Financial statements Iceland Acquico Limited

For the 53 week period ended 30 March 2018

Company No 07939278

Company information

Company number	07939278
Registered office	Second Avenue Deeside Industrial Park Deeside Flintshire CH5 2NW
Directors	M C Walker T S Dhaliwal
Secretary	D A Vaughan
Bankers	HSBC Bank plc 60 Queen Victoria Street London EC4N 4TR
Solicitors	Allen & Overy LLP One Bishops Square London E1 6AB
Auditors	Grant Thornton UK LLP Chartered Accountants & Statutory Auditor Royal Liver Building Liverpool L3 1PS

Index

Report of the directors

The directors present their report together with the audited financial statements for the 53 week period ended 30 March 2018.

Results and dividends

The results for the period are set out on page 8.

The company made a loss for the period of £97,000 (24 March 2017: £781,000 profit).

Directors

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

M C Walker
T S Dhaliwal

Directors' responsibilities 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 year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable laws), including FRS 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 judgements 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

Directors' responsibilities statements (continued)

The directors confirm that:

- so far as each director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- the directors have taken all steps that they ought to have taken as directors in order 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 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

13 June 2018

Grant Thornton

Independent auditor's report to the members of Iceland Acquico Limited

Opinion

We have audited the financial statements of Iceland Acquico Limited for the 53 week period ended 30 March 2018 which comprise the statement of income and retained earnings, the balance sheet and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102; The Financial Reporting Standard applicable in the UK and Republic of Ireland. (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 March 2018 and of its loss for the 53 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Who we are reporting to

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.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you were:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Grant Thornton

Independent auditor's report to the members of Iceland Acquico Limited

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report set out on pages 3-4, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Report of the directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the directors has been prepared in accordance with applicable legal requirements.

Matter on which we are required to report under the Companies Act 2006

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Report of the directors.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters in relation to which 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; or
- 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 Report of the directors.

Grant Thornton

Independent auditor's report to the members of Iceland Acquico Limited

Responsibilities of directors for the financial statements

As explained more fully in the directors' responsibilities statement set out on pages 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, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Grant Thornton UK LLP

Carl Williams FCCA
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
Liverpool

13 June 2018

Statement of income and retained earnings

	Note	**53 week period ended 30 March 2018 £'000**	52 week period ended 24 March 2017 £'000
Other operating income		**-**	9,731
Administrative expenses		**(97)**	(8,950)
(Loss)/profit on ordinary activities before taxation		**(97)**	781
Taxation on (loss)/profit on ordinary activities	7	**-**	-
(Loss)/profit and total comprehensive income for the financial period		**(97)**	781
Retained profit at the beginning of the period		**253,851**	253,070
Retained profit at the end of the period	12	**253,754**	253,851

All activities relate to continuing operations.

The accompanying accounting policies and notes on pages 10 to 15 form an integral part of these financial statements

Balance sheet

	Note	30 March 2018 £'000	24 March 2017 £'000
Current assets			
Debtors	9	**1,444,410**	1,444,413
Creditors	10	**(1,190,656)**	(1,190,562)
Net current assets		**253,754**	253,851
Net assets		**253,754**	253,851
Capital and reserves			
Called up share capital	11	**-**	-
Profit and loss account	12	**253,754**	253,851
Shareholders' funds		**253,754**	253,851

These financial statements were approved and authorised for issue by the Board of Directors on 13 June 2018 and signed on its behalf by:

T.S. Dhaliwal

T S Dhaliwal
Director

Company registration no: 07939278

Notes to the financial statements

1 Company information

Iceland Acquico 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 a holding company.

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 except for the modification to a fair value basis for certain financial instruments as specified in the accounting policies below.

The financial statements are presented in the company's functional currency, Sterling (£).

The financial statements of Iceland Acquico Limited and all its subsidiary undertakings are drawn up to 30 March 2018 (2017: 24 March 2017).

The individual accounts Iceland Acquico 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.

Going concern

After reviewing the group'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

Management consider there to be no key judgements in the application of accounting policies or key sources of estimation uncertainty.

4 Principal accounting policies.

4.1 Debtors

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

Notes to the financial statements

4.2 Creditors

Short term trade creditors are measured at the 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.

4.3 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

4.4 Financial instruments

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

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 at amortised cost.

Financial assets that are measured at cost and amortised cost 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 account.

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.

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.

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when the rights to receive cash flows from the asset have expired and the entity has transferred its rights to receive cash flows in full and either (a) the entity as transferred substantially all the risks and rewards of the asset or (b) the entity has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

Notes to the financial statements

4.5 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 Operating (loss)/profit

Auditor remuneration during the current and preceding period was borne by another group company.

6 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 the current or preceding period.

7 Taxation on (loss)/profit on ordinary activities

	53 week period ended 30 March 2018 £'000	52 week period ended 24 March 2017 £'000
Current tax:		
UK corporation tax	-	-
Tax on results on ordinary activities	-	-

The tax assessed on the profit on ordinary activities for the period is higher (2017: lower) than the standard rate of corporation tax in the UK of 19% (2017: 20%). The differences are explained below.

	53 week period ended 30 March 2018 £'000	52 week period ended 24 March 2017 £'000
(Loss)/profit on ordinary activities before tax	**(97)**	781
Current tax at 19% (2017: 20%)	**(18)**	156
Effects of:		
Group relief not paid for	**18**	(156)
Tax on results on ordinary activities	-	-

Notes to the financial statements

7 Taxation on (loss)/profit on ordinary activities (continued)

The Finance Act 2016 was enacted in the prior year, which implemented a reduction in the corporation tax rate from 20% to 17% with effect from 1 April 2020.

There is no provided or unprovoked deferred tax asset in the current or preceding period.

8 Investments

	Shares in group undertakings £'000
Cost and net book value at beginning and end of period	-

The principal undertakings where the company has more than a 20% holding are as follows:

Name of company	**Country of incorporation**	**Principal activity**	**Class and percentage of shares held**
Iceland Foods Group Limited	England and Wales	Non trading	100% ordinary

9 Debtors

	30 March 2018 £'000	24 March 2017 £'000
Prepayments	-	3
Amounts owed by group undertakings	**1,444,410**	1,444,410
	1,444,410	1,444,413

10 Creditors

	30 March 2018 £'000	24 March 2017 £'000
Accruals	**58**	55
Amounts due to group undertakings	**1,190,598**	1,190,507
	1,190,656	1,190,562

Notes to the financial statements

11 Share capital

	30 March 2018 £'000	24 March 2017 £'000
Authorised, allotted, called up and fully paid		
1 ordinary share of £1.00 each	-	-
	-	-

12 Reserves

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

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

13 Transactions with related parties

The company is a wholly owned subsidiary of Iceland Midco 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.

14 Capital commitments

The company had no capital commitments at 30 March 2018 or 24 March 2017.

15 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 £774.6 million (2017: £847.8 million).

16 Ultimate parent undertaking and parent undertaking

The company's immediate parent company is Iceland Midco Limited, a company incorporated in England and Wales.

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

The smallest and largest group in which the results of the company are consolidated is headed by Iceland Topco Limited. The consolidated financial statements of this company will be available to the public and may be obtained from Companies House. No other group accounts include the results of this company.