expected administration costs borne by the Group and an amount in respect of the PPF levy

The expected rate of return on equities is set with reference to the expected long term return taking into account the expected out performance of equities over bonds The expected return on property is set with the expectation of a similar return to an equity investment The expected return on bonds is measured directly from actual market yields from corporate bonds at the balance sheet date reflecting the mandates held by the investment managers

Notes to the accounts

11. Pension schemes (continued)

(d) Movement in the present value of the scheme liabilities

	2011 £m	2010 £m
At start of period	(585 3)	(439 8)
Interest on pension scheme liabilities	(31 5)	(28 8)
Experience gains/(losses)	8 5	(1 0)
Actuarial losses	(11 1)	(147 9)
Benefits paid	69.6	32 2
At end of the period	(549.8)	(585 3)

(e) Movement in the scheme deficit

	2011 £m	2010 £m
At start of period	(21 8)	(2 0)
Employer contributions	11.0	11 6
Credit recognised in the profit and loss account	4.0	1 2
Actuarial loss recognised in equity	(1.2)	(32 6)
At end of the period	(8 0)	(21 8)

(f) Amounts recognised in the profit and loss account

	2011 £m	2010 £m
Expected return on pension scheme assets	35 5	30 0
Interest on pension scheme liabilities	(31 5)	(28 8)
Credited to finance income	4.0	1 2

(g) Amounts to be recorded in the statement of total recognised gains and losses

	2011 £m	2010 £m
Difference between actual and expected return on assets	1.4	116 3
Experience gains/(losses) on liabilities	8 5	(1 0)
Change in actuarial assumptions	(11 1)	(147 9)
Actuarial loss	(1.2)	(32 6)

Notes to the accounts

11. Pension schemes (continued)

(h) Historical information

	2011 £m	2010 £m	2009 £m	2008 £m	2007 £m
Market value of scheme assets	**541 8**	563 5	437 8	516 8	619 8
Actuarial value of liability	**(549 8)**	(585 3)	(439 8)	(507 0)	(647 1)
(Deficit)/surplus in the scheme	**(8 0)**	(21 8)	(2 0)	9 8	(27 3)
Difference between actual and expected return on assets	1 4	116 3	(93 9)	(47 2)	(19 4)
Percentage of scheme assets (%)	0 3%	20 6%	21 4%	9 1%	3 1%
Experience gains/(losses on scheme liabilities	8 5	(1 0)	-	11 7	37 8
Percentage of scheme liabilities (%)	1 6%	0 2%	-	2 3%	5 8%

(i) Contributions to be paid

The Trustees of the Scheme and Company have agreed a schedule of contributions for the next 5 5 years (up to October 2016) of £9 6m per annum The Group has also agreed to meet the cost of certain expenses of the scheme estimated to be around £1 3m per annum

12. Contingent liabilities

The company has cross guaranteed the borrowings of other subsidiaries in the Group which at the period end amounted to £nil (2010 £21 1m)

13. Related party transactions

The Company is a wholly owned subsidiary of Booker Group plc In accordance with paragraph 3(c) of FRS 8 'Related Party Transactions' the company is exempt from disclosing details of arrangements with subsidiaries of Booker Group plc

14 Ultimate parent undertaking

At 25 March 2011, the immediate parent undertaking was Giant Bidco Limited, a company incorporated in England and Wales

The ultimate parent undertaking was Booker Group plc, a company registered in England and Wales Booker Group plc was the parent undertaking of the only group, of which the company was a member, to consolidate these accounts Copies of the Group accounts are available from Equity House, Irthlingborough Road, Wellingborough, Northants, NN8 1LT