Financial statements
Bejam Group Limited

For the 52 week period ended 25 March 2016

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Company No 00917174

Company information

Company number	00917174
Registered office	Second Avenue Deeside Industrial Park Deeside Flintshire CH5 2NW
Director	T S Dhaliwal D Vaughan
Secretary	D Vaughan
Auditor	Grant Thornton UK LLP Statutory Auditor Chartered Accountants Royal Liver Building Liverpool L3 1PS

Index

Report of the directors

The directors present their report together with the audited financial statements for the 52 week period ended 25 March 2016.

Results and dividends

The results for the period are set out on page 7.

The company made a loss for the period of £296,000 (2015: profit £2,307,000). The directors have not recommended payment of a dividend in either period.

Directors

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

T S Dhaliwal
D Vaughan

Directors' responsibilities for the financial statements

The directors are responsible for preparing the Report of the directors 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 elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 and profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- 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.

Report of the directors

In so far as each of the directors is aware:

- there is no relevant audit information of which the company's auditors are unaware; and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Auditors

Grant Thornton UK LLP are deemed to be re-appointed under section 487(2) of the Companies Act 2006.

Small company provisions

This report has been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

APPROVED BY AND SIGNED ON BEHALF OF THE BOARD OF DIRECTORS

T.S. Dhaliwal

T S Dhaliwal
Director
7 June 2016

Grant Thornton

Independent auditor's report to the members of Bejam Group Limited

We have audited the financial statements of Bejam Group Limited for the 52 week period ended 25 March 2016 which comprise the principal accounting policies, the statement of income and retained earnings, the balance sheet, and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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 auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 3 and 4, 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 Financial Reporting Council's website 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 25 March 2016 and of the company's loss for the 52 week period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Report of the directors for the financial period for which the financial statements are prepared is consistent with the financial statements.

Grant Thornton

Independent auditor's report to the members of Bejam Group Limited (continued)

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.
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report or in preparing the Director's report.

Grant Thornton UK LLP

Fiona Baldwin
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
Liverpool
7 June 2016

Statement of income and retained earnings

	Note	52 weeks ended 25 March 2016 £'000	52 weeks ended 27 March 2015 £'000
Turnover		**5,243**	4,682
Administrative expenses before exceptional items		**(5,744)**	(4,601)
Exceptional administrative expenses	8	**(13)**	2,184
Administrative expenses		**(5,757)**	(2,417)
Operating income		**14**	14
(Loss)/profit on ordinary activities before taxation	6	**(500)**	2,279
Tax on (loss)/profit on ordinary activities	9	**204**	28
(Loss)/profit and total comprehensive income for the period		**(296)**	2,307
Retained loss at beginning of period		**(17,802)**	(20,109)
Retained loss at end of period	17	**(18,098)**	(17,802)

All activities relate to continuing operations.

Balance sheet

	Note	**25 March 2016 £'000**	27 March 2015 £'000
Fixed assets			
Tangible fixed assets	10	**4,598**	2,787
Investment property	11	**2,100**	2,100
Investments	12	**230**	230
		6,928	5,117
Current assets			
Debtors due after more than one year	13	**163**	19
Debtors due within one year	13	**85,276**	87,587
		85,439	87,606
Creditors: amounts falling due in less than one year	14	**(90,830)**	**(90,830)**
Net current liabilities		**(5,391)**	(3,224)
Total assets less current liabilities		**1,537**	1,893
Provisions for liabilities			
Deferred taxation	15	**-**	(60)
Net assets		**1,537**	1,833
Capital and reserves			
Called up share capital	16	**12,845**	12,845
Share premium	17	**6,790**	6,790
Profit and loss account	17	**(18,098)**	(17,802)
Shareholders' funds		**1,537**	1,833

These financial statements were approved and authorised for issue by the Board of Directors on 7 June 2016 and signed on its behalf by:

T.S. Dhaliwal

T S Dhaliwal
Director

Company registration no: 917174

The accompanying accounting policies and notes form an integral part of these financial statements

Notes to the financial statements

1. Company Information

Bejam Group Limited, incorporated in the United Kingdom, registered office being Second Avenue, Deeside Industrial Park, Deeside, Flintshire CH5 2NW.

The principal activity of the company is that of renting of properties to other group undertakings.

2. Basis of preparation

These financial statements have been prepared in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 – 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' ('FRS 102'), and with the Companies Act 2006. The financial statements have been prepared on the historical cost basis.

This is the first year in which the financial statements have been prepared under FRS 102. Refer to note 23 for an explanation of the transition.

The financial statements are presented in Sterling (£).

The financial statements of Bejam Group Limited are drawn up to 25 March 2016 (2015: 27 March 2015).

The individual accounts of Bejam Group Limited have also adopted the following disclosure exemptions:

- the requirement to present a statement of cash flows and related notes
- financial instrument disclosures, including:
  - categories of financial instruments,
  - items of income, expenses, gains or losses relating to financial instruments, and
  - exposure to and management of financial risks.

The directors also intend to take these disclosure exemptions under FRS 102 in the financial statements of Bejam Group Limited in the following period.

Going concern

After reviewing the company's forecasts and projections, the directors have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. The company therefore continues to adopt the going concern basis in preparing its financial statements.

3. Significant judgements and estimates

Preparation of the financial statements requires management to make significant judgements and estimate. The item in the financial statements where these judgements and estimates have been made is the valuation of investment property. Refer to note 4.2 for accounting policy in respect of the measurement and valuation of the investment property.

Notes to the financial statements

4. Principal accounting policies

4.1 Tangible assets

Tangible fixed assets are measured at cost less accumulated depreciation and any accumulated impairment losses.

Depreciation is calculated to write down the cost less estimated residual value of all tangible fixed assets, other than freehold land, over their expected useful lives, using the straight-line method. The rates applicable are:

- Freehold buildings	50 years
- Plant and machinery	3% - 10% per annum

Leasehold premiums and improvements are depreciated in equal annual instalments over the lesser of the unexpired term of the lease and 50 years. However, that element of leasehold premium paid to acquire a beneficial rental is written off over the lease term.

4.2 Investment property

Investment property is carried at fair value determined annually by the directors and their internal property team (Chartered Surveyors), and derived from the current market rents and investment property yields for comparable real estate, adjusted if necessary for any difference in the nature, location or condition of the specific asset. No depreciation is charged on investment property. Changes in fair value are recognised in the profit and loss account.

4.3 Investments

Investments in subsidiaries are accounted for at cost less impairment in the individual financial statements, where in the opinion of the directors, there has been a diminution in the value of the investment.

4.4 Debtors

Short term debtors are measured at transaction price, less any impairment and are measured subsequently at amortised cost using the effective interest method.

4.5 Creditors

Short term creditors are measured at 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.

4.6 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership of the leased asset to the group. All other leases are classified as operating leases.

Assets held under finance leases are recognised initially at the fair value of the leased asset (or, if lower, the present value of minimum lease payments) at the inception of the lease. The corresponding liability to the lessor is included in the statement of financial position as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation using the effective interest method so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are deducted in measuring profit or loss. Assets held under finance leases are included in tangible fixed assets and depreciated and assessed for impairment losses in the same way as owned assets.

Rentals payable under operating leases are charged to profit or loss on a straight-line basis over the lease term.

Notes to the financial statements

The aggregate benefit of lease incentives are recognised as a reduction to the expense recognised over the lease term on a straight line basis.

4.7 Turnover
Turnover is the total amount receivable for services rendered to other group undertakings, including rental income, excluding Value Added Tax. Rental income from operating leases is recognised on a straight line basis over the period of the lease. All turnover arises in the United Kingdom and is attributable to continuing activities.

4.8 Taxation
Current tax is recognised for the amount of income tax payable in respect of the taxable profit for the current or past reporting periods using the tax rates and laws that that have been enacted or substantively enacted by the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date, except as otherwise indicated.

Deferred tax assets are only recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

If and when all conditions for retaining tax allowances for the cost of a fixed asset have been met, the deferred tax is reversed.

Deferred tax is recognised when income or expenses from a subsidiary or associate have been recognised, and will be assessed for tax in a future period, except where:

- the company is able to control the reversal of the timing difference; and
- it is probable that the timing difference will not reverse in the foreseeable future.

A deferred tax liability or asset is recognised for the additional tax that will be paid or avoided in respect of assets and liabilities that are recognised in a business combination. The amount attributed to goodwill is adjusted by the amount of deferred tax recognised.

Deferred tax is calculated using the tax rates and laws that that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

With the exception of changes arising on the initial recognition of a business combination, the tax expense (income) is presented either in profit or loss, other comprehensive income or equity depending on the transaction that resulted in the tax expense (income).

Deferred tax liabilities are presented within provisions for liabilities and deferred tax assets within debtors.

Deferred tax assets and deferred tax liabilities are offset only if:

- the company has a legally enforceable right to set off current tax assets against current tax liabilities, and
- the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously.

Notes to the financial statements

4.9 Financial instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities, like trade and other accounts receivable and payable, and loans to related parties.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently amortised cost.

Financial assets that are measured at cost and amortised costs are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the profit and loss accounts.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the balance sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

4.10 Exceptional items

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

5. Turnover

The turnover and profit before tax are attributable to the one principal activity of the company. All turnover arises from activities in the United Kingdom.

Notes to the financial statements

6. (Loss)/profit on ordinary activities before taxation

(Loss)/profit before tax is stated after charging:

	52 weeks ended 25 March 2016 £'000	52 weeks ended 27 March 2015 £'000
Depreciation	**961**	1,184
Operating leases - land and buildings	**5,243**	4,682

Auditors' remuneration for both this and the preceding period has been borne by another group undertaking.

7. Directors and employees

The company had no employees throughout the current or preceding period.

No director of the company received any remuneration for services to the company during both this and the preceding period.

8. Exceptional administrative expenses

	52 week period ended 25 March 2016 £'000	52 week period ended 27 March 2015 £'000
Inter-company loan waiver	**(13)**	2,184

The inter-company loan waiver relates to amounts no longer due from or to other group companies.

Notes to the financial statements

9. Taxation

	52 weeks ended 25 March 2016 £'000	52 weeks ended 27 March 2015 £'000
UK corporation tax		
Origination and reversal of timing differences	**-**	-
Adjustments re: prior periods	**-**	-
Total current tax	**-**	-
Deferred tax		
Origination and reversal of timing differences	**68**	(78)
Adjustment in respect of previous periods	**(288)**	46
Effect of change in tax rate	**16**	4
Total deferred tax	**(204)**	(28)
Tax on results on ordinary activities	**(204)**	(28)

The current tax charge for the period is lower (2015: lower) than the standard rate of corporation tax in the UK 20% (2015: 21%). The differences are explained below.

	52 weeks ended 25 March 2016 £'000	52 weeks ended 27 March 2015 £'000
Current tax reconciliation		
(Loss)/profit on ordinary activities before tax	**(500)**	2,279
Current tax at 20% (2015: 21%)	**(100)**	479
Effects of:		
Capital allowances in excess of depreciation	**-**	77
Group relief surrendered not paid for	**113**	107
Adjustments from previous periods	**(288)**	46
Effect on different statutory tax rates	**16**	4
Other short term timing differences	**6**	(78)
Expenses not deductible for tax purposes	**59**	54
Depreciation in excess of/(less than) capital allowances	**(10)**	(717)
Tax on results on ordinary activities	**(204)**	(28)

During the year the UK corporation tax rate was decreased. Following budget announcement there will be further reductions in the main rate of corporation tax to 19% from 1 April 2017.

There is no unprovided deferred tax at the year end.

A deferred tax asset of £143,524 (2015: liability £60,000) has been recognised within other debtors (2015: provisions).

Notes to the financial statements

10. Tangible fixed assets

	Land and buildings Long leasehold £'000	Short leasehold £'000	Plant and equipment £'000	Total £'000
Cost				
Brought forward	9	2,351	5,021	7,381
Intra-group transfers	-	156	2,161	2,317
Carried forward	**9**	**2,507**	**7,182**	**9,698**
Depreciation				
Brought forward	1	1,590	3,003	4,594
Charge for the period	1	275	685	961
Intra-group transfers	-	(462)	7	(455)
Carried forward	**2**	**1,403**	**3,695**	**5,100**
Net book value				
Carried forward	**7**	**1,104**	**3,487**	**4,598**
Brought forward	8	761	2,018	2,787

11. Investment property

	Freehold property £'000
Fair value	
At 27 March 2015 and at 25 March 2016	2,100

The properties are stated at their fair value as determined by the directors, guided by an internal valuation in March 2015. The investment properties' values are assessed on an annual basis and the current valuation in the financial statements is considered appropriate. The cost of the investment properties was £1,625,000.

Notes to the financial statements

12. Investments

	Other investments
	£'000
Cost	
At beginning and end of the period	230
Provisions	
At beginning and end of the period	-
Net book value	
At end beginning and end of the period	**230**

In the opinion of the directors, the aggregate value of the investments is not less than the amounts at which they are stated. The company's subsidiary undertakings and other investments are set out below.

Name of company	Country of incorporation	Holding	Proportion held	Nature of business
Deeside Storage Limited	United Kingdom	Ordinary shares	100%	Warehouse storage
Iceland Foods Holdings Limited	United Kingdom	Ordinary shares	100%	Dormant
St Catherines Frozen Foods Limited	United Kingdom	Ordinary shares	100%	Dormant
Deeside Jersey Unit Trust	United Kingdom	Ordinary shares	1.5%	Unit trust

The company is exempt by virtue of Section 400 of the Companies Act 2006 from the requirement to prepare group accounts. These financial statements present information about the company as an individual undertaking and not about its group.

13. Debtors

	25 March 2016	27 March 2015
	£'000	£'000
Due after one year:		
Other debtors	**163**	19
Due within one year:		
Amounts due from group undertakings	**85,276**	87,587
	85,439	87,606

A deferred tax asset of £143,524 (2015: liability £60,000) has been included within other debtors (2015: provisions).

Notes to the financial statements

14. Creditors: amounts falling due in less than one year

	25 March 2016 £'000	27 March 2015 £'000
Amounts owed to group undertakings	**90,830**	90,830

15. Deferred taxation

Deferred taxation (asset)/ liability provided for at 20% (2015: 21%) in the financial statements is set out below:

	25 March 2016 £'000	27 March 2015 £'000
Accelerated capital allowance	**(144)**	(34)
Deferred tax on investment properties	**-**	94
	(144)	60

The amount of the net reversal of deferred tax expected to occur next year is £nil (2015: £nil), relating to the reversal of existing timing differences on tangible fixed assets.

The movement in the deferred taxation account during the period was:

	25 March 2016 £'000	27 March 2015 £'000
Balance brought forward	**60**	88
Profit and loss account movement arising during the period	**24**	(74)
Adjustment in respect of prior periods	**(288)**	46
Balance carried forward	**(204)**	60

Notes to the financial statements

16. Share capital

	25 March 2016 £'000	27 March 2015 £'000
Authorised		
150,000,000 ordinary shares of £0.10 each	**15,000**	15,000
Allotted, called up and fully paid		
128,453,750 ordinary shares of £0.10 each	**12,845**	12,845

The issued share capital has full voting, dividend and capital distribution (including winding up) rights attached.

17. Reserves

Called up share capital – represents the nominal value of shares that have been issued.

Share premium – represents the amounts paid over and above the nominal value of the shares.

Profit and loss account – includes all current and prior period retained profits and losses.

18. Operating lease commitments

The company's future minimum operating lease payments are as follows:

	Land and buildings	
	25 March 2016 £'000	27 March 2015 £'000
Leases due to expire:		
Within one year	**5,162**	5,287
Within one to two years	**5,162**	5,287
Within two to five years	**20,649**	21,148
In more than five years	**40,868**	47,142
	71,841	78,864

19. Transactions with related parties

The company is a wholly owned subsidiary of Iceland Midco Group Limited. 100% of the company's voting rights are controlled within the group by Iceland Topco Limited, therefore the company has not disclosed transactions or balances with entities which form part of the group.

Notes to the financial statements

20. Capital commitments

The company had no capital commitments at 25 March 2016 or 27 March 2015.

21. Contingent liabilities

The company is party to a cross-guarantee between certain fellow group undertakings in respect of bonds. The amount outstanding at the end of the period was £886.6million (2015: £911.6 million in respect of bank debt).

22. Ultimate parent undertaking and parent undertaking

The immediate parent undertaking of this company is Iceland Midco Limited, a company incorporated in England and Wales.

The ultimate parent undertaking and ultimate controlling related party is Iceland Topco Limited, a company incorporated in England and Wales.

The smallest and largest group in which these financial statements are consolidated is headed by Iceland Topco Limited. The consolidated financial statements of Iceland Topco Limited are available to the public and may be obtained from Companies House.

23. Transition to FRS 102

The company has adopted FRS 102 for the year ended 2016 and has restated the comparative prior year amounts.

Explanations

1. Changes for FRS 102 adoption
Investment properties are now recognised at fair value at the end of the year with changes in fair value recognised in profit or loss. Investment properties were previously recognised within tangible fixed assets, at cost.

Notes to the financial statements

23. Transition to FRS 102 (continued)

Transition to FRS 102 – reconciliations

Restated company statement of financial position	Explanation	**27 March 2015 £'000**	**29 March 2014 £'000**
Original shareholders' funds		1,233	(1,052)
Investment properties at fair value	1	694	672
Deferred tax on investment properties at fair value		(94)	(94)
Restated shareholders' funds / (deficit)		1,833	(474)

Restated profit or loss for the year ended 27 March 2015	Explanation	**£'000**
Original profit on ordinary activities before tax		2,257
Add investment properties at fair value	1	22
		2,279
Original tax on ordinary activities		28
Deferred tax on investment properties at fair value	1	-
Restated tax on profit on ordinary activities		28
Restated profit for the financial year		**2,307**