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**H. J. HEINZ FROZEN & CHILLED FOODS  
LIMITED**

**ANNUAL REPORT AND FINANCIAL  
STATEMENTS**

**FOR THE 53 WEEK PERIOD ENDED  
03 JANUARY 2016**

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# **H. J. HEINZ FROZEN & CHILLED FOODS LIMITED**

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# **H. J. HEINZ FROZEN & CHILLED FOODS LIMITED**

## **GENERAL COMPANY INFORMATION**

### **IMMEDIATE PARENT COMPANY**

H. J. Heinz Manufacturing UK Limited  
South Building  
Hayes Park  
Hayes  
Middlesex  
UB4 8AL

### **ULTIMATE PARENT COMPANY**

The Kraft Heinz Company  
PO Box 57  
Pittsburgh  
Pennsylvania 15230-0057  
United States of America

### **COMPANY SECRETARY AND REGISTERED OFFICE**

Victoria White

South Building  
Hayes Park  
Hayes  
Middlesex  
UB4 8AL

Registered Number 2207650

### **INDEPENDENT AUDITORS**

PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
The Atrium  
1 Harefield Road  
Uxbridge  
Middlesex  
UB8 1EX

# H. J. HEINZ FROZEN & CHILLED FOODS LIMITED

Registered number 2207650

## STRATEGIC REPORT FOR THE 53 WEEK PERIOD ENDED 03 JANUARY 2016

The directors present their strategic report on the Company for the 53 week period ended 03 January 2016.

### Business review

The Company made a profit for the 53 week period financial ended 03 January 2016 of £3.9m (52 week period ended 28 December 2014 loss of £18.1m). Net liabilities as at 03 January 2016 amounted to £12.6m (28 December 2014: net liabilities £16.5m).

On 19 December 2014 it was announced that, following the decision by the William Jackson Food Group, owner of the Aunt Bessie's brand, not to renew the license for Heinz to manufacture its frozen potato products, the Westwick manufacturing site would close. Manufacturing at the site continued up to the end of the Aunt Bessie's licence at the end of April 2015. At the end of the end of the year, all operating activities of the Company have ceased.

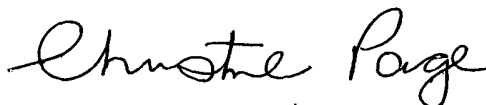
The Company ceased manufacturing on 30 April 2015 with all employees being made redundant. The tangible assets and engineering stock were sold to a third party on 15 May 2015.

The Site was sold in May 2015 for £2.5m including all associated costs, resulting in a recognised gain of £1.4m. As the result of the closure of the site, the Company recognised an exceptional loss of £3.0m. This included a release of prior year unutilised restructuring provisions of £1.3m, a net gain relating to debtors releases of £0.1m, write off of engineering and regular stock of (£3.5m) and an impairment loss on tangible assets of (£0.9m).

### Key performance indicators

	53 week period to 03 January 2016	52 week period to 28 December 2014	Definition, method of calculation and analysis
Movement in sales (%)	(64.8%)	84.7%	These figures represent the period on period sales (decrease)/increase as a percentage. The Company traded for only 4 months before closure, so sales expectations in comparison with a full year activity (period ended 28 December 2014) were a decrease in line with the directors' expectation.
Gross (Loss)/Margin (%)	37.0%	19.0%	Gross (Loss)/Margin is the ratio of gross (loss)/profit to turnover expressed as a percentage. Growth is driven by the discontinuation of operations for the year.

On behalf of the Board



C. Page  
Director

Date: 27 April 2016

# **H. J. HEINZ FROZEN & CHILLED FOODS LIMITED**

## **DIRECTORS' REPORT FOR THE 53 WEEK PERIOD ENDED 03 JANUARY 2016**

The Directors present their report and the audited financial statements of the Company for the 53 weeks period ended 03 January 2016.

### **Principal activities**

The Company's principal activity was the manufacturing of processed food products.

### **Future Developments**

The Company ceased trading in April 2015 to become a non trading company.

### **Dividends**

No dividends were paid in the period. The Directors do not recommend the payment of a dividend (52 weeks to 28 December 2014: Nil).

### **Financial risk management**

The Company's operations expose it to a variety of financial risks including liquidity risk and cash flow interest rate risk. The Company has in place risk management processes that seek to limit the adverse effects on its financial performance by monitoring levels of debt, liquidity and exchange rate risk and the related financial costs.

The H. J. Heinz Group has a centralised group treasury department that manages the principal risks on a group basis rather than on a statutory entity basis.

Funding for the Company is through inter-company arrangements.

#### *Liquidity risk*

The Company maintains a debt profile including where appropriate short term debt finance designed to ensure the Company has sufficient funds for its operation.

#### *Cash flow interest rate risk*

The Company has interest bearing liabilities which are managed by the centralised treasury department on a group basis rather than on a statutory entity basis.

### **Directors**

The members of the board of directors during the period and up to the date of signing the financial statements were as follows:

C. Page  
J. Favre

### **Directors' Indemnity**

The directors have the benefit of a third party indemnity provision as defined by Section 234 of the Companies Act 2006. This provision was in force throughout the current financial period and is currently in force. Directors' and officers' liability insurance in respect of the Company and its directors has been maintained throughout the financial period.

# H. J. HEINZ FROZEN & CHILLED FOODS LIMITED

## DIRECTORS' REPORT FOR THE 53 WEEK PERIOD ENDED 03 JANUARY 2016 (CONTINUED)

### Going concern

The Company will continue as a non trading company and have no plans to liquidate the Company.

The directors are of the opinion that the Company remains a going concern due to the financial support from H. J. Heinz Manufacturing UK Limited.

### Independent Auditors

PricewaterhouseCoopers LLP have expressed their willingness to continue in office and are deemed to be reappointed under Section 487(2) of the Companies Act 2006.

### 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 period. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make 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;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

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

### Disclosure of information to auditors

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

On behalf of the Board



C. Page  
Director

Date: 27 April 2016

# **H. J. HEINZ FROZEN & CHILLED FOODS LIMITED**

## ***Independent auditors' report to the members of H. J. Heinz Frozen & Chilled Foods Limited***

### **Report on the financial statements**

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#### **Our opinion**

In our opinion, H. J. Heinz Frozen & Chilled Foods Limited's financial statements (the "financial statements"):

- give a true and fair view of the state of the company's affairs as at 3 January 2016 and of its profit for the 53 week period (the "period") then ended;
  - have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
  - have been prepared in accordance with the requirements of the Companies Act 2006.
- 

#### **What we have audited**

The financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), comprise:

- the Balance sheet as at 3 January 2016;
- the Profit and loss account for the period then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is United Kingdom Accounting Standards, and applicable law (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

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### **Opinion on other matter prescribed by the Companies Act 2006**

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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.

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### **Other matters on which we are required to report by exception**

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#### **Adequacy of accounting records and information and explanations received**

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- 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.

We have no exceptions to report arising from this responsibility.

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#### **Directors' remuneration**

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

# H. J. HEINZ FROZEN & CHILLED FOODS LIMITED

## Responsibilities for the financial statements and the audit

### Our responsibilities and those of the directors

As explained more fully in the Statement of Directors' Responsibilities set out on page 5, 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) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the parent company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

### What an audit of financial statements involves

We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the directors; and
- the overall presentation of the financial statements.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.



Sarah Quinn (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Uxbridge

27 April 2016



# H. J. HEINZ FROZEN & CHILLED FOODS LIMITED

## PROFIT AND LOSS ACCOUNT FOR THE 53 WEEK PERIOD ENDED 03 JANUARY 2016

		53 weeks to 03 January 2016 £m	52 weeks to 28 December 2014 £m
<b>Turnover</b>	2a	<b>17.8</b>	50.6
Cost of sales		<u>(11.2)</u>	<u>(41.0)</u>
<b>Gross (loss)/profit</b>		<b>6.6</b>	9.6
Administrative expenses	2b	<u>(0.4)</u>	<u>(1.3)</u>
<b>Operating (loss)/profit</b>		<b>6.2</b>	8.3
Exceptional items	2c	<u>(3.0)</u>	<u>(29.5)</u>
Profit on disposal of fixed assets	2b	<u>1.4</u>	-
Interest Payable and similar charges	3	<u>(0.4)</u>	<u>(0.6)</u>
<b>Profit/(loss) on ordinary activities before taxation</b>	2b	<b>4.2</b>	(21.8)
Tax on profit/(loss) on ordinary activities	5	<u>(0.3)</u>	<u>3.7</u>
<b>Profit/(loss) for the financial period</b>	13	<b>3.9</b>	<b>(18.1)</b>

All results derive from discontinued operations.

The company has no recognised gains and losses other than those included in the results above, and therefore no separate statement of total recognised gains and losses has been presented.

There are no material differences between the profit/(loss) on ordinary activities before taxation and the profit/(loss) for the financial period stated above and their historical cost equivalents.

# H. J. HEINZ FROZEN & CHILLED FOODS LIMITED

## BALANCE SHEET AS AT 03 JANUARY 2016

	Note	As at 03 January 2016 £m	As at 28 December 2014 £m
<b>Fixed assets</b>			
Tangible assets	6	-	1.4
<b>Current assets</b>			
Stocks	7	-	0.8
Debtors	9	28.1	34.3
Cash at bank and in hand		-	12.9
		<u>28.1</u>	<u>48.0</u>
<b>Creditors: amounts falling due within one year</b>	10	(40.7)	(56.1)
<b>Provisions</b>	11	-	(9.8)
<b>Net current liabilities</b>		<u>(12.6)</u>	<u>(17.9)</u>
<b>Total assets less current liabilities</b>		<u>(12.6)</u>	<u>(16.5)</u>
<b>Net liabilities</b>		<u>(12.6)</u>	<u>(16.5)</u>
<b>Capital and reserves</b>			
Called up share capital	12	-	-
Profit and loss account	13	(12.6)	(16.5)
<b>Total shareholders' deficit</b>	14	<u>(12.6)</u>	<u>(16.5)</u>

The notes on pages 10 to 19 are an integral part of these financial statements.

The financial statements on pages 8 to 19 were approved by the Board of directors on 27 April 2016 and signed on its behalf by:

*Christine Page*

C. Page  
Director

Date: 27 April 2016

# H. J. HEINZ FROZEN & CHILLED FOODS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE 53 WEEK PERIOD ENDED 03 JANUARY 2016

### 1. STATEMENT OF ACCOUNTING POLICIES

- a) These financial statements have been prepared on the going concern basis, based on financial support from H. J. Heinz Manufacturing UK Limited, under the historical cost convention and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom. The principal accounting policies, which have been applied consistently throughout the period, are set out below.
- b) The Kraft Heinz Company, incorporated in the USA, is now the ultimate parent undertaking and controlling party of the Company. The Company's result is included in the consolidated financial statements of Kraft Heinz Company that is the highest entity where financial statements are publicly available. Consequently, the Company has taken advantage of the exemption from preparing a cash flow statement under the terms of FRS 1 (Revised 1996) "Cash Flow Statement".
- c) All subsidiaries of the ultimate parent The Kraft Heinz Company, 3G Special Situation Fund III LLP and Berkshire Hathaway Inc. are considered to be related parties. The Company has taken advantage of the exemptions conferred by FRS 8, "Related Party Disclosures" paragraph 3c not to make disclosures concerning transactions that are part of Kraft Heinz Company which is incorporated in the USA, whose financial statements are publicly available.
- d) Stocks are stated at the lower of cost and net realisable value. Net realisable value is the price at which stock can be sold in the normal course of business after allowing for the costs of realisation. Cost in the case of raw materials is determined on a first-in, first-out basis. Provisions are made to cover obsolete, slow moving and defective stocks.
- e) Tangible fixed assets are stated at historic purchase cost less accumulated depreciation. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use. Expenditures for new facilities and improvements that substantially extend the capacity or useful life of an asset are capitalized and held as construction in progress with depreciation only being calculated when the asset is brought into use and held as either land and buildings, equipment and automotive. Depreciation is calculated so as to write off the cost of tangible assets on a straight-line basis over the expected useful economic lives less residual value of the assets concerned. When there is evidence that the net book value may exceed the value in use an evaluation is carried out to determine any excess. Any excess identified by the evaluation is then written off through the profit and loss as depreciation. The principal lives of assets used for calculating the straight-line depreciation are as follows -
- |                           |                        |                 |
|---------------------------|------------------------|-----------------|
|                           |                        | <u>Years</u>    |
| Land and buildings        | Freehold land          | Not depreciated |
|                           | Industrial buildings   | 40-75           |
| Equipment and automotive  | Furniture and fittings | 10              |
|                           | Motor vehicles         | 5               |
|                           | Plant and machinery    | 5-30            |
| Assets under construction |                        | Not depreciated |
- f) Turnover consists of sales to the Heinz European Supply Chain and excludes value added tax. Turnover is recognised when persuasive evidence of an arrangement exists, delivery of goods to customer has occurred, the selling price to the buyer is determinable and payment is reasonably assured.
- g) Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rate of exchange ruling at the balance sheet date. Transactions in foreign currencies are converted to sterling at the rate ruling at the date of the transaction. All differences are taken to the profit and loss account in the period in which they arise.

# **H. J. HEINZ FROZEN & CHILLED FOODS LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS FOR THE 53 WEEK PERIOD ENDED 03 JANUARY 2016 (CONTINUED)**

### **1. STATEMENT OF ACCOUNTING POLICIES (CONTINUED)**

- h) Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the term of the lease.
- i) Expenditure on research and development is written off to the profit and loss account as incurred.
- j) Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date.

A net deferred tax asset is recognised as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits against which to recover carried forward tax losses and from which the future reversal of underlying timing differences can be deducted.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on an undiscounted basis.

# H. J. Heinz Frozen & Chilled Foods Limited

## NOTES TO THE FINANCIAL STATEMENTS FOR THE 53 WEEK PERIOD ENDED 03 JANUARY 2016 (CONTINUED)

### 2. DETAILS TO THE PROFIT AND LOSS ACCOUNT

#### a) Turnover

The company's activities consist solely of the manufacture and sale of frozen and chilled food

#### Analysis of turnover by geographical destination:

	53 weeks to 03 January 2016 £m	52 weeks to 28 December 2014 £m
Europe	17.8	50.6
	<u>17.8</u>	<u>50.6</u>

#### b) Loss on ordinary activities before taxation

This is stated after charging:

	53 weeks to 03 January 2016 £m	52 weeks to 28 December 2014 £m
Depreciation of tangible fixed assets	0.5	2.0
Severance	(1.3)	7.3
Operating leases - plant and machinery	-	0.1
Impairment charge of fixed assets	0.9	18.7
Release of provision of engineering stock	-	1.0
Write off of stock	3.5	-
Write off of debtors and other receivables	(0.1)	-
Termination fees for vendor contract	-	2.5
Profit on disposal of fixed assets	(1.4)	-

The audit fee is borne by H.J. Heinz Foods UK Limited, a fellow group company, and amounts are recharged to H.J. Heinz Frozen and Chilled Foods Limited. The audit fee allocated to H.J. Heinz Frozen and Chilled Foods Limited is £17,000 (2014: £22,000).

#### c) Exceptional items

The Site was sold in May 2015 for £2.5m including all associated costs, resulting in a recognised gain of £1.4m. As the result of the closure of the site, the Company recognised an exceptional loss of £3.0m. This included a release of prior year unutilised restructuring provisions of £1.3m, a net gain relating to debtors releases of £0.1m, write off of engineering and regular stock of (£3.5m) and an impairment loss on tangible assets of (£0.9m).

# H. J. Heinz Frozen & Chilled Foods Limited

## NOTES TO THE FINANCIAL STATEMENTS FOR THE 53 WEEK PERIOD ENDED 03 JANUARY 2016 (CONTINUED)

### 3. INTEREST PAYABLE AND SIMILAR CHARGES

	53 weeks to 03 January 2016 £m	52 weeks to 28 December 2014 £m
Interest payable and similar charges		
To group undertakings	0.4	0.6
Total interest payable	<u>0.4</u>	<u>0.6</u>

### 4. DIRECTORS' AND EMPLOYEES' EMOLUMENTS

The monthly average number of employees including directors during the period, analysed between appropriate classes is shown below:

	53 weeks to 03 January 2016 Number	52 weeks to 28 December 2014 Number
Manufacturing operations	48	191
	<u>48</u>	<u>191</u>

Employment costs - all employees including directors:

	53 weeks to 03 January 2016 £m	52 weeks to 28 December 2014 £m
Wages and salaries	3.0	6.2
Social security costs	0.3	0.4
Other pension costs	-	0.1
	<u>3.3</u>	<u>6.7</u>

#### Directors

The directors emoluments were paid by the fellow group subsidiary H. J. Heinz Foods UK Limited for their services to the group as a whole. No emoluments are paid by the Company for their services to the Company. It's not possible to make an accurate apportionment of the emoluments for the purpose of disclosure in these financial statements in 53 week period ended 03 January 2016 and 52 week period ended 28 December 2014.

# H. J. Heinz Frozen & Chilled Foods Limited

## NOTES TO THE FINANCIAL STATEMENTS FOR THE 53 WEEK PERIOD ENDED 03 JANUARY 2016 (CONTINUED)

### 5. TAX ON PROFIT/(LOSS) ON ORDINARY ACTIVITIES

#### (a) Analysis of charge in the financial period

	53 weeks to 03 January 2016 £m	52 weeks to 28 December 2014 £m
<b>Current tax</b>		
UK corporation tax	(1.5)	(0.5)
Adjustments in respect of prior period	(0.3)	(0.2)
<b>Total current tax</b>	<b>(1.8)</b>	<b>(0.7)</b>
<b>Deferred tax</b>		
Origination and reversal of timing differences	2.0	(3.0)
Adjustments in respect of prior period	0.1	-
<b>Total deferred tax (note 11a)</b>	<b>2.1</b>	<b>(3.0)</b>
<b>Tax on profit/(loss) on ordinary activities</b>	<b>0.3</b>	<b>(3.7)</b>

#### (b) Factors affecting the tax charge for the period

The tax assessed for the period is lower (52 week period to 28 December 2014: higher) than the standard rate of corporation tax in the UK of 20.25% (52 week period to 28 December 2014: 21.5%). The tax differences are explained below:

	53 weeks to 03 January 2016 £m	52 weeks to 28 December 2014 £m
<b>Profit/(loss) on ordinary activities before taxation</b>	<b>4.2</b>	<b>(21.8)</b>
Profit/(loss) on ordinary activities multiplied by the standard rate of corporation tax in the UK of 20.25% (28 December 2014: 21.5%)	0.9	(4.6)
Effects of:		
Permanent differences	(0.3)	0.9
Accelerated capital allowance	(2.1)	3.2
Adjustments in respect of prior period	(0.3)	(0.2)
<b>Total current tax</b>	<b>(1.8)</b>	<b>(0.7)</b>

#### (c) Factors affecting future tax charges

Changes to the UK corporation tax rates were enacted during the year. These reduced the main corporate tax rate to 19% from 1 April 2017 and to 18% from 1 April 2020. The effect of these changes has been reflected in these financial statements.

A further change to the UK corporation tax rate was announced in the Chancellor's Budget on 16 March 2016. This reduced the main rate to 17% from 1 April 2020.

This change had not been substantively enacted at the balance sheet date so the effect is not included in these financial statements. The overall effect of this change, if it had applied to the deferred tax balance at the balance sheet date, would be immaterial.

# H. J. Heinz Frozen & Chilled Foods Limited

## NOTES TO THE FINANCIAL STATEMENTS FOR THE 53 WEEK PERIOD ENDED 03 JANUARY 2016 (CONTINUED)

### 6. TANGIBLE FIXED ASSETS

	Freehold land and buildings £m	Equipment and automotive £m	Total £m
<b>Cost</b>			
At 28 December 2014	6.8	37.1	43.9
Additions	-	-	-
Disposals	-	-	-
Transfers from assets under construction	-	-	-
<b>At 03 January 2016</b>	<b>6.8</b>	<b>37.1</b>	<b>43.9</b>
<b>Accumulated depreciation</b>			
At 28 December 2014	6.6	35.9	42.5
Charge for the year	0.1	0.4	0.5
Disposals	-	-	-
Impairment	0.1	0.8	0.9
<b>At 03 January 2016</b>	<b>6.8</b>	<b>37.1</b>	<b>43.9</b>
<b>Net book value 03 January 2016</b>	<b>-</b>	<b>-</b>	<b>-</b>
Net book value 28 December 2014	0.2	1.2	1.4

### 7. STOCKS

	As at 03 January 2016 £m	As at 28 December 2014 £m
Raw materials and consumables	-	0.7
Work in progress	-	0.1
	<b>-</b>	<b>0.8</b>



# H. J. Heinz Frozen & Chilled Foods Limited

## NOTES TO THE FINANCIAL STATEMENTS FOR THE 53 WEEK PERIOD ENDED 03 JANUARY 2016 (CONTINUED)

### 8. INVESTMENTS

**Total  
Investment  
£m**

**At 28 December 2014 and 03 January 2016**

-

The directors believe that the carrying value of the investments is supported by their underlying net assets and cash flows.

#### Details of Investments:

Subsidiary undertakings	Type of business	% Ordinary share capital held	Country of incorporation
H.J. Heinz Pension 2000 Trust Ltd (UK)	Non trading	100% Direct	England and Wales

The registered office for those subsidiaries incorporated in England and Wales is South Building, Hayes Park, Hayes, UB4 8AL, England.

### 9. DEBTORS

	As at 03 January 2016 £m	As at 28 December 2014 £m
Trade debtors	-	-
Amounts owed by group undertakings	25.8	29.2
Corporation tax	2.3	2.0
Deferred tax (Note 11a)	-	2.1
Prepayments and accrued income	-	1.0
	<u>28.1</u>	<u>34.3</u>

An amount of £25.8m (as at 28 December 2014 £29.2m) included in amounts owed by group undertakings relates to intercompany trading balances, is unsecured, interest free and repayable on demand.

# H. J. Heinz Frozen & Chilled Foods Limited

## NOTES TO THE FINANCIAL STATEMENTS FOR THE 53 WEEK PERIOD ENDED 03 JANUARY 2016 (CONTINUED)

### 10. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	As at 03 January 2016 £m	As at 28 December 2014 £m
Trade creditors	0.1	11.7
Amount owed to group undertakings	40.6	44.0
Value added tax	-	0.1
Accruals and deferred income	-	0.3
	<u>40.7</u>	<u>56.1</u>

Included in amounts owed to group undertakings were £38.6m (as at 28 December 2014: £44.0m) of unsecured short term loans charged at a market rate of interest (Official Cash Rate as per the Bank of England plus 1%). An amount of £2.0m (as at 28 December 2014 £nil) included in amounts owed to group undertakings relates to intercompany trading balances, and is unsecured, interest free and payable on demand.

### 11. a) Deferred taxation

	As at 03 January 2016 £m	As at 28 December 2014 £m
Opening balance - deferred tax liability	(2.1)	0.9
Credit to profit and loss account	2.1	(3.0)
Closing balance - deferred tax (asset)/liability	<u>-</u>	<u>(2.1)</u>

	Amount provided As at 03 January 2016 £m	As at 28 December 2014 £m
Capital allowances	-	(2.1)
<b>Total deferred tax asset (note 9)</b>	<u>-</u>	<u>(2.1)</u>

### 11. b) Provisions

	Severance	Termination fees for vendor contract
Balance as at 28 December 2014	7.3	2.5
Utilised in the period	(7.3)	(2.5)
Provided for in the period	-	-
<b>Balance as at 03 January 2016</b>	<u>-</u>	<u>-</u>

# H. J. Heinz Frozen & Chilled Foods Limited

## NOTES TO THE FINANCIAL STATEMENTS FOR THE 53 WEEK PERIOD ENDED 03 JANUARY 2016 (CONTINUED)

### 12. CALLED UP SHARE CAPITAL

	Authorised		Allotted and fully paid	
	As at 03 January 2016 £	As at 28 December 2014 £	As at 03 January 2016 £	As at 28 December 2014 £
Ordinary shares of £1 each	<u>40,000</u>	<u>40,000</u>	<u>28,323</u>	<u>28,323</u>

### 13. PROFIT AND LOSS ACCOUNT

	£m
Balance as at 28 December 2014	(16.5)
Profit for the financial period	<u>3.9</u>
<b>Balance as at 03 January 2016</b>	<b><u>(12.6)</u></b>

### 14. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' DEFICIT

	As at 03 January 2016 £m	As at 28 December 2014 £m
Profit/(loss) for the financial period	<u>3.9</u>	<u>(18.1)</u>
Net reduction to shareholders' (deficit)/funds	<u>3.9</u>	<u>(18.1)</u>
Opening shareholders' (deficit)/funds	<u>(16.5)</u>	<u>1.6</u>
<b>Closing shareholders' deficit</b>	<b><u>(12.6)</u></b>	<b><u>(16.5)</u></b>

### 15. OPERATING LEASE COMMITMENTS

The company had annual commitments under non-cancellable operating leases as set out below:

	Plant and machinery	
	As at 03 January 2016 £m	As at 28 December 2014 £m
<b>Leases expiring within:</b>		
Two to five years	-	0.1
Over five years	<u>-</u>	<u>0.6</u>
	<u>-</u>	<u>0.7</u>

## **H. J. Heinz Frozen & Chilled Foods Limited**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE 53 WEEK PERIOD ENDED 03 JANUARY 2016 (CONTINUED)**

#### **16. GUARANTEES**

The Company acts as one of a number of guarantors with respect to H. J. Heinz 2000 Pension Trust Limited as a trustee of the Heinz 2000 Pension plan, H. J. Heinz Trust Limited as a trustee of the Heinz Management Pension Plan and H.J. Heinz Pension Trust limited as a trustee of the Heinz 1975 Pension Plan. The following entities are all guarantors: Fall Ridge Partners LLP, H.J. Heinz Company Limited, HP Foods Limited, H.J. Heinz Foods UK Limited, H.J. Heinz Frozen & Chilled Foods Limited, Heinz Single Service Limited, H.J. Heinz Manufacturing UK Limited and of Highview Atlantic Finance Company Limited.

The guarantees were issued to the trustees of the respective pension plans and cover all present and future obligations and liabilities of each of the above companies (up to and including any debt payable under Section 75(2) of the Pensions Act 1995). Further details with respect to the above three pension plans are disclosed in the financial statements of H. J. Heinz Manufacturing UK Limited and H. J. Heinz Foods UK Limited.

#### **17. IMMEDIATE AND ULTIMATE PARENT COMPANY UNDERTAKING AND RELATED PARTIES**

The immediate parent undertaking of H. J. Heinz Frozen & Chilled Foods Limited is H. J. Heinz Manufacturing UK Limited, a company registered in England and Wales.

The Kraft Heinz Company, incorporated in the USA, is the ultimate parent undertaking and controlling party of the Company.

The smallest group in which the results of the Company are consolidated is that of Kraft Heinz Foods Company. The largest group in which the results of the Company are consolidated is that of The Kraft Heinz Company. Copies of these consolidated financial statements can be obtained from 1 PPG Place, Suite 3100, Pittsburgh, Pennsylvania 15222, U.S.A.