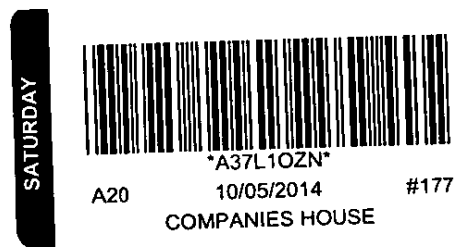


**Hillsdown Investments Limited**

Annual report and financial statements

For the year ended 31 December 2013

Registered Number 1871848



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**Hillsdown Investments Limited**

Annual report and financial statements for the year ended 31 December 2013

Registered Number 1871848

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**Hillsdown Investments Limited**

Annual report and financial statements for the year ended 31 December 2013

Registered Number 1871848

**Report of the directors for the year ended 31 December 2013**

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The directors present their annual report together with the audited financial statements for Hillsdown Investments Limited (the 'Company'), registered number 1871848, for the year ended 31 December 2013

**Dividends**

No dividend was paid during the year ended (2012 £nil)

**Directors and Officers' liability insurance**

This insurance covers the directors and officers against the costs of defending themselves in civil proceedings taken against them in their capacity as a director or officer of the Company and in respect of damages resulting from the unsuccessful defence of any proceedings

**Directors**

The directors who held office during the year and up to the date of signing the financial statements were as follows

Emmett McEvoy  
Andrew McDonald  
Jim Hepburn

**Political donations**

During the year the Company made political donations of £nil (2012 £nil)

**Statement of directors' responsibilities**

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

Company law requires the directors to prepare financial statements for each financial year. 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, 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 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.

**Hillsdown Investments Limited**

Annual report and financial statements for the year ended 31 December 2013

Registered Number 1871848

**Report of the directors for the year ended 31 December 2013**

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**Statement of disclosure of information to auditors**

Each person who is a director at the date of approval confirms that

- (a) so far as the directors are aware, there is no relevant audit information of which the Company's auditors are unaware; and
- (b) the directors have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information

**Statutory dispensation**

The Company has in force, under Section 423 of the Companies Act 2006, an election dispensing with the laying of accounts and reports before the Company in General Meeting, the holding of Annual General Meetings and the obligation to appoint auditors annually

On behalf of the board



Emmett McEvoy  
Director

30 April 2014

**Hillsdown Investments Limited**

Annual report and financial statements for the year ended 31 December 2013

Registered Number 1871848

**Strategic report for the year ended 31 December 2013**

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**Principal activities and business review**

The principal activity of the Company during the year continued to be that of a holding company in the food industry. The directors are satisfied with the results for the year and do not envisage any changes to the conduct of the business over the next twelve months.

**Results**

The profit and loss account is set out on page 6 and shows the results for the year. The results for the Company show a profit on ordinary activities before tax of £16,000 (2012: £78,000 profit) for the year. The retained profit has been transferred to reserves.

As at 31 December 2013, the Company had net assets of £46,359,000 (2012: £46,347,000).

**Subsequent events**

There were no subsequent events.

**Principal risk and uncertainties**

From the perspective of the Company, the principal risks and uncertainties are integrated with the principal risks of the Premier Foods plc group (the 'Group') and are not managed separately. Accordingly, the principal risks and uncertainties of Premier Foods plc, which includes those of the Company, are discussed in the Group's 2013 annual report and financial statements which does not form part of this report. The financial risk management objectives, policies and exposures are disclosed in the Group's 2013 annual report and financial statements.

**Key performance indicators**

The directors of Premier Foods plc manage the Group's operations on a divisional basis. For this reason, the Company's directors believe that analysis using key performance indicators for the Company is not necessary or appropriate for an understanding of the development, performance or position of the business of Hillsdown Investments Limited. The development, performance and position of Premier Foods plc is discussed in the Group's 2013 annual report and financial statements which does not form part of this report.

On behalf of the board



Emmett McEvoy  
Director

30 April 2014

**Hillsdown Investments Limited**

Annual report and financial statements for the year ended 31 December 2013

Registered Number 1871848

**Independent auditors' report to the members of Hillsdown Investments Limited**

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**Report on the financial statements****Our opinion**

In our opinion the financial statements, defined below

- give a true and fair view of the state of the company's affairs as at 31 December 2013 and of its profit for the year 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

This opinion is to be read in the context of what we say in the remainder of this report

**What we have audited**

The financial statements, which are prepared by Hillsdown Investments Limited, comprise

- the balance sheet as at 31 December 2013,
- the profit and loss account, 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 their preparation is applicable law and United Kingdom Accounting Standards (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

**What an audit of financial statements involves**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) ("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

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

**Hillsdown Investments Limited**

Annual report and financial statements for the year ended 31 December 2013

Registered Number 1871848

**Independent auditors' report to the members of Hillsdown Investments Limited**

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**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 year for which the financial statements are prepared is consistent with the financial statements

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

**Directors' remuneration**

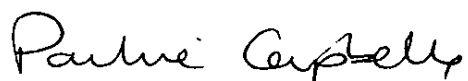
Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility

**Our responsibilities and those of the directors**

As explained more fully in the Directors' Responsibilities Statement set out on page 1, 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 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 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



Pauline Campbell (Senior Statutory Auditor)  
For and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
London

30 April 2014

**Hillsdown Investments Limited**

Annual report and financial statements for the year ended 31 December 2013

Registered Number 1871848

**Profit and loss account for the year ended 31 December 2013**

	Note	Year ended 31 December 2013 £'000	Year ended 31 December 2012 £'000
Other operating income		8	66
<b>Operating profit</b>	3	8	66
Interest receivable and similar income	7	8	12
<b>Profit on ordinary activities before taxation</b>		16	78
Tax on profit on ordinary activities	6	(4)	(19)
<b>Profit for the financial year</b>		12	59

All amounts relate to continuing activities

There are no recognised gains or losses in either year other than the profit for the financial year and therefore no separate statement of total recognised gains and losses has been presented

There is no material difference between the results as disclosed in the Profit and Loss Account and the results on an historical cost basis in either year

The notes on pages 8 to 12 form an integral part of these financial statements



**Hillsdown Investments Limited**


Annual report and financial statements for the year ended 31 December 2013

Registered Number 1871848

**Balance sheet as at 31 December 2013**

	Note	31 December 2013 £'000	31 December 2012 £'000
<b>Fixed assets</b>			
Investments	8	-	55,400
<b>Current assets</b>			
Debtors amounts falling due within one year	9	86,116	30,704
Creditors amounts falling due within one year	10	(39,757)	(39,757)
<b>Net current assets/(liabilities)</b>		<u>46,359</u>	<u>(9,053)</u>
<b>Total assets less current liabilities</b>		<u>46,359</u>	<u>46,347</u>
<b>Net assets</b>		<u>46,359</u>	<u>46,347</u>
<b>Capital and reserves</b>			
Called up share capital	11	324,739	324,739
Share premium account	12	182,577	182,577
Profit and loss account	12	(460,957)	(460,969)
<b>Total shareholders' funds</b>		<u>46,359</u>	<u>46,347</u>

These financial statements were approved by the Board on 30 April 2014, and were signed on its behalf by

  
Emmett McEvoy  
Director  
30 April 2014

The notes on pages 8 to 12 form an integral part of these financial statements

## **Hillsdown Investments Limited**

Annual report and financial statements for the year ended 31 December 2013

Registered Number 1871848

### **Notes to the financial statements for the year ended 31 December 2013**

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#### **1. Principal accounting policies**

##### *Basis of accounting*

The financial statements have been prepared on the going concern basis and under the historical cost convention, in line with the accounting policies set out below, and are prepared in accordance with applicable accounting standards in the United Kingdom and the Companies Act 2006

In accordance with FRS 18 'Accounting Policies', the Company performs an annual review of accounting policies to ensure that those used by the Company continue to be those that are appropriate

The directors consider that the accounting policies set out below are appropriate and have been consistently applied

##### *Fixed asset investments*

Investments held as fixed assets are stated at cost less any provision required for impairment in their value. An impairment loss is recognised, in the Profit and Loss Account, to the extent that the carrying amount cannot be recovered either by selling the asset or by the discounted future earnings from operating the assets

##### *Taxation*

The charge or credit for taxation is based on the profit or loss for the year and takes into account deferred taxation

Deferred tax is provided on 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. Timing differences are temporary differences between profits as computed for tax purposes and profits as stated in the financial statements, which arise because certain items of income and expenditure in the financial statements are dealt with in different years for tax purposes. Deferred tax is measured at the rates that are expected to apply in the years in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantially enacted by the balance sheet date. Deferred tax is not discounted

Deferred tax assets are only recognised to the extent that it is probable that future taxable profit will be available against which the timing difference can be utilised. Their carrying value is reviewed at each balance sheet date on the same basis

##### *Foreign currencies*

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the profit and loss

**Hillsdown Investments Limited**

Annual report and financial statements for the year ended 31 December 2013

Registered Number 1871848

**Notes to the financial statements for the year ended 31 December 2013 (continued)****2. Cash flow statement and related party disclosures**

The Company is a wholly-owned subsidiary of Premier Foods plc and is included in the consolidated financial statements of Premier Foods plc, which 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). The Company is also exempt under the terms of FRS 8 from disclosing related-party transactions with entities that are part of the Premier Foods plc group or investees of the Premier Foods plc group.

**3. Operating profit**

Operating profit is stated after crediting

	<b>Year ended 31 December 2013 £'000</b>	<b>Year ended 31 December 2012 £'000</b>
Net exchange gain on foreign currency loans	<u>8</u>	<u>66</u>

**4. Auditors' remuneration**

The audit fee has been borne by a fellow group undertaking in both the years ended 31 December 2013 and 31 December 2012.

**5. Directors and employees**

No emoluments were paid to any of the directors during the year (2012: £nil). No director had a direct or indirect interest in any transaction, arrangement or agreement which, in the opinion of the other directors, requires disclosure.

There were no employees of the Company during the year (2012: nil).

**6. Tax on profit on ordinary activities**

	<b>Year ended 31 December 2013 £'000</b>	<b>Year ended 31 December 2012 £'000</b>
UK corporation tax on result for the year at 23.25% (2012: 24.5%)		
- Current year	<u>(4)</u>	<u>(19)</u>
<b>Tax charge on profit on ordinary activities</b>	<u>(4)</u>	<u>(19)</u>

The tax for the year does not vary from the standard rate of corporation tax in the UK 23.25% (2012: 24.5%). The Company has no material unprovided deferred tax.

**Hillsdown Investments Limited**

Annual report and financial statements for the year ended 31 December 2013

Registered Number 1871848

**Notes to the financial statements for the year ended 31 December 2013 (continued)****6. Taxation on profit on ordinary activities (continued)**

	Year ended 31 December 2013 £'000	Year ended 31 December 2012 £'000
Profit on ordinary activities before taxation	16	78
UK corporation tax on profit for the year at 23.25% (2012 24.5%)	(4)	(19)
<b>Tax charge on profit on ordinary activities</b>	<b>(4)</b>	<b>(19)</b>

As a result of the 2012 Finance Act provision to reduce the UK corporation tax rate from 24% to 23% from 1 April 2013 the applicable rate of corporation tax for the year is 23.25%

**7. Interest receivable and similar income**

	Year ended 31 December 2013 £'000	Year ended 31 December 2012 £'000
Interest receivable from group undertaking	8	12

**8. Fixed asset investments**

	Year ended 31 December 2013 £'000	Year ended 31 December 2012 £'000
Cost at 1 January	55,400	55,400
Disposal	(55,400)	-
Cost at 31 December	-	55,400

As part of an internal reorganisation with the objective of simplifying the structure of the Group, and to facilitate the dissolution of the transferor Companies, the Company disposed of its shareholding in Hillsdown Europe Limited to its parent undertaking at £nil gain or loss

**Hillsdown Investments Limited**

Annual report and financial statements for the year ended 31 December 2013

Registered Number 1871848

**Notes to the financial statements for the year ended 31 December 2013 (continued)****9. Debtors: amounts falling due within one year**

	<b>31 December 2013 £'000</b>	<b>31 December 2012 £'000</b>
Amounts owed by group undertakings	83,353	27,860
Corporation tax receivable – group relief	2,763	2,844
<b>Total debtors: amounts falling due within one year</b>	<b>86,116</b>	<b>30,704</b>

Amounts owed by parent and group undertakings are interest free, unsecured and repayable on demand except for an amount of £300k (2012 £300k), which bears interest at LIBOR plus 2.25% (2012 EURIBOR plus 2.25%)

**10. Creditors: amounts falling due within one year**

	<b>31 December 2013 £'000</b>	<b>31 December 2012 £'000</b>
Amounts owed to group undertakings	(39,757)	(39,757)

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

**11. Called up share capital**

	<b>Allotted, called up and fully paid Number</b>	<b>£'000</b>
Ordinary shares of £1 each (2012 £1)		
At 31 December 2012 and At 31 December 2013	324,739,280	324,739

**12. Share premium and reserves**

	<b>Share premium account £'000</b>	<b>Profit and loss account £'000</b>	<b>Total £'000</b>
At 1 January 2013	182,577	(460,969)	(278,392)
Profit for the financial year	-	12	12
At 31 December 2013	182,577	(460,957)	(278,380)

**Hillsdown Investments Limited**

Annual report and financial statements for the year ended 31 December 2013

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**Notes to the financial statements for the year ended 31 December 2013 (continued)**

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**13. Reconciliation of shareholders' funds**

	<b>Year ended 31 December 2013 £'000</b>	<b>Year ended 31 December 2012 £'000</b>
Profit for the financial year	12	59
<b>Net increase in shareholders' funds</b>	<b>12</b>	<b>59</b>
Opening shareholders' funds	46,347	46,288
<b>Closing shareholders' funds</b>	<b>46,359</b>	<b>46,347</b>

**14. Group financial statements**

The company is a wholly-owned subsidiary of Premier Financing Limited and is included in the consolidated financial statements of Premier Foods plc which are publicly available. Consequently, the company has taken advantage of the exemption from preparing consolidated financial statements under the terms of section 400 of the Companies Act 2006.

**15. Ultimate parent Company**

The immediate parent undertaking is Premier Financing Limited.

The ultimate parent undertaking and controlling party is Premier Foods plc, which is the parent undertaking of the smallest and largest group to consolidate these financial statements. Copies of Premier Foods plc consolidated financial statements can be obtained from the Company Secretary at Premier Foods plc, Premier House, Centrium Business Park, Griffiths Way, St Albans, Hertfordshire, AL1 2RE.

**16. Guarantees**

On 16 March 2007, the Premier Group entered into a £2.1bn term and revolving credit facility. This facility is guaranteed by the principal entities of the Group including Hillsdown Investments Limited.

**17. Subsequent events**

There were no subsequent events.