

Company Registration No. 04317046 (England and Wales)

KELF
ANNUAL REPORT AND FINANCIAL
STATEMENTS
FOR THE PERIOD ENDED
1 JANUARY 2022



KELF

COMPANY INFORMATION

Directors	P Jones B Lamont C Samimi
Company number	04317046
Registered office	Orange Tower Media City UK Salford Greater Manchester M50 2HF
Auditors	PricewaterhouseCoopers One Spencer Dock North Wall Quay Dublin 1

KELF

STRATEGIC REPORT FOR THE PERIOD ENDED 1 JANUARY 2022

The directors present the strategic report for the period ended 1 January 2022.

Principal activities and business review

The Company acts as an investment holding company.

The profit and loss account for the period ended 1 January 2022 is set out on page 7. The results for the Company for the period show a result before taxation of £nil (period ended 2 January 2021: loss of £14,000).

The Company continued to hold its investment in Kellogg Talbot, LLC.

At the period end the Company had net assets of £1,898,000 (as at 2 January 2021: £1,898,000).

Principal risks and uncertainties

The Company is largely dependent on fellow group undertakings for its business. A significant change in the business of its subsidiary, Kellogg Talbot, LLC would impact the carrying value of the investment in the Company's balance sheet. The directors monitor the performance and financial position of the subsidiary to ensure that the carrying value of the investment on the Company's balance sheet is supported.

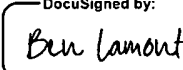
As part of the wider Kellogg Group the Company continues to closely monitor the risk posed by Coronavirus (COVID-19) and has implemented effective measures to safeguard employees and operations. There is no adverse impact from COVID-19 on the financial statements for the period ended 1 January 2022. The duration and ongoing impact of the COVID-19 pandemic is uncertain, however, there is no impact expected on the going concern of the Company.

As part of the wider Kellogg Group the Company is closely monitoring the situation of international tension due to the Russia/Ukraine conflict, including the impact of rising energy costs and economic uncertainty. There is no adverse impact from the conflict on the financial statements for the period ended 1 January 2022. The duration and ongoing impact of the conflict is uncertain, however, there is no impact expected on the going concern of the Company.

Key performance indicators

Given the straightforward nature of the business, the Company's directors are of the opinion that analysis using key performance indicators is not necessary for an understanding of the development, performance or position of the business.

On behalf of the board

DocuSigned by:

B Lamont
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Director

27 September 2022

KELF

DIRECTORS' REPORT FOR THE PERIOD ENDED 1 JANUARY 2022

The directors present their annual report and audited financial statements for the period ended 1 January 2022.

Results and dividends

The results for the period are set out on page 7.

No ordinary dividends were paid (period ended 2 January 2021: £nil). The directors do not recommend payment of a final dividend.

Directors

The directors who held office during the period and up to the date of signature of the financial statements were as follows:

P Knowles	(Resigned 30 June 2021)
P Jones	
B Lamont	
C Samimi	(Appointed 1 July 2021)

Qualifying third party indemnity provisions

The ultimate holding company maintains liability insurance for the directors and officers of the group. This was in place during the period and also at the date of approval of the financial statements and is a qualifying third-party indemnity provision for the purposes of the Companies Act 2006.

Financial risk management objectives and policies

The Company's operations expose it to a variety of financial risks that include the effects of changes in debt, foreign exchange risk, liquidity and interest rate risk. The Company has in place risk management programmes that seek to manage the financial exposures of the Company.

Liquidity risk

A Group-wide cash pooling arrangement and overdraft facility is in place, detailed in note 10.

Interest rate risk

In order to ensure the stability of cash outflows and hence manage interest rate risk, the Company keeps under constant review its levels of debt, the maturity and currency of the debt, and the interest expense being incurred. Hedging would be considered by the wider Kellogg group should circumstances warrant it.

Price risk

The Company has no exposure to equity securities price risk as it holds no listed equity investments.

Credit risk

The Company is exposed to credit risk on amounts receivable from group undertakings. The balances due from group undertakings are reviewed regularly to ensure they are supported by the assets of the group company in question.

Future developments

The directors expect the outlook for 2022 to be challenging given the tough economic climate in which they operate. It will also be challenging for its underlying subsidiaries given the tough economic climate in which they operate. The directors will continue to monitor the performance and results of its investments and implement strategy as appropriate.

Auditors

The auditors, PricewaterhouseCoopers, were appointed subsequent to the period end and are deemed to be reappointed under section 487(2) of the Companies Act 2006.

KELF

DIRECTORS' REPORT (CONTINUED) FOR THE PERIOD ENDED 1 JANUARY 2022

Statement of directors' responsibilities

The directors are responsible for preparing the Strategic Report and 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 period. 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 of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Matters of strategic importance

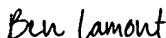
The company has chosen in accordance with Companies Act 2006, s. 414C(11) to set out in the company's strategic report information required by Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, Sch. 7 to be contained in the directors' report. It has done so in respect of principal activities and principal risks and uncertainties.

Statement of disclosure 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 of which the company's auditors are unaware. Additionally, each director has taken all the necessary steps that they ought to have taken as a director in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the board

DocuSigned by:



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B Lamont

Director

27 September 2022



Independent auditors' report to the members of KELF

Report on the audit of the financial statements

Opinion

In our opinion, KELF's financial statements:

- give a true and fair view of the state of the company's affairs as at 1 January 2022 and of its result for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report, which comprise: income statement, statement of financial position and statement of changes in equity

- the statement of financial position as at 1 January 2022;
- the income statement for the year then ended;
- the statement of changes in equity for the year then ended; and
- the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

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 of at least twelve months from when the financial statements are authorised for issue.

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.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the company's ability to continue as a going concern.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.



In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Strategic report and Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Strategic report and Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' Report for the year ended 1 January 2022 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' Report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of directors' responsibilities, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they 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.

Auditors' 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 auditors' 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.

Our audit testing might include testing complete populations of certain transactions and balances, possibly using data auditing techniques. However, it typically involves selecting a limited number of items for testing, rather than testing complete populations. We will often seek to target particular items for testing based on their size or risk characteristics. In other cases, we will use audit sampling to enable us to draw a conclusion about the population from which the sample is selected.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to UK tax legislation and environmental related legislation, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to fraudulent financial reporting and management bias in accounting estimates. Audit procedures performed by the engagement team included:



- inquiry of management and the Company's in-house legal and compliance team around actual and potential non-compliance with laws and regulations;
- review of meeting minutes of those charged with governance; and
- testing journal entries meeting specific risk criteria.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, 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.

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

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Rose-Marie McNamara

Rose-Marie McNamara (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers
Chartered Accountants and Statutory Auditors
Dublin
28 September 2022

KELF**INCOME STATEMENT****FOR THE PERIOD ENDED 1 JANUARY 2022**

		Period ended 1 January 2022 £000	Period ended 2 January 2021 £000
	Notes		
Administrative expenses		-	(14)
Loss before taxation		-	(14)
Tax on loss	5	-	-
Loss for the financial period		-	(14)

All of the activities of the Company are classed as continuing.

The Company has no comprehensive income other than the result for the period as set out above and therefore no separate statement of comprehensive income has been presented.

Company Registration No. 04317046

KELF**STATEMENT OF FINANCIAL POSITION
AS AT 1 JANUARY 2022**

		1 January 2022		2 January 2021	
	Notes	£000	£000	£000	£000
Fixed assets					
Investments	6		1,380		1,380
Current assets					
Debtors	7	531		530	
Creditors: amounts falling due within one period	8	(13)		(12)	
Net current assets			518		518
Total assets less current liabilities			1,898		1,898
Capital and reserves					
Called up share capital	9		317		317
Profit and loss reserves			1,581		1,581
Total equity			1,898		1,898

The financial statements were approved by the board of directors and authorised for issue on 27 September 2022 and are signed on its behalf by:

DocuSigned by:

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 B Lamont
 Director

KELF**STATEMENT OF CHANGES IN EQUITY
FOR THE PERIOD ENDED 1 JANUARY 2022**

	Share capital	Profit and loss reserves	Total
	£000	£000	£000
Balance at 29 December 2019	317	1,595	1,912
Period ended 2 January 2021:			
Result for the period	-	(14)	(14)
	<hr/>	<hr/>	<hr/>
Balance at 2 January 2021	317	1,581	1,898
Period ended 1 January 2022:			
Result for the period	-	-	-
	<hr/>	<hr/>	<hr/>
Balance at 1 January 2022	<u>317</u>	<u>1,581</u>	<u>1,898</u>

KELF

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 1 JANUARY 2022

1 Accounting policies

Company information

KELF is a private company limited by shares and is registered and incorporated in England and Wales. The registered office is Orange Tower Media City UK, Salford, Greater Manchester, M50 2HF.

The company's principal activities and nature of its operations are disclosed in the Directors' Report.

Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £000.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

Reduced disclosure framework

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 7 'Statement of Cash Flows': Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues';
- Section 33 'Related Party Disclosures': Compensation for key management personnel.

Consolidated financial statements

The company has taken advantage of the exemption under section 400 of the Companies Act 2006 not to prepare consolidated financial statements. The financial statements present information about the company as an individual entity and not about its group.

The financial statements of the company are consolidated in the financial statements of Kellogg Company. These consolidated financial statements are available from its registered office, One Kellogg Square, P.O. Box 3599, Battle Creek, Michigan, USA.

Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

The financial statements have been prepared on the going concern basis having considered cash flow projections and having received a letter of support from the ultimate parent undertaking, Kellogg Company, which confirms that it will continue to provide sufficient funds to enable the Company to meet all of its financial obligations as they fall due for the foreseeable future, a period of at least 13 months from the date of signing the financial statements.

Reporting period

The financial statements cover the financial period from 3 January 2021 to 1 January 2022 (comparative period: from 29 December 2019 to 2 January 2021).

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE PERIOD ENDED 1 JANUARY 2022

1 Accounting policies (Continued)

Investments

Investments in shares in group undertakings are recorded at cost less any provision for subsequent diminution in value. Impairment reviews are performed by the Company when there has been an indication of impairment in the carrying value of the investment. Any impairment is recognised in the profit and loss account in the period it is identified. The Company also consider reversals of historic impairments where the original indicators have ceased to apply in the current period.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

Cash and cash equivalents

Cash and cash equivalents are basic financial instruments and include cash in hand, deposits held at call with banks, and bank overdrafts. Bank overdrafts are shown in creditors due within one period.

Financial instruments

Financial assets

Basic financial assets, including amounts owed by group undertakings and cash and bank balances, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at the market rate of interest. Such assets are subsequently carried at amortised cost using the effective interest method under FRS 102 (section 11 and 12 of FRS 102).

Financial liabilities

Basic financial liabilities, including bank overdrafts, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Debt instruments are subsequently carried at amortised cost, using the effective interest rate method under FRS 102 (section 11 and 12 of FRS 102).

Taxation

Taxation expense for the period comprises current and deferred tax recognised in the reporting period. Tax is recognised in the profit and loss account, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case tax is also recognised in other comprehensive income or directly in equity respectively.

Current or deferred taxation assets and liabilities are not discounted.

Current tax

Current tax is the amount of income tax payable in respect of the taxable profit for the period or prior period. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the period end.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulations is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Foreign exchange

Transactions in currencies other than the functional currency (foreign currency) are initially recorded at the exchange rate prevailing on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. All translation differences are taken to profit or loss.

KELF
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE PERIOD ENDED 1 JANUARY 2022

1 Accounting policies (Continued)**Related party transactions**

The Company discloses transactions with related parties which are not wholly owned with the same group. It does not disclose transactions with members of the same group that are wholly owned. Consolidated financial statements of Kellogg Company, which incorporate the financial statements of the Company, are publicly available note 12. The Company was not involved in any other related party transactions during the financial period.

Interest receivable and payable

Interest is recognised in the accounting period to which it relates.

Called up share capital

Ordinary shares are classified as equity.

Dividends

Dividends payable are recognised in the accounting period in which they are paid or approved. Dividend income is recognised in the accounting period in which the right to receive payment is established.

2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Judgements

The directors have concluded there are no judgements (apart from those involving estimates) which have a material impact on the financial statements.

Key sources of estimation uncertainty

The estimates and assumptions which have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities are as follows.

Fixed asset investments

The Company considers whether fixed asset investments are impaired by reviewing for indicators of impairment. Where an indication of impairment is identified, the Company makes an assessment of the recoverable amount based on performance projections and assumptions. This requires estimation of the future cash flows from the assets and a selection of appropriate discount rates in order to calculate the net present value of those cash flows. Any impairment is recognised in the profit and loss account in the period it is identified. The Company also consider reversals of historic impairments where the original indicators have ceased to apply in the current period.

KELF
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE PERIOD ENDED 1 JANUARY 2022
3 Directors' remuneration

The Company has no employees (period ended 2 January 2021: none) and relies on affiliated companies to provide administrative support. The emoluments of zero directors (period ended 2 January 2021: none), and salaries of the employees who provide administrative support, are paid by fellow subsidiary undertakings that make no recharge to the Company. They are directors of a number of fellow subsidiary undertakings and it is not possible to make an apportionment of their emoluments in respect of this Company. Three directors (period ended 2 January 2021: Three) received no emoluments in respect of their services to the Company. Accordingly, these financial statements include no emoluments in respect of directors.

4 Auditors' remuneration

The audit fees for the period amount to £3,000 (period ended 2 January 2021: £3,000) and are borne by fellow group subsidiaries.

5 Tax on Loss

The total tax charge for the period included in the income statement can be reconciled to the loss before tax multiplied by the standard rate of tax as follows:

	Period ended 1 January 2022 £000	Period ended 2 January 2021 £000
Loss before taxation	-	(14)
	==	==
Expected tax credit based on the standard rate of corporation tax in the UK of 19.00% (2021: 19.00%)	-	(3)
Group relief	(4)	(1)
Transfer pricing adjustments	4	4
	—	—
Taxation charge for the period	-	-
	==	==

The standard rate of corporation tax in the UK has been 19.00% with effect from 1 April 2017. Accordingly, the company's results for this accounting period are taxed at 19.00%. A change to the UK corporation tax rate was announced in the Chancellor's Budget on 16 March 2016. The change announced was to reduce the main rate to 17.00% from 1 April 2020 and this was substantively enacted in September 2016.

In the Chancellor's Budget on 11 March 2020 it was confirmed that the rate of corporation tax will remain at 19.00% from 1 April 2020.

Finance Bill 2021 was published on 11 March 2021. With effect from 1 April 2023, the bill sets the main rate of corporation tax at 25.00%. As this change has been substantively enacted at the balance sheet date, its effect is included in these financial statements. Subsequently, on 23 September 2022 it was announced that rather than rising to 25.00% from April 2023, the rate will now remain at 19.00%. However, this change has not been substantively enacted at the balance sheet date.

KELF
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE PERIOD ENDED 1 JANUARY 2022
6 Investments

	1 January 2022 £000	2 January 2021 £000
Notes		
Investments in subsidiaries	1,380	1,380

The Company directly holds 100.00% of Kellogg Talbot, LLC's ordinary share capital of 4,373 shares, amounting to £40,993,000. The aggregate capital and reserves of Kellogg Talbot, LLC are £1,870,000 (period ended 2 January 2021: £1,761,000); and the profit for the period is £4,000 (period ended 2 January 2021: £137,000).

Kellogg Talbot, LLC, is incorporated under the laws of the state of Delaware, and its registered address is The Corporation Trust Centre, 1209 Orange Street, Wilmington New Castle County, Delaware, USA. The principle activity of Kellogg Talbot, LLC is the provision of administration and related services to the European operating units of its ultimate parent undertaking, Kellogg Company.

The Company reviews the carrying value of the investments for impairments and historic impairment reversals to ensure the value is upheld. No impairment was made in the period (period ended 2 January 2021: none).

Movement in investments

	Shares in group undertakings £000
Cost or valuation	
At 3 January 2021 & 1 January 2022	40,993
Impairment	
At 3 January 2021 & 1 January 2022	39,613
Carrying amount	
At 1 January 2022	1,380
At 2 January 2021	1,380

7 Debtors

	1 January 2022 £000	2 January 2021 £000
Amounts falling due within one period:		
Amounts owed by group undertakings	531	530

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

KELF
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE PERIOD ENDED 1 JANUARY 2022
8 Creditors: amounts falling due within one period

		1 January 2022 £000	2 January 2021 £000
	Notes		
Bank loans and overdrafts	10	13	12

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

9 Called up share capital

	1 January 2022 Number	2 January 2021 Number	1 January 2022 £	2 January 2021 £
Ordinary share capital				
Issued and fully paid				
Ordinary Shares of £10 each	31,719	31,719	317,191	317,191

The share capital has been translated at a rate of 2.065 \$/£ (2021: 2.065 \$/£).

There is a single class of ordinary shares. There are no restrictions on the distribution of dividends and the repayment of capital.

10 Financial commitments, guarantees and contingent liabilities

The Company is party to a cash pooling agreement with Bank Mendes Gans (BMG) in conjunction with other group companies. Under the terms of this arrangement cross company guarantees exist. Positive and negative cash balances can be offset by the arranger. Guarantees for the cash pooling arrangement are held by the ultimate parent company Kellogg Company. The Company is also party to a group wide temporary overdraft facility of \$30,000,000 (period ended 2 January 2021: \$30,000,000).

11 Events after the reporting date

On 21 June 2022, the Company's ultimate parent company Kellogg Company announced its intention to separate into three independent companies, by spinning off its US, Canadian and Caribbean cereal and plant-based businesses with these spin-off transactions targeted to be completed by the end of 2023. There is no financial impact on the Company as at the date of approval of these financial statements and no significant financial impact anticipated in the future.

As part of the wider Kellogg Group the Company is closely monitoring the situation of international tension due to the Russia/Ukraine conflict, including the impact of rising energy costs and economic uncertainty. There is no adverse impact from the conflict on the financial statements for the period ended 1 January 2022. The duration and ongoing impact of the conflict is uncertain, however, there is no impact expected on the going concern of the Company.

12 Ultimate controlling party

The Company's immediate parent undertaking is Kellogg Manchester, which is itself a subsidiary of Kellogg U.K. Holding Company Limited, both of which are registered in England and Wales.

The ultimate parent company and controlling party is Kellogg Company, which is incorporated in the United States of America and is the parent undertaking of the smallest and largest group to consolidate these financial statements. Copies of the financial statements of Kellogg Company can be obtained from One Kellogg Square, P.O. Box 3599, Battle Creek, Michigan, USA.