

Company Registration No. 03679738

G. COSTA (HOLDINGS) LIMITED

Strategic Report, Directors' Report and Financial Statements

For the period of 52 weeks ended 28 August 2021

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G.Costa (Holdings) Limited

STRATEGIC REPORT, DIRECTORS' REPORT AND FINANCIAL STATEMENTS

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G.Costa (Holdings) Limited

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

P Wildman
A Mayhew
S Henderson

SECRETARY

R Cahill (Appointed 26th May 2021)
R Schofield (Resigned 24th December 2020)

REGISTERED OFFICE

Weston Centre
10 Grosvenor Street
London
United Kingdom
W1K 4QY

AUDITOR

Ernst & Young LLP
1 More London Place,
London
SE1 2AF

G.Costa (Holdings) Limited

STRATEGIC REPORT

The directors present their Strategic report for the period of 52 weeks ended 28 August 2021. Comparative information is presented for the 50 week period ended 29 August 2020.

PRINCIPAL ACTIVITY AND FUTURE DEVELOPMENTS

The principal activity of the Company is the holding of investments in a group of companies in the UK and Asia. There are no plans to change the Company's activity in the foreseeable future. The external commercial environment is expected to remain competitive. However, this will have minimal impact on the Company's principal activity.

REVIEW OF THE BUSINESS

The results and financial position of the Company are set out on pages 10 to 12.

Loss on ordinary activities after taxation for the period amounted to £0.1m (2020: £(0.6m))

During the period the Company did not pay a dividend (2020: £nil). The carrying value of investments was £107.3m (2020: £107.3m) and net assets were £1.5m (2020: £1.6m).

PRINCIPAL RISKS AND UNCERTAINTIES

The Company's principal risks and uncertainties relate to the value of its investments and its ability to finance those investments, if necessary, through the recovery of outstanding balances with other group companies.

A full description of the principal risks and uncertainties applicable to the Associated British Foods plc group, of which this company is a subsidiary, are disclosed on pages 88 to 94 of the 2021 Annual Report, which is available at www.abf.co.uk. The principal risks and uncertainties of this group arise in its trading subsidiaries and are assessed within the operating companies where they are identified, evaluated and managed by the directors.

- **Margin risk**

Competitive pressure in the UK and international markets is a continuing risk for the group. The group manages this risk by providing value added products and services to its customers at competitive prices and by providing a high level of service and quality.

- **Credit risk**

The group is exposed to credit risk on its sales. However, internal control systems are in place to minimise this risk by ensuring that sales of products are made to customers with an appropriate credit history and by monitoring adherence to credit terms.

- **Currency exchange rate risk**

The group transacts in a variety of foreign currencies, which are subject to volatility. This risk is managed by the use of hedging instruments for major currencies for up to twelve months in advance.

- **EU-exit**

Following the UK's decision to leave the European Union on the 1st January 2021, supply chain costs have increased and a large amount of uncertainty remains. The group understands that this uncertainty could impact future business performance in the areas of profitability, cash flow and taxes. The possibility of volatile exchange rates and interest rates provide additional uncertainty to business performance.

- **COVID-19**

The COVID-19 pandemic has continued across the world. This has highlighted the importance of the global food supply chain, in which our subsidiary AB World Foods Ltd plays an important part.

The COVID-19 pandemic has, at the time of approving these financial statements, had no adverse impact on the group. The demand for retail food staples has increased significantly as consumers stockpile. Closure of pubs and restaurants has led to a reduced demand for foodservice supply, offset by an increased demand for home cooking options. Our supply chain remains strong and we are working closely with retailers to ensure good supplies of products.

Uncertainty as to the length of the pandemic and the related measures to combat it mean that the 2022 full year impact cannot yet be known.

G.Costa (Holdings) Limited

STRATEGIC REPORT

- **Extended Producer Responsibility**

Extended producer responsibility regarding packaging and plastics will most certainly impact on the company. The current uncertainty surrounding the rollout of this scheme by the UK Government means that the full impact of this in coming years is unknown. Initiatives are however well advanced to meet the requirements when they are known.

- **Conflict in Ukraine**

The conflict in the Ukraine has had a significant impact on the Global Economy. The group has no offices or employees based within the Ukraine or Russia and do not have any material direct exposure due to trading within these regions. Despite minimal direct impact, the business continues to monitor the situation and the indirect impact to the group.

Engaging with our stakeholders – Section 172 Statement

The directors are required to act in a way which they consider, in good faith, is most likely to promote the success of the Company for the benefit of its members as a whole and, in doing so, have regard (amongst other matters) to the matters set out in section 172(1)(a) to (f) of the Companies Act 2006.

The company is a subsidiary of Associated British Foods plc and, as such, the company has adopted and directors have due regard to applicable group policies and procedures which impact on the company's stakeholders, including those referred to on page 74 of the Associated British Foods plc Annual Report and Accounts 2021.

The following section serves as AB World Food's section 172 statement and describes how the directors take into account such stakeholder and other matters in carrying out their duties and the impact on decision-making. Regardless of the legal duties, the directors consider regular engagement with stakeholders to be part and parcel of our value of progressing through collaboration and to be fundamental to the success of the Company.

Board structure and engagement with stakeholders

The statutory board is comprised of the Managing Director, Supply Chain Director and Grocery Finance Director. The board regularly reviews the business' principal stakeholders and how we engage with them.

The Directors aim to take the needs and priorities of each stakeholder group into account as part of their decision-making processes, recognising that the appropriateness of a stakeholder group may vary depending upon the matter under discussion.

Key Stakeholders

The Board has identified the following stakeholder groups with whom engagement is fundamental to the group's ongoing success:

- Subsidiaries of the company
- its shareholder

Subsidiaries of the company

The company forms part of the group of companies headed by Associated British Foods plc and the company's accounts are consolidated into the Associated British Foods plc accounts. Group companies can provide financial and other support to the Company and the sharing of best practice and know-how between the businesses within the broader group is actively encouraged. The Company is kept up to date on key businesses activities and decisions of its subsidiaries and provides all necessary support.

Shareholder

The company takes appropriate steps to ensure that its shareholder is kept up to date on key business activities and decisions.

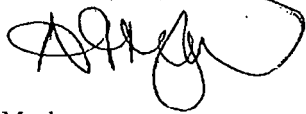
Energy Usage

The directors consider the company to be a low energy user. For further information please refer to full disclosures made in the Associated British Foods plc annual report for the year ended 18 September 2021.

G.Costa (Holdings) Limited

STRATEGIC REPORT

Approved by the board of directors and signed on its behalf,



A Mayhew
Director
31 May 2022

REGISTERED OFFICE

Weston Centre
10 Grosvenor Street
London

W1K 4QY

G.Costa (Holdings) Limited

DIRECTORS' REPORT

The directors present their report and the financial statements for the 52 weeks ended 28 August 2021. Comparative information is provided for the period of 50 weeks ended 29 August 2020.

RESULTS AND DIVIDENDS

Dividends of £0.2m (2020 - £0.2m) were received in the period. Dividends of £nil (2020 – £nil) were paid during the period.

Loss for the period of £0.1m (2020– (£0.6m)) has been transferred to reserves.

DIRECTORS

The directors who held office during the period, and thereafter were:

P Wildman
A Mayhew
S Henderson

At 28 August 2021 the directors had no beneficial interests in the share capital of the Company (2020 – £nil) and thereafter.

GOING CONCERN

The Company's business activities together with its financial performance and position are set out in the Strategic report. The Strategic report also describes the Company's financial risk management.

The Company has received a letter of support from its intermediate parent company, ABF Investments plc, indicating that it will receive the financial and other support necessary for the Company to trade and meet its liabilities as and when they become due for a period of twelve months from the date of signing of these financial statements.

After making due enquiries and considering the impact of COVID-19 and the support available from the intermediate parent company described above, the directors have a reasonable expectation that the Company has adequate resources to continue in operation for 12 months from the date of signing of these financial statements. These considerations included the impact of COVID-19 on the wider ABF group, the ABF group's directors' assessment of going concern (set out in the 2022 Interim Results Announcement dated 26 April 2022 and available at www.abf.co.uk), which included the significant levels of cash and undrawn committed long-term facilities available to the group and the ABF group's directors' stress testing of cash flow forecasts through to September 2023, and an assessment of any developments since that date that would adversely affect that conclusion. Accordingly, the financial statements have been prepared on the going concern basis.

DIRECTORS' INDEMNITIES

The directors have benefited from the ABF Group's Directors and Officers Insurance policy.

DISCLOSURE OF INFORMATION TO AUDITORS

Each of the directors who held office at the date of approval of this Directors' Report confirms that:

- so far as each director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- each director has taken all the reasonable 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.

For these purposes, relevant audit information means information needed by the Company's auditor in connection with the preparation of its report.

ANTI-BRIBERY AND CORRUPTION

The Company is committed to acting professionally, fairly and with integrity in all its business dealings. As part of its commitment to ethical business practices, G. Costa (Holdings) Limited will not tolerate any form of bribery or corruption. The Company maintains a comprehensive Anti-Bribery and Corruption policy which outlines the behaviour and principles required to support this commitment.

G.Costa (Holdings) Limited

DIRECTORS' REPORT

HEALTH, SAFETY AND ENVIRONMENTAL REPORTING

The Company keeps its safety, health and environmental performance and levels of legal compliance under regular review and ensures that its risk management controls are appropriate and effective. The company's board of directors reviews these at least annually.

The Company operates a comprehensive environmental policy, complying with legislation, standards and best practice.

CHARITABLE DONATIONS

The Company made no charitable donations during the current or previous period.

ENGAGEMENT WITH EMPLOYEES

Although the company does not have any employees, its subsidiary AB World Foods Limited, employed on average 465 persons within the period. As noted in the AB World Foods Limited accounts, during the reporting period there were regular COVID-19 updates and Q&A sessions, Leadership catch-ups and monthly company briefings and workshops.

AUDITOR

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and Ernst & Young will therefore continue in office.

Approved by the board of directors and signed on its behalf



A Mayhew

Director

31 May 2022

REGISTERED OFFICE

Weston Centre
10 Grosvenor Street
London
United Kingdom
W1K 4QY

G.Costa (Holdings) Limited

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE STRATEGIC REPORT, DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS

The directors are responsible for preparing the Strategic report, 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) including Financial Reporting Standard 101 "Reduced Disclosure Framework".

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 its 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.

G.Costa (Holdings) Limited

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF G. COSTA (HOLDINGS) LIMITED

Opinion

We have audited the financial statements of G.Costa (Holdings) Limited for the period of 52 weeks ended 28 August 2021 which comprise the Income Statement, the Statement of Financial Position, the Statement of Changes in Equity and the related notes 1 to 12, 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 [FRS 101 "Reduced Disclosure Framework"] (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the company's affairs as at 28 August 2021 and of its loss for the 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.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period to September 2023 from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

G.Costa (Holdings) Limited

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF G. COSTA (HOLDINGS) LIMITED (Continued)

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the 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 strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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 strategic report or directors' report.

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.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 7, 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.

G.Costa (Holdings) Limited

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF G. COSTA (HOLDINGS) LIMITED (Continued)

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.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the company and determined that the most significant are Companies Act 2006, UK Income tax regulations, Value added tax regulations, Food safety act, Health and safety regulations, Environmental legislations and regulations and Global Data Policy Regulations.
- We understood how G.Costa (Holdings) Limited is complying with those frameworks by making enquiries with management, those charged with governance, internal audit and those responsible for legal and compliance matters.
- We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur by assessing the risk of fraud absent of controls, and then identifying the controls which are in place at the entity level and whether the design of these controls is sufficient for the prevention and detection of fraud. We also consider the risk of management override and consider the design and implementation of controls at the financial statement level to prevent this.
- Based on this understanding we designed our audit procedures to identify noncompliance with such laws and regulations. For direct laws and regulations, we considered the extent of compliance with those laws and regulations as part of our procedures on the related financial statement items. For both direct and other laws and regulations, our procedures involved: making enquiries with those charged with governance and senior management for their awareness of non-compliance with laws and regulations, inquiring about policies that have been established to prevent non-compliance with laws and regulations by officers and employees and how the company monitors this. In respect of the risk of management override we perform tailored journal entry testing to identify a subset of the whole population that might pertain to fraud risk areas and enquire of third parties in areas of significant judgment.

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

G.Costa (Holdings) Limited

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF G. COSTA (HOLDINGS) LIMITED (Continued)

Use of our report

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.

Ernst & Young LLP

Ammara Hussain (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
London

Date:

31.5.22

G.Costa (Holdings) Limited
INCOME STATEMENT
for the period of 52 weeks ended 28 August 2021

		52 weeks ended 28 August 2021 £	50 weeks ended 29 August 2020 £
	Notes		
Dividends received		193,247	242,297
Interest payable and similar charges	5	(359,709)	(1,041,909)
		<hr/>	<hr/>
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(166,462)	(799,612)
Tax credit on loss on ordinary activities	6	67,847	197,963
		<hr/>	<hr/>
LOSS ON ORDINARY ACTIVITIES AFTER TAXATION		(98,615)	(601,649)
		<hr/>	<hr/>

There were no items of comprehensive income or expense other than those recognised in the income statement for either period.

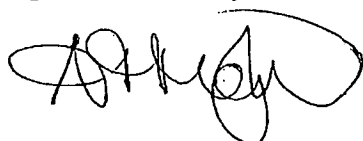
The loss on ordinary activities before taxation relates entirely to the continuing activities in the period.

The notes on pages 15 to 19 form part of these financial statements

G.Costa (Holdings) Limited
STATEMENT OF FINANCIAL POSITION
as at 28 August 2021

	Notes	As at 28 August 2021 £	As at 29 August 2020 £
FIXED ASSETS			
Investments in subsidiary undertakings	7	<u>107,269,565</u>	<u>107,269,565</u>
CURRENT ASSETS			
Debtors	8	<u>266,307</u>	<u>591,461</u>
		266,307	591,461
CREDITORS: amounts falling due within one year	9	<u>(106,069,614)</u>	<u>(106,296,153)</u>
NET CURRENT LIABILITIES		<u>(105,803,307)</u>	<u>(105,704,692)</u>
NET ASSETS		<u>1,466,258</u>	<u>1,564,873</u>
CAPITAL AND RESERVES			
Equity share capital	10	757,458	757,458
Share premium account		266,333	266,333
Capital redemption reserve		2,400	2,400
Profit and loss account	11	<u>440,067</u>	<u>538,682</u>
SHAREHOLDER'S FUNDS		<u>1,466,258</u>	<u>1,564,873</u>

These financial statements were approved by the board of directors and authorised for issue on 31 May 2022 and are signed on its behalf by:



A Mayhew

Director

Registered Company number: 03679738

The notes on pages 15 to 19 form part of these financial statements

G.Costa (Holdings) Limited
STATEMENT OF CHANGES IN EQUITY
For the period of 52 weeks ended 28 August 2021

	Share Capital	Share Premium	Capital Redemption reserve	Retained Earnings	Total Equity
	£	£	£	£	£
At 29 August 2020	757,458	266,333	2,400	538,682	1,564,873
Loss for the period	-	-	-	(98,615)	(98,615)
At 28 August 2021	757,458	266,333	2,400	440,067	1,466,258

G.Costa (Holdings) Limited

NOTES TO THE FINANCIAL STATEMENTS

For the period ended 28 August 2021

1. AUTHORISATION OF FINANCIAL STATEMENTS AND STATEMENT OF COMPLIANCE WITH FRS 101

The financial statements of G. Costa (Holdings) Limited (the "Company") for the 50 weeks ended 28 August 2021 were authorised for issue by the board of directors on 31 May 2022 and the statement of financial position was signed on the board's behalf by Andrew Mayhew. Comparative information is provided for the 50 weeks ended 29 August 2020. G. Costa (Holdings) Limited is a private company limited by shares that is incorporated and domiciled in England and Wales.

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) and in accordance with applicable accounting standards.

The Company's financial statements are presented in Sterling.

The results of G. Costa (Holdings) Limited are included in the consolidated financial statements of Associated British Foods plc, which are available from Weston Centre, 10 Grosvenor Street, London W1K 4QY, United Kingdom.

The principal accounting policies adopted by the Company are set in Note 2.

2. ACCOUNTING POLICIES

BASIS OF PREPARATION

The financial statements have been prepared under FRS 101 'Reduced Disclosure Framework'. FRS 101 sets out a reduced disclosure framework which addresses the financial reporting requirements and disclosure exemptions for the individual financial statements of subsidiaries and ultimate parents that otherwise apply the recognition, measurement and disclosure requirements of Adopted IFRS. The Company has taken advantage of the disclosure exemptions allowed under this standard. The Company's parent undertaking has been notified of and did not object to the use of the Adopted IFRS disclosure exemptions.

The Company has taken advantage of the following disclosure exemptions under FRS 101 as the equivalent disclosures are included in the consolidated financial statements of Associated British Foods plc:

- a) the requirements of IFRS 7 Financial Instruments;
- b) the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement;
- c) the requirement in paragraph 38 of IAS 1 Presentation of Financial Statements to present comparative information
- d) in respect of paragraph 79(a)(iv) of IAS 1; (d) The requirements of paragraphs 10(d), 10(f), 39(c) and 134-136 of IAS 1 Presentation of Financial Statements;
- e) the requirements of IAS 7 Statement of Cash Flows;
- f) the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;
- g) the requirements of paragraph 17 of IAS 24 Related Party Disclosures;
- h) 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
- i) 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.

G.Costa (Holdings) Limited

NOTES TO THE FINANCIAL STATEMENTS

For the period ended 28 August 2021

2. ACCOUNTING POLICIES (CONTINUED)

BASIS OF PREPARATION (CONTINUED)

COVID-19 AND GOING CONCERN

The financial statements have been prepared on a going concern basis.

As set out in note 12, the smallest group in which the results of the company are consolidated is that headed by Associated British Foods plc, which confirmed in its Annual Report dated 9 November 2021 that its directors have a reasonable expectation that the Associated British Foods plc group has adequate resources to continue in operational existence for the foreseeable future.

The Company has received a letter of support from its intermediate parent company, ABF Investments plc, indicating that it will receive the financial and other support necessary for the Company to trade and meet its liabilities as and when they become due for a period of 12 months from the date of signing of these financial statements.

After making due enquiries and considering the impact of COVID-19 and the support available from the intermediate parent company described above, the directors have a reasonable expectation that the Company has adequate resources to continue in operation for at least 12 months from the date of signing of these financial statements. These considerations included the impact of COVID-19 on the wider ABF group, the ABF group's directors' assessment of going concern (as set out in the 2022 Interim Results Announcement dated 26 April 2022 and available at www.abf.co.uk), which included the significant levels of cash and undrawn committed long-term facilities available to the group and the ABF group's directors' stress testing of cash flow forecasts through to September 2023; and an assessment of any developments since that date that would adversely affect that conclusion. Accordingly, the financial statements have been prepared on the going concern basis.

These financial statements contain information about G.Costa (Holdings) Limited as an individual company and do not contain consolidated financial information as the parent of a group. The Company has taken the exemption from preparing consolidated financial statements afforded by Section 400 of the Companies Act 2006 because it is a wholly owned subsidiary of Associated British Foods plc, which prepares publicly available consolidated financial statements.

TAXATION

Corporation tax payable is provided on taxable profits at the current rate. Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted by the statement of financial position date.

INVESTMENTS

Fixed asset investments are shown at cost less provision for impairment.

DIVIDENDS

Revenue is recognised when the Company's right to receive payment is established.

3. DIRECTORS' REMUNERATION

No directors received any emoluments from the Company during the current or prior period as they are inconsequential to their services provided to other companies in the group. The Company had no employees in the current or prior period.

4. AUDITOR'S REMUNERATION

The audit fees for the current and prior period were borne by a fellow group company, AB World Foods Limited.

G.Costa (Holdings) Limited
NOTES TO THE FINANCIAL STATEMENTS
For the period ended 28 August 2021

5. INTEREST PAYABLE AND SIMILAR CHARGES

	52 weeks ended 28 August 2021 £	50 weeks ended 29 August 2020 £
Interest payable to group undertakings	359,709	1,041,909

6. TAX ON LOSS IN INCOME STATEMENT

(a) Analysis of tax credit in Income Statement

	52 weeks ended 28 August 2021 £	50 weeks ended 29 August 2020 £
Current tax:		
Current tax credit on loss for the period:	(68,345)	(197,963)
Adjustment in relation to prior periods:	498	-
Total current tax credit	(67,847)	(197,963)

(b) Factors affecting the tax credit for the period

The difference between the total current tax shown above and the amount calculated by applying the standard rate of UK Corporation tax to the loss before tax is analysed as follows:

	52 weeks ended 28 August 2021 £	50 weeks ended 29 August 2020 £
Loss on ordinary activities before tax	(166,462)	(799,612)
Tax at 19.00% (2020: 19.00%) thereon	(31,628)	(151,926)
Effect of:		
Income not taxable	(36,717)	(46,037)
Adjustments to tax charge in respect of previous years	498	-
Total current tax credit	(67,847)	(197,963)

(c) Factors affecting future tax charge:

The UK corporation tax rate of 19% is set to increase to 25% from 1 April 2023.

G.Costa (Holdings) Limited

NOTES TO THE FINANCIAL STATEMENTS

For the period ended 28 August 2021

7. INVESTMENTS

Cost and net book value

At 29 August 2020 and at 28 August 2021

£107,269,565

Subsidiary companies	Holding	Class of Shares	Country of Incorporation
AB World Foods Asia Limited ^{Note 1}	100% holding	Ordinary Shares	Incorporated in Thailand
The Natural Sweetness Company Limited ^{Note 2}	100% holding	Ordinary Shares	Incorporated in Great Britain
G. Costa and Company Limited ^{Note 2}	100% holding	Ordinary Shares	Incorporated in Great Britain
Worldwing Investments Limited ^{Note 2}	100% holding	Ordinary Shares	Incorporated in Great Britain
Elsenham Quality Foods Limited* ^{Note 2}	100% holding	Ordinary Shares	Incorporated in Great Britain
Patak's Foods 2008 Limited ^{Note 2}	100% holding	Ordinary Shares	Incorporated in Great Britain
Patak (Spices) Limited* ^{Note 2}	100% holding	Ordinary Shares	Incorporated in Great Britain
AB World Foods Limited* ^{Note 2}	100% holding	Ordinary Shares	Incorporated in Great Britain
Patak's Breads Limited* ^{Note 2}	100% holding	Ordinary Shares	Incorporated in Great Britain
Korway Holdings Limited* ^{Note 3}	100% holding	Ordinary Shares	Incorporated in Great Britain
Korway Foods Limited* ^{Note 3}	100% holding	Ordinary Shares	Incorporated in Great Britain
Patak's Frozen Foods Limited* ^{Note 3}	100% holding	Ordinary Shares	Incorporated in Great Britain
Patak's Chilled Foods Limited* ^{Note 3}	100% holding	Ordinary Shares	Incorporated in Great Britain
Patak Food Limited ^{Note 2}	100% holding	Ordinary Shares	Incorporated in Great Britain
The Roadmap Company Limited ^{Note 2}	100% holding	Ordinary Shares	Incorporated in Great Britain

^{Note 1} Registered office address is 1 Empire Tower, 24th Floor, Unit 2412-2413, South Sathorn Road, Yannawa, Sathorn, Bangkok, 10120, Thailand

^{Note 2} Registered office address is Weston Centre, 10 Grosvenor Street, London, W1K 4QY

^{Note 3} Registered office address is Miller Samuel LLP, RWF House, 5 Renfield Street, Glasgow, G2 5EZ

Shareholdings marked '*' are held through subsidiary undertakings, the rest are owned directly by the Company.

In the opinion of the directors, the investments in, and amounts due from, the Company's subsidiary undertakings are worth at least the amounts at which they are stated in the statement of financial position.

8. DEBTORS

	As at 28 August 2021 £	As at 29 August 2020 £
Tax recoverable losses due from group undertakings	266,307	591,461
	<u>266,307</u>	<u>591,461</u>

9. CREDITORS: Amounts falling due within one year

	As at 28 August 2021 £	As at 29 August 2020 £
Accruals	11,297	431
Amounts owed to intermediate parent undertaking Associated British Foods plc	106,058,317	106,295,722
	<u>106,069,614</u>	<u>106,296,153</u>

Amounts owed to intermediate parent undertaking are presented with intercompany loans received from other entities within the ABF Group, which bear interest of LIBOR plus 0.25% and reviewed every six months.

G.Costa (Holdings) Limited
NOTES TO THE FINANCIAL STATEMENTS
For the period ended 28 August 2021

10. CALLED UP SHARE CAPITAL

	As at 28 August 2021 £	As at 29 August 2020 £
Called up, allotted and fully paid		
757,458 ordinary shares of £1 each	757,458	757,458
	<u>757,458</u>	<u>757,458</u>

The ordinary shares have attached to them full voting dividend and capital distribution (including on winding up) rights; they do not confer any rights of redemption.

On 17 July 2012, the directors resolved that all of the 'A' Ordinary shares be re-designated as Ordinary shares of £1 each.

11. RESERVES

	£
At 29 August 2020	538,682
Profit/(Loss) for the period	(98,615)
At 28 August 2021	<u>440,067</u>

Share premium

The share premium reserve comprises all amounts shareholders paid for their issued shares in excess of the par value of those shares.

Capital redemption reserve

The capital redemption reserve comprises of all amounts paid for the repurchase of the company's own shares.

12. HOLDING COMPANY

The immediate holding company is AB World Foods (Holdings) Limited, which is incorporated in Great Britain and registered in England and Wales. The ultimate holding company is Wittington Investments Limited, which is incorporated in Great Britain and registered in England.

The largest group in which the results of the Company are consolidated is that headed by Wittington Investments Limited. The smallest group in which they are consolidated is that 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 Weston Centre, 10 Grosvenor Street, London W1K 4QY, which is the registered office of each of these companies. The consolidated accounts of Associated British Foods plc are also available for download on the group's website at www.abf.co.uk.