

ABF Overseas Limited

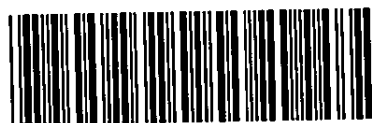
**Directors' report and financial
statements**

Registered number

03313345

15 September 2012

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Directors' report

The directors present their annual report and the audited financial statements for the 52 week period ended 15 September 2012

Principal activities

During the period the principal activity was the holding of shares in subsidiary companies and the principal activities of the subsidiaries were the processing and manufacture of food worldwide and textile retailing in parts of Western Europe

Business review and future developments

During the period the main activity of the company remained unchanged and the directors anticipate that any future developments will relate to the company's principal activity

During the period the company increased its investments in subsidiaries by £157.3m, primarily through an increase in ABF MXN Finance (£36.0m), Food Investments PTY (£102.6m), and Primark Austria (£9.7m)

Trading results, share issue, dividends and transfer to reserves

The profit and loss account is on page 5. Profit for the period attributable to equity shareholders and transferred to reserves amounted to £22.1m (2011: £6.7m), which includes dividend income from fixed asset investments of £110.0m (2011: £19.4m). A dividend of £74.0m (2011: £nil) was declared and paid in the period.

Risk management review

The company's risk management process seeks to enable the early identification, evaluation and effective management of the key risks facing the business at operational level and to operate internal controls which adequately mitigate these risks. This process is also undertaken by the subsidiaries in which the company has an interest. Each business is responsible for regularly assessing its risk management activities to ensure good practice in all areas. Compliance with the process is monitored six monthly and these assessments are formally reviewed at least annually. Reports on internal financial control issues raised by management and the external auditors are reported to the board of the company's parent, Associated British Foods plc, at least annually.

Disclosure of information to auditors

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 auditors are unaware, and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information. For these purposes, relevant audit information means information needed by the company's auditor in connection with the preparation of their report on page 4.

Auditors

In accordance with Section 489 of the Companies Act 2006, a resolution for the re-appointment of KPMG Audit Plc as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

Directors' report *(continued)*

Going concern

After making due enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operation for the foreseeable future. For this reason, they continue to adopt the going concern basis for preparing the financial statements.

Directors

The directors who held office during the period were

JG Bason

PA Russell

RS Schofield

Employees

The company is an investment company and does not trade. It has no employees.

By order of the board



RS Schofield

Secretary

13 June 2013

Weston Centre
10 Grosvenor Street
London
W1K 4QY

Registered number 03313345

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 judgements 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.

KPMG Audit Plc

15 Canada Square
Canary Wharf
London
E14 5GL

Independent auditor's report to the members of ABF Overseas Limited

We have audited the financial statements of ABF Overseas Limited for the period ended 15 September 2012 which comprise the profit and loss account, the balance sheet, the statement of total recognised gains and losses, the reconciliation of movements in equity shareholders' funds and related notes. 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 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 statement of directors' responsibilities 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 website at www.frc.org.uk/auditscopeukprivate

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 15 September 2012 and of its profit for the period 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

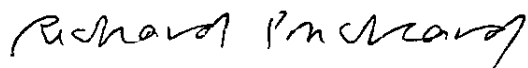
Opinion on other matter prescribed by the Companies Act 2006

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



Richard Pinckard (Senior Statutory Auditor)

For and on behalf of KPMG Audit Plc, Statutory Auditor

Chartered Accountants
15 Canada Square
London
E14 5GL
14 June 2013

Profit and loss account

for the 52 week period ended 15 September 2012

	Notes	2012 £'000	2011 £'000
Administration costs		(66,447)	1,280
Income from fixed asset investments	5	110,042	19,378
Operating profit		43,595	20,658
Net interest payable	6	(31,072)	(25,199)
Profit/(Loss) on ordinary activities before taxation		12,523	(4,541)
Tax credit on profit on ordinary activities	7	9,559	11,211
Profit on ordinary activities after taxation		22,082	6,670

There is no material difference between the company's results as reported and on a historical cost basis. Accordingly, no note of historical cost profits and losses has been prepared.

The profit on ordinary activities before taxation relates entirely to continuing activities in the period.

The notes on pages 8 to 15 form a part of these financial statements.

Balance sheet

At 15 September 2012

	<i>Notes</i>	2012 £'000	2011 £'000
Fixed assets			
Investments in subsidiaries, joint ventures and partnerships	8	3,280,754	3,156,917
Other investments		3,343	3,343
		<hr/> 3,284,097	<hr/> 3,160,260
Current assets			
Debtors			
- due within one year	9	7,352	7,608
- due after one year	9	3,391	193,626
Cash		7	879
		<hr/> 10,750	<hr/> 202,113
Creditors due within one year	10	(424,057)	(516,205)
Provisions due within one year	11	-	(450)
		<hr/> (413,307)	<hr/> (314,542)
Net current liabilities		(413,307)	(314,542)
Total assets less current liabilities		2,870,790	2,845,718
Creditors due after one year	10	(1,053,109)	(971,851)
		<hr/> (1,053,109)	<hr/> (971,851)
Net assets		<hr/> 1,817,681	<hr/> 1,873,867
Capital and reserves			
Called-up share capital	13	1,397,902	1,397,902
Share premium	14	175,554	175,554
Profit and loss account	14	140,599	192,499
Translation reserve	14	103,626	107,912
		<hr/> 1,817,681	<hr/> 1,873,867
Equity shareholder's funds		<hr/> 1,817,681	<hr/> 1,873,867

These financial statements were approved by the board of directors on 13 June 2013 and were signed on its behalf by



PA Russell
Director

Registered number 03313345

Statement of total recognised gains and losses

for the 52 week period ended 15 September 2012

	2012 £'000	2011 £'000
Profit for the financial period	22,082	6,670
Effect of movements in foreign exchange	(4,286)	27,423
Total recognised gains relating to the financial period	17,796	34,093

Reconciliation of movements in equity shareholder's funds

for the 52 week period ended 15 September 2012

	2012 £'000	2011 £'000
Opening equity shareholder's funds	1,873,867	2,054,742
Share premium	-	98,905
Preference share capital subscribed	-	(313,873)
Profit for the financial period	22,082	6,670
Dividends	(73,982)	-
Effect of movements in foreign exchange	(4,286)	27,423
Closing equity shareholder's funds	1,817,681	1 873,867

Notes to the financial statements

1 Accounting reference date

The accounting reference date of the company is the Saturday nearest to 15 September. Accordingly, these financial statements have been prepared for the 52 week period ended 15 September 2012.

2 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 financial statements have been prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards (UK GAAP) and the Companies Act 2006.

The company is exempt by virtue of s400 of the Companies Act 2006 from the requirement to prepare group accounts. These financial statements present information about the company as an individual undertaking and not about its group.

Under Financial Reporting Standard 1 (Revised) the company is exempt from the requirement to prepare a cash flow statement on the grounds that its parent undertaking includes the company in its own published consolidated financial statements. A group cash flow statement is included in the financial statements of Associated British Foods plc.

The company is controlled by Associated British Foods plc and is exempt from the requirement to disclose transactions with it and other group companies under Financial Reporting Standard 8 as it is a wholly-owned subsidiary included in consolidated financial statements which are publicly available.

Income tax

The charge for taxation is based on the profit or loss for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by Financial Reporting Standard 19.

Investments

Investments in subsidiaries, joint ventures and associates are reported at cost less any provision for impairment, except for those investments hedged in accordance with paragraph 28 of SSAP 20. These investments are treated as foreign currency assets from inception of the hedge and then revalued at each reporting date. Foreign exchange differences arising on such revaluations are taken to reserves along with the gains or losses arising on the related foreign currency borrowings.

Foreign currency translation

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 contracted rate or the rate of exchange ruling at the balance sheet date and the gains or losses on translation are included in the profit and loss account.

The assets and liabilities of the company's foreign branch are denominated in foreign currencies and are translated into sterling at the rate of exchange at the balance sheet date. Income and expenses are translated into sterling at an average exchange rate. Any difference that arises due to a variance between the rate of exchange at the balance sheet date and the average is recorded in reserves. Income and expenses are translated into sterling at an average exchange rate.

Notes to the financial statements *(continued)*

Going concern

The financial statements have been prepared on a going concern basis, notwithstanding net current liabilities of £413,307, which the Directors believe to be appropriate for the following reasons

- the company is dependent upon its parent company and fellow subsidiaries for continuing financial support, and
- ABF Investments plc (the immediate parent company) has provided the company with an undertaking that it will continue to make available such funds as are needed by the company until the presentation of financial statements for the 52 weeks ended 14 September 2013. This will enable the company to continue in operational existence for the foreseeable future by meeting its liabilities as they fall due for payment

3 Directors' emoluments

The directors received no emoluments in respect of their services as directors of the company in the current or the previous period

4 Auditors' remuneration

The auditors' remuneration was borne by the holding company in the current and previous period

5 Income from fixed asset investments

	2012 £'000	2011 £'000
Income from shares in group undertakings	109,168	18,600
Income from shares in joint ventures	776	672
Income from other investment	98	106
	<hr/> 110,042 <hr/>	<hr/> 19,378 <hr/>

Notes to the financial statements *(continued)*

6 Net interest payable

	2012 £'000	2011 £'000
Interest receivable		
Interest income on loans to fellow subsidiary undertakings	711	1,817
Interest income on loans to parent undertakings	2,114	1,966
	<hr/> 2,825	<hr/> 3,783
Interest payable		
Interest expense on borrowings from fellow subsidiary undertakings	(1,468)	(440)
Interest expense on borrowings from parent undertaking	(30,749)	(25,134)
Unwind of discount on deferred consideration payable	-	(530)
Foreign exchange losses on financing activities	(1,680)	(2,878)
	<hr/> (33,897)	<hr/> (28,982)
Net interest payable	<hr/> (31,072)	<hr/> (25,199)

7 Tax on profit on ordinary activities

(a) Analysis of the tax credit in the period

	2012 £'000	2011 £'000
Current tax credit	9,559	11,211

(b) Factors affecting current tax credit for the period

The tax credit for the period differs from the charge that would have arisen at the standard rate of corporation tax in the UK of 25.1% (2011: 27.1%). The differences are explained below:

	2012 £'000	2011 £'000
Profit/(Loss) on ordinary activities before tax	12,523	(4,541)
Tax at the standard rate of corporation tax the UK 2012: 25.1% (2011: 27.1%)	3,143	(1,231)
Prior period adjustment	603	(4,873)
Other income not subject to corporation tax	(27,621)	(5,251)
Expenditure not deductible for tax purposes	14,316	144
Current tax credit in the period	<hr/> (9,559)	<hr/> (11,211)

Notes to the financial statements *(continued)*

(c) Factors affecting future tax credits or charges

Effective 1 April 2012 the corporation tax rate was reduced from 26% to 24%. A further decrease to 23% took effect on 1 April 2013 and the impact on deferred tax has been included within these accounts. It has also been announced that the UK tax rate will drop a further 2% the following year, reaching 21% effective from 1 April 2014. However, the impact of this subsequent corporation tax rate reduction will only be reflected as the relevant legislation is substantively enacted.

8. Investments in subsidiaries, joint ventures and partnerships

	Shares in subsidiaries £'000	Shares in joint ventures £'000	Shares in partnerships £'000	Total £'000
Cost at 17 September 2011	2,668,691	6,207	490,219	3,165,117
Additions	157,299	-	-	157,299
Disposals	(418)	-	-	(418)
Effect of movements in foreign exchange	(29,861)	-	(3,183)	(33,044)
At 15 September 2012	2,795,711	6,207	487,036	3,288,954
Amounts written off at 17 September 2011 and 15 September 2012	8,200	-	-	8,200
Carrying value at 17 September 2011	2,660,491	6,207	490,219	3,156,917
Carrying value at 15 September 2012	2,787,511	6,207	487,036	3,280,754

During the period the company increased its investments in subsidiaries by £157.3m, primarily through an increase in ABF MXN Finance (£36.0m), Food Investments PTY (£102.6m), and Primark Austria (£9.7m).

No provisions for impairment were required in the current financial period.

A list of the principal subsidiaries is given on page 12. All of the investments listed are directly held by the company, except where stated. The percentages given show the company's ultimate interest and therefore allow for the position where interests in subsidiaries and joint ventures are held by partly-owned intermediate subsidiaries.

Notes to the financial statements (continued)

Principal subsidiary undertakings

	Place of incorporation or registration (if overseas)	Class of shares held	Percentage of shares held
AB Calsa Servicios, S DE R L DE C V	Mexico	Equity participation	99.97%
Azucarera Ebro	Spain	Ordinary	100%
Abitec Corporation	US	Ordinary	100%
AB Food & Beverages Australia Pty Ltd *	Australia	Ordinary	100%
AB Food & Beverages Philippines, Inc	Philippines	Ordinary	100%
AB Food and Beverages GmbH	EU	Ordinary	100%
AB Foods Polska SP z o o	Poland	Ordinary	100%
AB Enzymes OY	Finland	Ordinary	100%
AB Mauri Food, S A	Spain	Ordinary	100%
AB Mauri India (Private) Limited	India	Ordinary	100%
AB Mauri Vietnam Ltd	Vietnam	Ordinary	66%
ACH Food Companies Inc *	US	Ordinary	100%
Alimentos Capullo S de R L de C V	Mexico	Ordinary	100%
Anzchem Pty Ltd *	Australia	Ordinary	100%
Azucarera Ebro, S L U	Spain	Ordinary	100%
Calsa de Colombia S A	Colombia	Ordinary	100%
Casteggio Lieviti S r L	Spain	Ordinary	100%
Compania Argentina de Levaduras S A I C	Argentina	Ordinary	86%
George Weston Foods Limited *	Australia	Ordinary	100%
George Weston Foods (NZ) Limited *	New Zealand	Ordinary	100%
Harbin Mauri Yeast Co , Limited	China	Ordinary	85%
Hebei Mauri Food Co , Ltd	China	Ordinary	100%
Illovo Sugar Limited	South Africa	Ordinary	51%
Illovo Sugar (Malawi) Limited *	Malawi	Ordinary	39%
Kilombero Sugar Company Limited *	Tanzania	Ordinary	28%
Maragra Acucar SARL*	Mozambique	Ordinary	46%
Mauri Fermentos, SA	Portugal	Ordinary	96%
Mauri Lanka (Private) Limited	Sri Lanka	Ordinary	100%
Mauri Products Limited	UK	Ordinary	100%
Serrol Ingredients Pty Ltd	Australia	Ordinary	100%
Shanghai AB Food & Beverages Limited*	China	Ordinary	100%
SPI Pharma S A S	France	Ordinary	100%
SPI Pharma Inc	US	Ordinary	100%
Twinnings North America Inc *	US	Ordinary	100%
Ubombo Sugar Limited *	Swaziland	Ordinary	31%
Wander AG	Switzerland	Ordinary	100%
Zambia Sugar plc *	Zambia	Ordinary	46%

*Indirect investments

There is no significant loan capital in any of the joint ventures. Each joint venture carries out manufacturing and food processing activities and operates mainly in its country of incorporation. In the opinion of the directors the value of investments in the company's subsidiary undertakings, joint ventures and partnerships is not less than the value at which they are stated in the balance sheet.

Notes to the financial statements *(continued)*

9. Debtors

	2012 £'000	2011 £'000
Due within one year		
Group relief receivable	7,332	4,266
Amounts owed by parent undertaking	-	132
Amounts owed by fellow subsidiary undertakings	-	3,189
Other debtors	20	21
	<u>7,352</u>	<u>7,608</u>
Due after one year		
Amounts owed by parent undertaking	-	125,357
Amounts owed by fellow subsidiary undertakings	3,391	68,269
	<u>3,391</u>	<u>193,626</u>

The directors consider the carrying amounts of debtors to be recoverable

During the year, an intercompany loan receivable of £57,035,695 from the company's subsidiary, Casteggio Lieviti, was forgiven. Casteggio Lieviti is a wholly owned subsidiary and this impairment charged to administration costs in the Profit and Loss account

10. Creditors

	2012 £'000	2011 £'000
Due within one year		
Amounts owed to parent undertaking	423,192	514,622
Amounts owed to fellow subsidiary undertakings	584	1,583
Accruals and deferred income	281	-
	<u>424,057</u>	<u>516,205</u>
Due after one year		
Amounts owed to parent undertaking	1,023,914	942,964
Amounts owed to fellow subsidiary undertakings	29,195	28,887
	<u>1,053,109</u>	<u>971,851</u>

The directors consider that the carrying amounts of creditors approximate their fair value

Notes to the financial statements *(continued)*

11. Provisions

	2012 £'000
At the beginning of the period	450
Utilised in the period	(450)
	<u>-</u>

12. Post balance sheet event

On 3 May 2013 the company undertook the following restructuring of its investments

- The company's subsidiary Bonuit Investments, (investment carrying value at balance sheet date of £250,420,000), declared a dividend in specie to the company of £269,901,461 transferring its investment in Beauvallet Investments
- The company's subsidiary Portelet paid a dividend of £640,637,258 to the company
- By way of a loan note, the company's immediate parent ABF Investments plc transferred to the company its investments in GTG (£4,359,942) and Sizzles International Limited (£665,556,000)

The investments were transferred at book value. The Directors consider that the carrying amounts of the investments in Beauvallet, GTG and Sizzles are recoverable.

13. Share capital

	2012 £'000	2011 £'000
Issued and fully paid		
1,397,901,800 ordinary shares of £1 each	1,397,902	1,397,902
	<u>1,397,902</u>	<u>1,397,902</u>

Notes to the financial statements *(continued)*

14. Capital and reserves

	Issued capital	Share premium	Translation reserve	Profit and loss reserves	Total
	£'000	£'000	£'000	£'000	£'000
At 17 September 2011	1,397,902	175,554	107,912	192,499	1,873,867
Dividends	-	-	-	(73,982)	(73,982)
Profit for the period	-	-	-	22,082	22,082
Effect of movements in foreign exchange	-	-	(4,286)	-	(4,286)
At 15 September 2012	<u>1,397,902</u>	<u>175,554</u>	<u>103,626</u>	<u>140,599</u>	<u>1,817,681</u>

15. Contingent liabilities

The company had no outstanding guarantees provided in the ordinary course of business as at 15 September 2012 (2011 nil)

16. Holding company

The immediate holding company is ABF Investments plc, a company registered in England and Wales. The ultimate holding company is Wittington Investments Limited which is incorporated in Great Britain and registered in England and Wales.

The largest group in which the results of the company are consolidated is headed by Wittington Investments Limited. The smallest group in which they are consolidated is headed by Associated British Foods plc, which is incorporated in Great Britain and registered in England and Wales. The consolidated accounts of these groups are available to the public and may be obtained from Associated British Foods plc, Weston Centre, 10 Grosvenor Street, London, W1K 4QY. The consolidated accounts of Associated British Foods plc are also available for download on the group's website at www.abf.co.uk