

**Registered Number: 5137980**

**Giant Topco Ltd**  
**Report and Accounts**  
**52 weeks ended 29 March 2013**



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## **Directors' Report**

The directors present their report and audited accounts for the 52 weeks ending 29 March 2013

### **Principal activities and review of the business**

The principal activity of the company is that of a holding company. It is the intention of the directors that the company will continue to act as a holding company for the foreseeable future.

### **Results and dividends**

The Company has made a profit of £47.8m in the period (2012: £44.8m)

The directors have paid a final dividend of £40.0m (2012: £40.0m)

### **Directors and their interests**

The directors during the period were as follows:

Charles Wilson  
Jonathan Prentis

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

### **Disclosure of information to 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**

Pursuant to section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG Audit Plc will therefore continue in office.

By order of the Board



**Mark Chilton**  
Company Secretary

Date: 14 August 2013

### **Registered Office**

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

Company number: 5137980

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

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 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 judgments 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.

**Independent auditor's report to the members of Giant Topco Limited**

We have audited the financial statements of Giant Topco Limited for the 52 weeks ended 29 March 2013 set out on pages 5 to 12. 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](http://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 29 March 2013 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 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 Audit Plc, Statutory Auditor  
Chartered Accountants  
St James' Square, Manchester, M2 6DS

Date 16 August 2013

**Profit and Loss Account**  
**For the 52 weeks ended 29 March 2013**

	Note	52 weeks ended 29 March 2013 £m	53 weeks ended 30 March 2012 £m
Administrative expenses		(6.7)	(3 6)
<b>Operating loss</b>	2	(6.7)	(3 6)
Interest payable and similar charges	4	(0 5)	(1 6)
Income from shares in group undertakings		55.0	50 0
<b>Profit on ordinary activities before taxation</b>		47 8	44 8
Tax on profit on ordinary activities	5	-	-
<b>Profit for the period</b>	10	47.8	44 8

All operations in the current and previous period are continuing

The company had no recognised gains or losses other than those included in the profit and loss account

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

**Reconciliation of Movement in Shareholders' Funds**  
**For the 52 weeks ended 29 March 2013**

	52 weeks ended 29 March 2013 £m	53 weeks ended 30 March 2012 £m
Profit for the period	47.8	44 8
Dividends on shares classified in shareholders' funds	(40 0)	(40 0)
Capital contribution	3.1	2 4
Shareholders' funds at the start of period	304.7	297 5
<b>Shareholders' funds at the end of the period</b>	315 6	304 7

**Balance Sheet**  
**At 29 March 2013**

	Note	29 March 2013 £m	30 March 2012 £m
<b>Fixed assets</b>			
Investments	6	652.5	504.5
<b>Current assets</b>			
Debtors	7	440.4	409.6
Creditors due within one year	8	(777.3)	(609.4)
<b>Net current liabilities</b>		<b>(336.9)</b>	<b>(199.8)</b>
<b>Net assets</b>		<b>315.6</b>	<b>304.7</b>
<b>Capital and reserves</b>			
Called up share capital	9	275.9	275.9
Share premium account	10	16.7	16.7
Capital contribution reserve	10	10.4	7.3
Profit and loss account	10	12.6	4.8
<b>Shareholders' funds</b>		<b>315.6</b>	<b>304.7</b>

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



**Jonathan Prentis**  
**Director**

Date 14 August 2013

**Giant Topco Limited**  
**Company number 5137980**

**Notes to the Accounts****1. Accounting policies**

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

**Basis of preparation**

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

The directors consider it appropriate to prepare the accounts on the going concern basis, notwithstanding the deficit in net current liabilities, as the company has received assurances from Booker Group plc that it will continue to provide support for the next twelve months and the foreseeable future

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

**Interest**

Interest income and expense are recognised on an accruals basis. Costs associated with extending the bank facility have been recognised in the income statement

**Investments**

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

**Other investments**

The investment in Makro Holding Limited is shown in other investments and represents an available for sale financial asset, which is held at fair value

**Dividends on shares presented within shareholders' funds**

Dividends unpaid at the balance sheet date are only recognised as a liability at that date to the extent that they are appropriately authorised and are no longer at the discretion of the Company. Unpaid dividends that do not meet these criteria are disclosed in the notes to the financial statements

**Financial Guarantees**

The company has not adopted amendments to FRS 26 in relation to financial guarantee contracts

Where the company enters into financial guarantee contracts to guarantee the indebtedness of other companies within its group, the company considers these to be insurance arrangements, and accounts for them as such. In this respect, the company treats the guarantee contract as a contingent liability until such time as it becomes probable that the company will be required to make a payment under the guarantee

## Notes to the Accounts

### 1. Accounting policies (continued)

#### 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

#### Share based payments

Share options granted by the ultimate parent of the group to employees of a subsidiary are accounted for as an investment in the subsidiary with a corresponding increase in equity

2	Operating loss	2013 £m	2012 £m
	This is stated after charging		
	Impairment of investment in subsidiary	3.4	3.6
	Fees in relation to the acquisition of Makro Holding Limited	3.0	-
		=====	=====

Auditor's remuneration for the audit of these financial statements of £500 (2012 £500) was borne by another group undertaking

### 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

## Notes to the Accounts

4	Interest payable and similar charges	2013 £m	2012 £m
	Interest on bank loans and overdrafts	0.5	0.4
	Refinancing costs	-	1.2
		<u>0.5</u>	<u>1.6</u>
		=====	=====

During the prior period, the Group arranged new banking facilities, incurring £1.2m of refinancing costs. The facility comprises of an unsecured £120m revolving credit facility and is in the name of Giant Topco Limited.

5	Tax on profit on ordinary activities	2013 £m	2012 £m
	<b>Current tax</b>		
	UK Corporation tax	-	-
		=====	=====

**Reconciliation of the current taxation charge**

The tax assessed for the period differs to the 24% (2012: 26%) standard rate of tax in the UK. The differences are explained below.

<b>Profit on ordinary activities before tax</b>	<b>47.8</b>	<b>44.8</b>
	<u>-----</u>	<u>-----</u>
Tax on profit at 24% (2012: 26%)	11.5	11.6
Non-taxable dividend income from subsidiaries	(13.2)	(13.0)
Non-deductible expenses	1.6	1.0
Group relief surrendered for which no payment received	0.1	0.4
	<u>-----</u>	<u>-----</u>
Current tax charge for the period	-	-
	=====	=====

**Factors that may affect future current and total tax charge**

A reduction in the UK corporation tax rate from 26% to 24% (effective from 1 April 2012) was substantively enacted, and a further reduction to 23% (effective from 1 April 2013) was also substantively enacted. This will reduce the company's future current tax charge accordingly. The deferred tax asset at 29 March 2013 has been calculated based on the rate of 23% substantively enacted at the balance sheet date.

The March 2013 Budget announced that the rate will further reduce to 20% by 2015 in addition to the planned reduction to 21% by 2014 previously announced in the December 2012 Autumn Statement. It has not yet been possible to quantify the full anticipated effect of the announced further 3% rate reduction, although this will further reduce the company's future current tax charge and reduce the company's deferred tax asset accordingly.

## Notes to the Accounts

6. Investments	Capital contribution £m	Subsidiary undertakings £m	Other investments £m	Total £m
<b>Cost</b>				
At start of period	7.3	500.8	-	508.1
Additions	3.1	3.4	144.9	151.4
	=====	=====	=====	=====
<b>At end of period</b>	<b>10.4</b>	<b>504.2</b>	<b>144.9</b>	<b>659.5</b>
	=====	=====	=====	=====
<b>Provision</b>				
At start of period	-	3.6	-	3.6
Impairment	-	3.4	-	3.4
	=====	=====	=====	=====
<b>At end of period</b>	<b>-</b>	<b>7.0</b>	<b>-</b>	<b>7.0</b>
	=====	=====	=====	=====
<b>Net book value</b>				
<b>At end of period</b>	<b>10.4</b>	<b>497.2</b>	<b>144.9</b>	<b>652.5</b>
	=====	=====	=====	=====
At start of period	7.3	497.2	504.5	504.5
	=====	=====	=====	=====

The capital contribution relates to the cost of granting share based payments to employees of subsidiary undertakings

The additions to subsidiary undertakings relate to further share subscriptions in Saneyia Limited. Due to the trading losses incurred in the subsidiary in India, the Directors have decided to impair £3.4m of the investment.

During the year, the Group acquired Makro Holding Limited from Metro AG in exchange for 156,621,525 new ordinary shares and a cash consideration of £15.8m. Makro Holding Limited has two subsidiaries, Makro Properties Limited and Makro Self Service Wholesalers Limited. The transaction was subject to Competition Commission approval and, whilst this process was in progress, the Group was required to hold Makro separate from the rest of the Group in accordance with undertakings given to the competition authorities in the normal way. As a result, the Group has neither control nor significant influence over Makro at the balance sheet date, and therefore it has not met the requirements for consolidation.

Full clearance to the transaction was received by the Competition Commission on 19 April 2013 and Makro will be consolidated from this date, being the date that control passes to the Group.

The shares issued as consideration were valued at their fair value of £124.2m, at the date of completion. Fair value, was determined by reference to the share price of Booker Group plc at the date of completion, taking into account a discount to reflect the restrictions preventing the shares from being sold for one year after the date of completion. In addition a further £4.9m was paid to reflect an above target cash and working capital position as at 30 June 2012. The investment is measured at fair value in accordance with FRS 26 as it is an available-for-sale financial asset. The fair value is considered to be unchanged since the date of completion and therefore there is no valuation gain or loss recognised in the statement of total recognised gains and losses.

The fair value of the financial asset subsequent to the date of completion is measured by reference to the performance of Makro compared to expectations and the underlying market value of the assets in the business, predominantly property.

## Notes to the Accounts

## 6. Investments (continued)

The Company's principal subsidiary undertakings at 29 March 2013 are as follows

<u>Name of company</u>	<u>Principal activities</u>	<u>Ownership</u>	<u>Incorporation</u>
Booker Direct Limited *	Wholesale delivered	100%	UK
Booker Limited *	Wholesale cash & carry	100%	UK
Giant Midco Limited *	Intermediate holding company	100%	UK
Booker Finance Limited *	Finance company	100%	UK
Ritter-Courivaud Limited *	Wholesale delivered	100%	UK
Saneyia Limited *	Intermediate holding company	100%	Cyprus
Booker India Private Limited	Wholesale cash & carry	100%	India
Makro Holding Limited *	Intermediate holding company	100%	UK
Makro Properties Limited	Property	100%	UK
Makro Self Service Wholesalers Limited	Wholesale cash & carry	100%	UK

\* Direct subsidiary of Giant Topco Limited

The company also owns a single deferred share in Giant Property Consortium Limited, which is a property holding company and is registered in the United Kingdom

<b>7. Debtors</b>	<b>2013</b>	<b>2012</b>
	<b>£m</b>	<b>£m</b>
Amounts due from group undertakings	<b>440.4</b>	<b>409.6</b>
	<b>=====</b>	<b>=====</b>

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

<b>8. Creditors: due within one year</b>	<b>2013</b>	<b>2012</b>
	<b>£m</b>	<b>£m</b>
Bank overdraft	<b>3.7</b>	-
Amounts owed to group undertakings	<b>773.5</b>	<b>609.3</b>
Accruals	<b>0.1</b>	<b>0.1</b>
	<b>777.3</b>	<b>609.4</b>
	<b>=====</b>	<b>=====</b>

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

## Notes to the Accounts

9. Share capital	2013 £'000	2012 £'000
<b>Allotted, called up and fully paid</b>		
4,000,000 ordinary A1 shares of £0.01 each	40	40
7,200,000 ordinary A2 shares of £0.01 each	72	72
100,000 ordinary B shares of £0.01 each	1	1
	<b>113</b>	<b>113</b>
1,004,218 preference B shares of £1.00 each	1,004	1,004
1,358,649 preference C shares of £1.00 each	1,359	1,359
273,437,133 preference D shares of £1.00 each	273,437	273,437
	<b>275,913</b>	<b>275,913</b>

The rights attaching to the shares are as follows

- the shareholder proceeds shall be allocated in the following order
  - ordinary B shares
  - preference B, C and D shares
  - any remaining is allocated to the ordinary A1 and A2 shares
- The A1 shares are voting and the A2 shares are non-voting. However, at any time, the holder of A1 or A2 shares may submit a request for the shares to be converted to the other. B shares and all preference shares are non-voting.
- The preference shares are not entitled to receive any dividends and are only repayable on winding up. They have therefore been treated as equity following the requirements of FRS25.

10 Reserves	Share premium account £m	Capital contribution £m	Profit and loss account £m
At start of period	16.7	7.3	4.8
Profit for the period	-	-	47.8
Dividends on shares classified in shareholders' funds	-	-	(40.0)
Capital contribution	-	3.1	-
<b>At end of period</b>	<b>16.7</b>	<b>10.4</b>	<b>12.6</b>
Dividends charged to reserves		<b>2013</b>	<b>2012</b>
		£m	£m
Final dividend		<b>40.0</b>	<b>40.0</b>

## 11. 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.

## 12. Ultimate parent undertaking

At 29 March 2013, the immediate and 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.