

FORZA AW LIMITED

**Reports and Financial Statements
2 January 2016**

Registered Number: 05967526



Forza AW Limited

Registered Number: 05967526

DIRECTORS

MS Smith – Hilliard
N Scrase (appointed 4.1.16)
J Fasey (appointed 5.7.16)
S Wicks (appointed 4.1.16, resigned 5.7.16)
J Smith – Hilliard (resigned 4.1.16)
GL Cook (resigned 4.1.16)
RJ Parker (resigned 4.1.16)
JA Sephton (resigned 4.1.16)
P Probert (resigned 4.1.16)
JM Roberts (resigned 4.1.16)
ZA Nicols (resigned 4.1.16)
A Ruane (resigned 4.1.16)

SECRETARY

GL Cook (resigned 4.1.16)
V Rehal (appointed 4.1.16)

AUDITORS

Ernst & Young LLP
1 Bridgewater Place
Water Lane
Leeds
LS11 5QR

REGISTERED OFFICE

Unit 1 Foxbridge Way
Normanton Industrial Estate
Normanton
Wakefield
West Yorkshire
WF6 1TN

BANKERS

Royal bank of Scotland
3rd Floor
2 Whitehall Quay
Leeds
West Yorkshire
LS1 4HR

Forza AW Limited

STRATEGIC REPORT

The directors present their Strategic Report and financial statements for the year ended 2 January 2016

Principal activities

The principal activity of Forza AW Limited (referred to as “the Company”) is a holding company of Forza Foods Limited.

Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101)

The Company has transitioned from previously extant UK Generally Accepted Accounting Practice (UK GAAP) to Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) for all periods presented.

The transition did not result in any restatement of opening balance sheet items in these accounts. See note 14 for further details.

Results and dividends

	2016 £000	2015 £000	Change %
Revenue	-	-	
Operating loss	(866)	(206)	320.4%
Profit before tax	15,641	9,778	60.0%
Equity shareholders' funds	11,643	12,502	-6.9%
Current assets as a % of current liabilities	58%	346%	
Average FTE number of employees	Nil	Nil	

The company had nil (2015: Nil) employees during the year.

Ordinary dividends of £16,500,000 (2015: £10,000,000) were received from group undertakings and £16,500,000 (2015: £14,178,068) was paid out as dividends during the period. This represents a dividend of £160.19 per share (2015: £137.35)

The Company has taken advantage of the exemption under s400 of the Companies Act 2006 not to prepare group accounts as it is a wholly owned subsidiary of Asda Group Limited

Risks and uncertainties

Risk is an inevitable part of the business; the board review the principal risks, assess their likelihood and consequence, and develop and monitor appropriate controls. The board has overall responsibilities for risk management and ensures this is aligned with the business strategy and objectives. Key risks and mitigating actions are set out below:

- **Strategic risk**
We continue to invest in new opportunities and areas of growth in order to diversify our offering. The board invests significant time in working with our parent company to formulate, review and communicate strategy effectively to those delivering it.
- **Financial risk**
The principal financial risk is having the funds available at the right time to meet the business needs. This risk is managed by business forecasting, for performance outturn and cash flows to ensure that the adequate funds are in place to meet the liabilities to suppliers, and colleagues.

STRATEGIC REPORT

- **Fraud risk**
We have a control framework in place to help prevent and detect potential fraud and dishonest activity. Our Statement of Ethics provides clear guidance to colleagues on appropriate behaviour, including guidance on how to raise any business conduct concerns they may have through an Open Door Communication Policy or through the local Ethics Committee. In addition, procedures are in place in respect of compliance with the UK Bribery Act and Foreign Corrupt Practises Act.
- **System risk**
Detailed disaster recovery plans are in place in the event of an incident which could severely affect our ability to trade.
- **Environmental risk**
We recognise that we have a responsibility to minimise the adverse impact that our business activities may have on the environment. Failure to do so may result not only in adverse environmental impacts, but also financial penalties and long term damage to our reputation.

In recent years we have implemented a number of initiatives and processes in recognition of our environmental responsibilities, and in collaboration with suppliers, help them to become more efficient with resources.

On behalf of the board:



M Hilliard
Director
19 September 2016

Forza AW Limited

DIRECTORS' REPORT

The directors present their report and financial statements for the year ended 2 January 2016.

Directors of the Company

The current directors are shown on page 1

Dividends

Ordinary dividends of £16,500,000 (2015: £10,000,000) were received from group undertakings and £16,500,000 (2015: £14,178,000) was paid out as dividends during the period.

Going concern & future outlook

The financial statements are prepared on the going concern basis as the immediate holding company (International Procurement & Logistics Limited) has agreed that it will continue to provide financial support to this company to enable it to meet its liabilities as they fall due.

Events since the balance sheet date

On 4th January 2016 100% of the share capital of Forza AW Limited was purchased by International Procurement & Logistics Limited.

Directors' liabilities

The company has granted an indemnity to each of its directors against liability in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 2006. Such qualifying third party indemnity remains in force as at the date of approving the Directors' Report. The indemnity is controlled and paid centrally by the ultimate parent company (Wal-Mart Stores Inc).

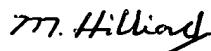
Directors' statement as to disclosure of information to auditors

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors and the group's auditor, each director has taken all the steps that he/she is obliged to take as a director in order to make himself/herself aware of any relevant audit information and to establish that the auditor is aware of that information.

Re-appointment of auditors

During the year Jerroms resigned as auditors which led to the appointment of Ernst & Young LLP. In accordance with Section 485 of the Companies Act 2006, a resolution for the re-appointment of Ernst & Young LLP as auditors of the Company is to be proposed at the forthcoming Annual General Meeting.

On behalf of the board



M Hilliard
Director
19 September 2016

Director's responsibilities

DIRECTORS' RESPONSIBILITY STATEMENT

The directors are responsible for preparing the Strategic Report, Directors' Report and the financial statements in accordance with applicable UK 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 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 for that period.

In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent; and
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;

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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS

We have audited the financial statements of Forza AW Limited for the year ended 2 January 2016 which comprise the Income Statement, the Statement of Changes in Equity, the Balance Sheet, and the related notes 1 to 16. 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 101 'Reduced Disclosure Framework'.

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 5, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

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 group's and the parent 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 Reports and Financial Statements 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.

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 2 January 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including FRS 101 "Reduced Disclosure Framework"; 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, based on the work undertaken in the course of the audit:

- 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.
- The Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

In light of the knowledge and understandings of the Company and its environment obtained in the due course of the audit, we have identified no material misstatements in the Strategic or Directors Report.

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.

Ernst & Young LLP

Victoria Venning (Senior Statutory Auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
Manchester

22 September 2016

Forza AW Limited

INCOME STATEMENT for the year ended 2 January 2016

	<i>Note</i>	<i>2 January 2016 £000</i>	<i>3 January 2015 £000</i>
Operating Costs		(866)	(206)
Operating Loss	2	(866)	(206)
Finance Income	3	16,507	10,012
Finance Costs	4	-	(28)
Profit before taxation		15,641	9,778
Income tax paid	5	-	-
Profit for the period		15,641	9,778

The overall profit of £15,641,000 (2015: £9,778,000) is all attributable to continuing operations.
There are no other items of other comprehensive income in the year (2015:none)

Forza AW Limited

STATEMENT OF CHANGES IN EQUITY

for the year ended 2 January 2016

	<i>Note</i>	<i>Share capital £000</i>	<i>Share Premium £000</i>	<i>Retained earnings £000</i>	<i>Total equity £000</i>
Balance at 28 December 2013		103	951	15,848	16,902
Profit for the year	10	-	-	9,778	9,778
Dividends paid	9	-	-	(14,178)	(14,178)
Balance at 3 January 2015		<u>103</u>	<u>951</u>	<u>11,448</u>	<u>12,502</u>

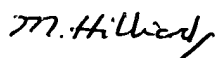
	<i>Note</i>	<i>Share capital £000</i>	<i>Share Premium £000</i>	<i>Retained earnings £000</i>	<i>Total equity £000</i>
Balance at 3 January 2015		103	951	11,448	12,502
Profit for the year	10	-	-	15,641	15,641
Dividends Paid	9	-	-	(16,500)	(16,500)
Balance at 2 January 2016		<u>103</u>	<u>951</u>	<u>10,589</u>	<u>11,643</u>

BALANCE SHEET

as at 2 January 2016

		2 January 2016 £000	3 January 2015 £000
	Note		
Assets			
<i>Non-current assets</i>			
Investments	6	12,000	12,000
		<u>12,000</u>	<u>12,000</u>
<i>Current assets</i>			
Trade and other receivables	7	129	136
Cash and cash equivalents		212	570
		<u>341</u>	<u>706</u>
Total assets		<u>12,341</u>	<u>12,706</u>
Equity and liabilities			
<i>Equity attributable to the owners of the parent</i>			
Called up share capital	8	103	103
Share premium account	10	951	951
Retained earnings	10	10,589	11,448
Total equity		<u>11,643</u>	<u>12,502</u>
Liabilities			
<i>Current liabilities</i>			
Trade and other payables	11	698	204
Total liabilities		<u>698</u>	<u>204</u>
Total equity and liabilities		<u>12,341</u>	<u>12,706</u>

The financial statements were approved by the board of directors and signed on its behalf by:



M Hilliard
Director

19 September 2016

NOTES TO THE ACCOUNTS

as at 2 January 2016

1. ACCOUNTING POLICIES

Authorisation of financial statements and statement of compliance with FRS 101

The financial statements of Forza AW Limited (the "Company") for the year ended 2 January 2016 were authorised for issue by the board of directors on 19 September 2016 and the balance sheet was signed on behalf of the directors by M Hilliard. The Company is incorporated and domiciled in England and Wales under the Companies Act 2006 (registration number 05967526).

These financial statements have been prepared for the first time in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) and in accordance with historical cost convention, the Companies Act 2006 and applicable accounting standards.

The Company's financial statements are presented in Sterling and all values are rounded to the nearest one hundred thousand pounds (£000) except when otherwise indicated. The presentational currency is also the Company functional currency.

The Company has taken advantage of the exemption under s400 of the Companies Act 2006 not to prepare group accounts as it is a wholly owned subsidiary of Asda Group Limited. The results of the Company are included in the consolidated financial statements of ASDA Group Limited, which are available from ASDA House, Southbank, Great Wilson Street, Leeds, LS11 5AD. These financial statements are therefore separate financial statements of the Company only.

The accounting policies below have, unless otherwise stated, been applied consistently to all periods presented in these Company financial statements.

Basis of preparation

The financial statements are prepared on the going concern basis as the immediate holding company (International Procurement & Logistics Limited) has agreed that it will continue to provide financial support to this company to enable it to meet its liabilities as they fall due.

The Company transitioned from previously extant UK Generally Accepted Accounting Practice to FRS 101 for all periods presented. The accounting policies which follow set out those policies which apply in preparing the financial statements for the year ended 2 January 2016. The Company has taken advantage of the following disclosure exemptions under FRS 101:

- The requirements of IFRS 7 'Financial Instruments: Disclosures';
- The requirements of paragraphs 91-99 of IFRS 13 'Fair Value Measurement';
- The requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of:
 - Paragraph 79(a)(iv) of IAS 1;
- The requirements of paragraphs 10(d), 10(f), 16, 38A-D, 40A-D, 111 and 134-136 of IAS 1 'Presentation of Financial Statements';
- The requirements of IAS 7 'Statement of Cash Flows';
- The requirements of paragraphs 30 and 31 of IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors';
- The requirements of paragraphs 17 and 18A of IAS 24 'Related Party Disclosures';
- The requirements in IAS 24 'Related Party Disclosures' to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member; and

NOTES TO THE ACCOUNTS

as at 2 January 2016

1. ACCOUNTING POLICIES (CONTINUED)

Basis of preparation (continued)

- The requirements of paragraphs 130(f)(ii), 130(f)(iii), 134(d)-134(f) and 135(c)-135(e) of IAS 36 'Impairment of Assets'.

Where applicable, equivalent disclosures are included in the consolidated financial statements of ASDA Group Limited, in which the Company is consolidated.

Operating loss

Operating loss is stated before finance income and finance costs.

Finance Income & Costs

Interest payable and receivable comprises interest on funds borrowed or invested together with dividends received from subsidiary company. Interest income and payable is recognised as it accrues, at a constant rate on the carrying amount.

Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the Company's financial statements in the period in which the dividends are approved by the Company's shareholders.

Investments

Investments are held at their initial recognition and re-evaluates this designation at every reporting date.

Trade and other receivables

Trade and other receivables are stated at their original invoiced value and reduced by appropriate allowances for estimated irrecoverable amounts. Impaired debts are derecognised when they are assessed as uncollectable. Intercompany receivables are non-interest bearing, unsecured, and have no fixed repayment dates.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

Trade and other payables

Trade and other payables, are not interest bearing and are stated at their nominal value. Intercompany payables are non-interest bearing, unsecured and have no fixed repayment date.

Taxation

Taxation comprises current and deferred tax. Tax is recognised in the income statement except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the period, using tax rates enacted or substantively enacted at the balance sheet date, and any adjustment to tax payable in respect of previous periods.

Deferred tax is provided on all temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes except:

NOTES TO THE ACCOUNTS

as at 2 January 2016

1. ACCOUNTING POLICIES (CONTINUED)

Taxation continued

- the initial recognition of assets or liabilities that affect neither accounting nor taxable profit other than in a business combination, and differences relating to investments in subsidiaries to the extent that they will probably not reverse in the foreseeable future;
- in respect of taxable temporary differences associated with investments in subsidiaries, associates and joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future; and
- deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised.

The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantively enacted at the balance sheet date.

Judgements, estimates and assumptions

Management are required to make judgements, estimates and assumptions that affect the application of policies and reported assets and liabilities, income and expenses. Judgements, estimates and assumptions are continually evaluated and are based on historical experience and various other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The estimates and assumptions that have significant risk of causing a material adjustment to the carrying value of assets and liabilities are discussed further below.

Estimates and assumptions

Estimates and assumptions are made with regard to the likelihood that tax assets can be realised. Actual results may differ from these estimates.

2. OPERATING LOSS

Operating Loss is stated after charging:

	2 January 2016 £000	3 January 2015 £000
Depreciation of owned plant and equipment	-	10

3. FINANCE INCOME

	2 January 2016 £000	3 January 2015 £000
Income from shares in group undertakings	16,500	10,000
Interest on bank	2	12
Interest on other	5	-
	16,507	10,012

NOTES TO THE ACCOUNTS
as at 2 January 2016

4. FINANCE COSTS

	<i>2 January 2016 £000</i>	<i>3 January 2015 £000</i>
Interest payable	-	28
	<hr/>	<hr/>

5. TAXATION

The charge to UK corporation tax for the year included in the income statement arises as follows:

	<i>2 January 2016 £000</i>	<i>3 January 2015 £000</i>
Current tax:		
UK corporation tax on profit for the period	-	-
Adjustments in respect of prior periods	-	-
	<hr/>	<hr/>
Total current tax charge	-	-
	<hr/>	<hr/>
Deferred tax:		
On profits for the period		
Adjustments in respect of prior periods	-	-
Effect of Rate Change	-	-
	<hr/>	<hr/>
Total deferred tax charge	-	-
	<hr/>	<hr/>
Total tax charge from continuing operations	-	-
	<hr/>	<hr/>

Forza AW Limited

NOTES TO THE ACCOUNTS

as at 2 January 2016

5. TAXATION (CONTINUED)

	<i>2 January 2016 £000</i>	<i>3 January 2015 £000</i>
Profit before tax	15,641	9,778
Tax using the UK corporation tax rate of 20.247% (2014: 21.500%)	3,167	2,102
Effects of:		
Non-deductible expenses	23	3
Dividends and distributions received	(3,341)	(2,150)
Group losses relieved	151	45
Tax charge for the year	-	-

The standard rate of corporation tax in the United Kingdom for the year is 20.247% (2015: 21.500%). On 17 July 2013, the Finance Act 2013 received Royal Assent and enacted a reduction in the main rate of corporation tax to 20% with effect from 1 April 2015.

On 18 November 2015 the Finance Act 2015 received Royal Assent and enacted further reductions in the main rate of corporation tax to 19% from 1 April 2017 and 18% from 1 April 2020. In the 2016 Budget the Government announced a further reduction in the main rate of corporation tax to 17% with effect from 1 April 2020. This will supersede the previously enacted rate change which would have reduced the corporation tax rate to 18% on this date.

6. INVESTMENTS

	<i>2 January 2016 £000</i>	<i>3 January 2015 £000</i>
Subsidiary Undertakings		
Cost and net book value	12,000	12,000

	Place of incorporation	Principal activity	Proportion of ordinary shares held %
Forza Foods Limited	England & Wales	Supply of sliced cooked meats	100%

The registered address of Forza Foods Limited is Unit 1, Foxbridge Way, Normanton, West Yorkshire, WF6 1TN

Forza AW Limited

NOTES TO THE ACCOUNTS

as at 2 January 2016

7. TRADE AND OTHER RECEIVABLES

	<i>2 January 2016 £000</i>	<i>3 January 2015 £000</i>
Amounts receivable from trade customers	29	-
Amounts receivable from group undertakings	86	127
Prepayments and accrued income	14	9
	<u>129</u>	<u>136</u>

8. CALLED UP SHARE CAPITAL

	<i>No.</i>	<i>£000</i>
Authorised at 3 January 2015 & 2 January 2016		
Ordinary shares of £1 each	103,000	103

	<i>No.</i>	<i>£000</i>
Allotted, called up and paid		
At 3 January 2015 & 2 January 2016		
Ordinary A shares of £1 each	59,999	60
Ordinary B shares of £1 each	18,000	18
Ordinary C shares of £1 each	<u>25,001</u>	<u>25</u>
	<u>103,000</u>	<u>103</u>

9. DIVIDENDS RECEIVED AND PAID

Ordinary dividends of £16,500,000 (2015: £10,000,000) were received from group undertakings and £16,500,000 (2015: £14,178,000) was paid out as dividends during the period. This represents a dividend of £160.19 per share (2015: £137.35)

Forza AW Limited

NOTES TO THE ACCOUNTS

as at 2 January 2016

10. RESERVES

	<i>Share premium £000</i>	<i>Retained earnings £000</i>	<i>Total reserves £000</i>
As at 28.12.13	951	15,848	16,799
Profit for the year	-	9,778	9,778
Equity Dividends	-	(14,178)	(14,178)
As at 3.1.15	<u>951</u>	<u>11,448</u>	<u>12,399</u>

	<i>Share premium £000</i>	<i>Retained earnings £000</i>	<i>Total reserves £000</i>
As at 3.1.15	951	11,448	12,399
Profit for the year	-	15,641	15,641
Equity Dividends	-	(16,500)	(16,500)
As at 2.1.16	<u>951</u>	<u>10,589</u>	<u>11,540</u>

11. TRADE AND OTHER PAYABLES

	<i>2 January 2016 £000</i>	<i>3 January 2015 £000</i>
Trade payables	109	138
Other taxation and social security costs	130	-
Accruals and deferred income	459	66
	<u>698</u>	<u>204</u>

Forza AW Limited

NOTES TO THE ACCOUNTS

as at 2 January 2016

12. OBLIGATIONS UNDER LEASES

Operating lease agreements where Company is lessee

The annual commitment under non-cancellable operating leases in respect of plant and machinery are as follows:

	2 January 2016 £000	3 January 2015 £000
Within one year	50	61
In the second to fifth years inclusive	28	116
Over five years	-	-
	<hr/> 78	<hr/> 177

The Company leases various vehicles and equipment under non-cancellable operating lease agreements. The leases have various terms, escalation clauses and renewal rights. Total minimum lease payments in respect of plant & machinery is £72,000 (2015:£157,000)

13. RELATED PARTY TRANSACTIONS

As a wholly owned subsidiary, the Company has taken advantage of the exemption in paragraph 8(k) of FRS 101 not to disclose transactions with fellow wholly owned subsidiaries of the Broadstreet Great Wilson Europe Limited group.

Dividends to Directors

The following directors were paid dividends during the Period as outlined in the table below

	2 January 2016 £000	3 January 2015 £000
MS Smith-Hilliard	9,050	8,226
RJ Parker	2,062	1,824
JA Sephton	1,856	1,498
J Smith-Hilliard	850	149
JM Roberts	743	657
PF Probert	743	657
ZA Nichol	495	438
GL Cook	445	394
JM Sephton	206	326
J Cook	50	9
	<hr/> 16,500	<hr/> 14,178

NOTES TO THE ACCOUNTS

as at 2 January 2016

14. TRANSITION TO FRS 101

For all periods up to and including the year ended 2 January 2016, the Company prepared its financial statements in accordance with previously extant United Kingdom generally accepted accounting practice (UK GAAP). These financial statements, for the year ended 2 January 2016, are the first the Company has prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101).

Accordingly, the Company has prepared individual financial statements which comply with FRS 101 applicable periods beginning on or after 29 December 2013, however no adjustments to the accounting policies was required to meet those requirements..

In preparing these financial statements, the Company has started from an opening balance sheet as at 29 December 2013, the Company's date of transition to FRS 101. Due to the nature of the balances in the Company, no adjustments have been identified on transition to FRS 101 and consequently, no reconciliations of previously reported equity are presented in this note.

On transition to FRS 101, the Company has applied the requirements of paragraphs 6-33 of IFRS 1 'First time adoption of International Financial Reporting Standards'.

The transition required no reinstatement of any opening balances for the first time adoption of FRS101 for these accounts.

On transition to FRS 101, the Company has applied the requirements of paragraphs 6-33 of IFRS 1 'First time adoption of International Financial Reporting Standards'.

Exemptions Applied

IFRS 1 allows first time adopters certain exemptions from the general requirements to apply IFRSs as effective for December 2015 years ends respectively.

Deemed Costs

Investments are all stated at previous GAAP values, being the deemed cost on transition.

15. PARENT UNDERTAKING AND CONTROLLING PARTY

The immediate parent undertaking is International Procurement & Logistics Limited, a company incorporated in England and Wales.

The smallest group at which consolidated financial statements are prepared is ASDA Group Limited. Copies of these financial statements are available from the registered office, ASDA House, Southbank, Great Wilson Street, Leeds, LS11 5AD.

In the directors' opinion, the ultimate parent undertaking and controlling party is Wal-Mart Stores, Inc. which is incorporated in the USA. Copies of its consolidated financial statements, which include this Company, can be obtained from the Company Secretary, Wal-Mart Stores, Inc., Corporate Offices, 702 SW 8th Street, Bentonville, AR72716, USA.

16. POST BALANCE SHEET EVENTS

On 4th January 2016 100% of the share capital of Forza AW Limited was purchased by International Procurement & Logistics Limited.