

**ABF UK Finance Limited**

**Annual report and financial statements**

**Registered number 07267422**

**15 September 2018**

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## Strategic report

### Review of the company's business

The principal activity of the company is the provision of financing to fellow subsidiaries in the Associated British Foods plc group. The company did not trade in the year.

During the period the main activities of the company remained unchanged and the directors anticipate that the company will continue to operate on the same basis.

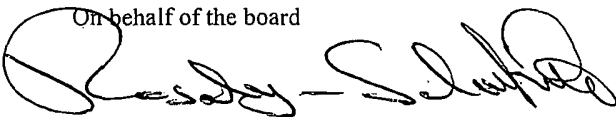
### Trading results and transfer to reserves

The Statement of total comprehensive income for the period is set out on page 6. The profit on ordinary activities after taxation amounted to £3.2m (2017: £3.1m). A dividend of £4.0m (2017: £3.5m) was declared and paid in the period.

### Principal risks and uncertainties

The company is not exposed to any significant unusual risks or uncertainties in its role as a financing company within the group. A full description of the risks and uncertainties to which the group is exposed is included within the Associated British Foods plc annual report and accounts.

On behalf of the board



RS Schofield  
Secretary

24 May 2019

## Directors' report

The directors present their annual report and financial statements for the 52 week period ended 15 September 2018. The financial statements are presented in sterling, rounded to the nearest thousand.

### Dividends

A dividend of £4.0m was declared and paid in the period (2017: £3.5m). The directors do not recommend the payment of a further dividend.

### Directors

The directors who held office during the year and since the end of the period were:

PA Russell (resigned 18 December 2017)

RS Schofield

AA Smith (appointed 18 December 2017)

### Director's indemnities

The directors have benefited from the ABF group's Directors and Officers Insurance policy. Two directors benefited from indemnity provisions provided by the company's immediate holding company during the financial period and one director benefited as at the date of this report, subject to the conditions set out in the Companies Act 2006.

### Going concern

After making due enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operation for at least 12 months from the date on which these financial statements are approved. Accordingly the financial statements have been prepared on the going concern basis.

### Health & Safety

The company keeps its health, safety 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, as does the board of Associated British Foods plc.

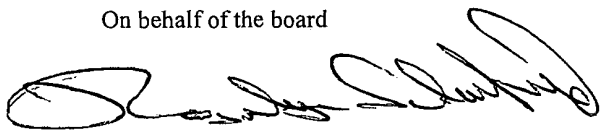
### Disclosure of information to auditor

The directors who held office at the date of approval of this report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditor is unaware; and each director has taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

### Auditor

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

On behalf of the board



RS Schofield  
Secretary

Weston Centre  
10 Grosvenor Street  
London  
W1K 4QY  
24 May 2019

## Statement of directors' responsibilities

The directors are responsible for preparing the Strategic report, the Directors' report and the financial statements in accordance with applicable UK law and regulations.

Company law requires the directors to prepare financial statements for each financial period. Under that law they have elected to prepare the financial statements in accordance with UK Generally Accepted Accounting Practice (UK 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 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 are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## **Independent auditor's report to the member of ABF UK Finance Limited**

### **Opinion**

We have audited the financial statements of ABF UK Finance Limited for the 52 week period ended 15 September 2018 which comprise the Statement of total comprehensive income, the Balance sheet, the Statement of changes in equity and the related notes 1 to 11, 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 15 September 2018 and of its profit for the 52 week period then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report below. 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**

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

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

### **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 set out on pages 1 to 3.

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.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of 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 period 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.

## **Independent auditor's report to the members of ABF UK Finance Limited (continued)**

### **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 Statement of directors' responsibilities set out 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, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

### **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*

**Jon Killingley (Senior statutory auditor)**  
for and on behalf of Ernst & Young LLP, Statutory Auditor  
London  
28 May 2019

## Statement of total comprehensive income

for the period ended 15 September 2018

	<i>Note</i>	52 week period ended 15 September 2018 £'000	52 week period ended 16 September 2017 £'000
Interest receivable and similar income		3,940	3,914
<b>Profit on ordinary activities before taxation</b>		<b>3,940</b>	<b>3,914</b>
Tax on profit on ordinary activities	6	(749)	(765)
<b>Profit on ordinary activities after taxation</b>		<b>3,191</b>	<b>3,149</b>
Other comprehensive income		-	-
<b>Total comprehensive income</b>		<b>3,191</b>	<b>3,149</b>

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

The notes set out on pages 9 to 11 form part of these financial statements.



## Balance sheet

at 15 September 2018

	<i>Note</i>	2018 £'000	2017 £'000
<b>Non-current assets</b>			
Debtors: amounts due after one year	8	104,106	105,466
<b>Current assets</b>			
Debtors: amounts due within one year	8	440	228
Cash		2,285	2,339
<b>Creditors: amounts falling due within one year</b>			
Taxation	9	-	(393)
<b>Net current assets</b>		2,725	2,174
<b>Net assets</b>		106,831	107,640
<b>Capital and reserves</b>			
Issued share capital	10	103,199	103,199
Share premium		1,199	1,199
Profit and loss account		2,433	3,242
<b>Equity shareholder's funds</b>		106,831	107,640

These financial statements were approved by the board of directors on 24 May 2019 and were signed on its behalf by:



**AA Smith**  
Director

The notes set out on pages 9 to 11 form part of these financial statements.

## Statement of changes in equity

for the 52 weeks ended 15 September 2018

	Note	Issued share capital £'000	Share premium £'000	Profit and loss account £'000	Total £'000
<b>Balance as at 17 September 2016</b>		103,199	1,199	3,593	107,991
Profit for the financial period		-	-	3,149	3,149
Total comprehensive income for the period		-	-	3,149	3,149
Equity dividend paid	7	-	-	(3,500)	(3,500)
<b>Balance as at 16 September 2017</b>		103,199	1,199	3,242	107,640
Profit for the financial period		-	-	3,191	3,191
Total comprehensive income for the period		-	-	3,191	3,191
Equity dividend paid	7	-	-	(4,000)	(4,000)
<b>Balance as at 15 September 2018</b>		<b>103,199</b>	<b>1,199</b>	<b>2,433</b>	<b>106,831</b>

## Notes to the financial statements

### 1 Authorisation of financial statements and statement of compliance with FRS 101

The financial statements of ABF UK Finance Limited (the “company”) for the 52 week period ended 15 September 2018 were authorised for issue by the board of directors on 24 May 2019.

The company’s financial statements are presented in sterling and all values are rounded to the nearest thousand pounds (£’000) except where otherwise indicated. They are prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) and the Companies Act 2006.

The company has taken advantage of the disclosure exemptions permitted by FRS 101 in relation to financial instruments, capital management, presentation of comparative information in respect of certain assets, presentation of a cash flow statement, standards not yet effective, impairment of assets and certain related party transactions. Where required, equivalent disclosures are made in the consolidated financial statements of Associated British Foods plc.

After making due enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operation for at least 12 months from the date on which these financial statements are approved. Accordingly the financial statements have been prepared on the going concern basis.

The company is a private limited company incorporated and domiciled in England and Wales.

The principal accounting policies adopted by the company are set out in note 3 below. They have been applied consistently to all years presented.

### 2 Accounting reference date

These accounts have been prepared for the 52 week period ended 15 September 2018.

### 3 Significant accounting policies

#### *Dividends*

Dividends, both payable and receivable are recognised in the year in which they are paid or received.

#### *Taxation*

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 balance sheet date.

#### *Interest income*

Interest on financial assets held at amortised cost, is recognised in the statement of total comprehensive income using the effective interest method.

#### *Financial assets*

Financial assets are measured initially at fair value plus directly attributable transaction costs and thereafter at amortised cost.

### 4 Auditor’s remuneration

The auditor’s remuneration was borne by Associated British Foods plc in the current and the prior period.

### 5 Directors’ and key management emoluments

Key management, which is limited to the named directors of the company, received no emoluments in respect of their services to this company in either the current or the prior period.

## Notes to the financial statements (continued)

### 6 Taxation

#### *a) Analysis of charge for the period*

	2018 £'000	2017 £'000
Current tax	749	765
Total tax charge	749	765

#### *(b) Factors affecting tax charge for the period*

The tax assessed for the current and prior period is equal to the standard rate of corporation tax in the UK of 19.00% (2017: 19.54%).

#### *(c) Factors that may affect future tax charges*

The UK corporation tax rate was reduced from 20% to 19% with effect from 1 April 2017, with a further reduction to 17% effective from 1 April 2020. The legislation to effect these rate changes was enacted before the balance sheet date. As deferred tax is measured at the rates that are expected to apply in the periods when the underlying timing differences reverse, closing deferred tax balances have been calculated using a rate of 17%.

### 7 Dividends

	2018 £'000	2017 £'000
Equity dividends on ordinary shares declared and paid during the year	4,000	3,500

No further dividends have been proposed.

### 8 Debtors

	2018 £'000	2017 £'000
<b>Amounts due within one year</b>		
Amounts owed from intermediate parent undertaking	222	228
Corporation tax receivable	218	-
	440	228
<b>Amounts due after one year</b>		
Amounts owed from intermediate parent undertaking	104,106	105,466

Amounts due from the intermediate parent company for the current and prior year were interest-bearing.

## Notes to the financial statements (continued)

### 9 Creditors: Amount falling due within one year

	2018 £'000	2017 £'000
Corporation tax payable	-	(393)
	<u>          </u>	<u>          </u>

### 10 Issued share capital

	Ordinary shares of £1 each	Nominal value £'000
Issued and fully paid At 16 September 2017 and 15 September 2018	103,199,139	103,199
	<u>                    </u>	<u>                    </u>

### 11 Holding company

The immediate holding company is ABF Holdings (Thailand) Limited, a company registered in Thailand. 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, incorporated in Great Britain. 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](http://www.abf.co.uk).