

Registered Number: 1529002

The Big Food Group Limited

Report and Accounts

For the 52 weeks ended

27 March 2015

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Strategic Report

The directors present their Strategic Report for the 52 weeks ended 27 March 2015.

Principal activities

The principal activity of the company is that of a holding company and principal employer to the Group's defined benefit pension scheme.

Results and dividends

The company made a profit in the period of £9.6m (2014: profit £14.6m).

The directors do not recommend the payment of a dividend (2014: £nil).

Review of business

It is the intention of the directors that the company will continue to act as the principal employer to the Group's defined benefit pension scheme for the foreseeable future.

Risks and uncertainties

Defined benefit schemes are accounted for in accordance with the advice of an independent qualified actuary but significant judgements are required in relation to the assumptions for future salary and pension increases, inflation, investment returns and mortality that underpin their valuations. Small changes in assumptions and estimates used to value the pension would have a significant effect on the valuation.

In addition, changes in the regulatory environment and funding requirement principles may also lead to changes to pension funding in future years.

Signed on behalf of the Board:



Jonathan Prentis
Director

Date: 6 October 2015

Directors' Report

The directors present their Directors' Report for the 52 weeks ended 27 March 2015.

Directors

The directors who held office during the period were as follows:

Charles Wilson
Jonathan Prentis

Statement of Directors' Responsibilities

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

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

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

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

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Going concern

The directors believe that the Company has adequate resources to continue operating for the foreseeable future. With this in mind, the directors have formally considered and concluded that the preparation of financial statements on a going concern basis is appropriate. Further details are shown in the "Basis of preparation" section of note 1 to the financial statements.

Disclosure of information to auditor

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 auditor is 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 auditor is aware of that information.

Auditor

KPMG Audit Plc resigned as auditor on 8 October 2014 pursuant to section 516 of the Companies Act 2006. On 8 October 2014 the directors appointed KPMG LLP as auditor of the company to fill the casual vacancy as auditor under section 485(3) of the Companies Act 2006. KPMG LLP has indicated its willingness to continue in office and the board of Directors will propose the re-appointment of KPMG LLP as auditor of the Company.

By order of the Board



Mark Chilton
Company Secretary
Date: 6 October 2015
Company number: 1529002

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

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 27 March 2015 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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement 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 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 Financial Reporting Council's web-site at www.frc.org.uk/auditscopeukprivate.

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 27 March 2015 and of its profit 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 Strategic Report and the Directors' Report for the financial period 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 LLP, Statutory Auditor
Chartered Accountants
1 St Peter's Square, Manchester, M2 3AE

Date: *14 October 2015*

Profit and loss account
For the 52 weeks ended 27 March 2015

		52 weeks ended 27 March 2015 £m	52 weeks ended 28 March 2014 £m
	Note		
Management fees		3.6	10.8
		-----	-----
Operating profit	2 – 3	3.6	10.8
Other finance income	4	8.6	8.1
		-----	-----
Profit on ordinary activities before taxation		12.2	18.9
Tax on profit on ordinary activities	5	(2.6)	(4.3)
		-----	-----
Retained profit for the period	10	9.6	14.6
		=====	=====

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 an historical cost basis.

The notes on pages 8 to 15 form part of these financial statements.

Balance sheet
At 27 March 2015

	Note	27 March 2015 £m	28 March 2014 £m
Fixed assets			
Investments	6	-	-
Current assets			
Debtors due within one year	7	287.2	287.2
Creditors due within one year	8	(85.4)	(85.4)
Net current assets		201.8	201.8
Net assets excluding net pension liability		201.8	201.8
Net pension liability	11	(15.8)	(2.9)
Net assets		186.0	198.9
Capital and reserves			
Called-up share capital	9	35.0	35.0
Merger reserve	10	330.4	330.4
Profit and loss account	10	(179.4)	(166.5)
Shareholders' funds		186.0	198.9

The notes on pages 8 to 15 form part of these financial statements.

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



Jonathan Prentis
Director

Date: 6 October 2015

Company number 1529002

Statement of total recognised gains and losses
For the 52 weeks ended 27 March 2015

	52 weeks ended 27 March 2015 £m	52 weeks ended 28 March 2014 £m
Actuarial loss on pension scheme	(28.3)	(15.7)
Deferred tax on actuarial loss	5.8	3.4
Other recognised losses for the period (net)	(22.5)	(12.3)
Retained profit for the period	9.6	14.6
Total recognised (losses)/gains for the period	(12.9)	2.3

Reconciliation of movement in shareholders' funds
For the 53 weeks ended 27 March 2015

	52 weeks ended 27 March 2015 £m	52 weeks ended 28 March 2014 £m
Retained profit for the period	9.6	14.6
Other recognised losses for the period (net)	(22.5)	(12.3)
Net (decrease)/increase in shareholders' funds	(12.9)	2.3
Shareholders' funds at the start of the period	198.9	196.6
Shareholders' funds at the end of the period	186.0	198.9

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 under the historical cost convention and in accordance with applicable Accounting Standards.

The company is a subsidiary of Booker Group plc and is party to the group treasury arrangements. The bank facility in place at the balance sheet date was due to expire in July 2016. In August 2015, the Group entered a new 5 year £120m revolving credit facility. The Group's forecasts and projections show that the Group should be able to operate within the level of its bank facility. The directors have received confirmation from Booker Group plc that it intends to continue to support the company for at least 12 months from the date of these financial statements. This should enable the company to continue in operational existence for the foreseeable future by meeting its liabilities as they fall due for payment. Thus the company continues to adopt the going concern basis in preparing the financial statements.

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 section 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 which 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.

Notes to the accounts

1. Accounting policies (continued)

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.

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 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 (2014: £500) was borne by another group undertaking without recharge.

3. Employee costs and directors' emoluments

(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	2015 £m	2014 £m
Expected return on pension scheme assets	34.9	34.0
Interest on pension scheme liabilities	(26.3)	(25.9)
	=====	=====
	8.6	8.1
	=====	=====

Notes to the accounts

5. Tax on profit on ordinary activities	2014 £m	2013 £m
Current tax		
UK corporation tax	-	-
Deferred Tax		
Movement in FRS 17 deferred tax asset	2.6	4.3
	-----	-----
Tax charge for the period	2.6	4.3
	=====	=====
Reconciliation of the current taxation charge		
The tax assessed for the period differs to the standard rate of tax of 21% (2014: 23%) in the UK. The differences are explained below:		
Profit on ordinary activities before tax	12.2	18.9
	-----	-----
Tax on profit at 21% (2014: 23%)	2.6	4.3
FRS 17 pension adjustments	(1.8)	(1.9)
Group transfer pricing adjustment	(0.4)	-
Short term timing differences	(0.8)	(2.4)
Group relief surrendered for nil consideration	0.4	-
	-----	-----
Current tax charge for the period	-	-
	=====	=====
Deferred tax asset	2015 £m	2014 £m
At start of period	0.7	1.6
Charge to profit and loss account	(2.6)	(4.3)
Credit to reserves	5.8	3.4
	-----	-----
At end of period	3.9	0.7
	=====	=====

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:

Reductions in the UK corporation tax rate from 23% to 21% (effective from 1 April 2014) and to 20% (effective 1 April 2015) were substantively enacted on 2 July 2013. In the budget on 8 July 2015, the Chancellor announced additional planned reductions to 18% by 2020. This will reduce the Company's future current tax charge accordingly. The deferred tax asset at 27 March 2015 has been calculated based on the rate of 20% substantively enacted at the balance sheet date.

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 subsidiary undertakings at 27 March 2015, which are wholly owned and registered in the United Kingdom, are as follows:

Name of company	Principal activity	Incorporation
BF Ltd *	Holding company	UK
Giant Booker Ltd	Holding company	UK
IRTH (15) Ltd	Finance company	UK
J Smylie & Sons Ltd	Property company	Isle of Man
Booker Cash & Carry Ltd	Dormant	UK
Booker US Ltd	Financing company	UK

* Direct subsidiary of The Big Food Group Limited

7.	Debtors due within one year	2015 £m	2014 £m
	Amounts owed by subsidiary undertakings	287.2	287.2
		=====	=====

Amounts due from group undertakings are all unsecured, interest free and repayable on demand.

8.	Creditors due within one year	2015 £m	2014 £m
	Amounts owed to subsidiary undertakings	85.3	85.3
	Accruals and deferred income	0.1	0.1
		-----	-----
		85.4	85.4
		=====	=====

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

9.	Share capital	2015 £m	2014 £m
	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	(166.5)
Retained profit for the period	-	9.6
Other recognised losses for the period (net)	-	(22.5)
	-----	-----
At end of period	330.4	(179.4)
	=====	=====

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 2001 with benefits ceasing to accrue from 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 27 March 2015 have been calculated by an independent actuary on an FRS 17 basis using the results of the 31 March 2013 triennial actuarial valuation which has then been updated to 27 March 2015.

(a) Major assumptions used by the actuary

	2015	2014
Discount rate	3.40%	4.45%
Rate of increase in salaries	1.95%	3.20%
Pension increases	2.90%	3.15%
RPI inflation	2.95%	3.20%
CPI inflation	1.95%	2.25%
Expected rate of return on Scheme assets		
Equities	n/a	8.00%
Bonds	n/a	4.10%
Property	n/a	6.50%
Cash	n/a	0.50%

Notes to the accounts

11. Pension schemes (continued)

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

		2015	2014
Aged 65 retiring immediately (current pensioner)	Male	21.5	21.5
	Female	23.7	23.7
Aged 40 retiring at 65 (future pensioner)	Male	22.7	22.7
	Female	25.1	25.1

(b) The amounts recognised in the balance sheet

	2015		2014	
	£m	%	£m	%
Equities	110.4	17%	285.2	47%
Bonds	328.5	51%	280.6	46%
Property	51.5	8%	44.4	7%
Cash	7.8	1%	0.8	-
Diversified growth funds	151.3	23%	-	-
	-----	-----	-----	-----
Fair value of Scheme assets	649.5	100%	611.0	100%
Present value of Scheme liabilities	(669.2)	=====	(614.6)	=====
	-----		-----	
Deficit in the Scheme	(19.7)		(3.6)	
Related deferred tax asset	3.9		0.7	
	-----		-----	
	(15.8)		(2.9)	
	=====		=====	

(c) Movement in the scheme assets

	2015	2014
	£m	£m
At start of period	611.0	608.7
Employer contributions	3.6	10.8
Expected return on pension scheme assets	34.9	34.0
Actuarial gains/(losses)	40.0	(11.0)
Benefits paid	(40.0)	(31.5)
	-----	-----
At end of the period	649.5	611.0
	=====	=====

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 weighted average is based on the targeted asset allocation in the Scheme's current investment benchmark.

Notes to the accounts

11. Pension schemes (continued)

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

	2015 £m	2014 £m
At start of period	(614.6)	(615.5)
Interest on pension scheme liabilities	(26.3)	(25.9)
Experience gains	4.6	0.3
Actuarial losses	(72.9)	(5.0)
Benefits paid	40.0	31.5
	-----	-----
At end of the period	(669.2)	(614.6)
	=====	=====

(e) Movement in the scheme deficit

	2015 £m	2014 £m
At start of period	(3.6)	(6.8)
Employer contributions	3.6	10.8
Credit recognised in the profit and loss account	8.6	8.1
Actuarial loss recognised in equity	(28.3)	(15.7)
	-----	-----
At end of the period	(19.7)	(3.6)
	=====	=====

(f) Amounts recognised in the profit and loss account

	2015 £m	2014 £m
Expected return on pension scheme assets	34.9	34.0
Interest on pension scheme liabilities	(26.3)	(25.9)
	-----	-----
Credited to finance income	8.6	8.1
	=====	=====

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

	2015 £m	2014 £m
Difference between actual and expected return on assets	40.0	(11.0)
Experience gains on liabilities	4.6	0.3
Change in actuarial assumptions	(72.9)	(5.0)
	-----	-----
Actuarial loss	(28.3)	(15.7)
	=====	=====

Notes to the accounts**11. Pension schemes (continued)****(h) Historical information**

	2015	2014	2013	2012	2011
	£m	£m	£m	£m	£m
Market value of scheme assets	649.5	611.0	608.7	555.7	541.8
Actuarial value of liability	(669.2)	(614.6)	(615.5)	(574.7)	(549.8)
Deficit in the scheme	(19.7)	(3.6)	(6.8)	(19.0)	(8.0)
Difference between actual and expected return on assets	40.0	11.0	38.6	0.8	1.4
Percentage of scheme assets (%)	6.2%	1.8%	6.3%	0.1%	0.3%
Experience gains/(losses) on scheme liabilities	4.6	0.3	-	-	8.5
Percentage of scheme liabilities (%)	0.7%	-	-	-	1.5%

(i) Contributions to be paid

The Trustees completed their 31 March 2013 triennial valuation of the Scheme, at which time they assessed the funding position to be a shortfall of approximately £24m. This shortfall was expected to be recovered through Company deficit contributions (£9.6m paid into the Scheme in the year ending 31 March 2014 and £2.4m paid into the Scheme in the year ending 31 March 2015) and the returns achievable on the assets of the Scheme.

No further contributions to the Scheme are expected to be made until the funding position is reviewed following the next actuarial valuation of Scheme, which is scheduled for 31 March 2016.

12. 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.

13. Ultimate parent undertaking

At 27 March 2015, 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.