

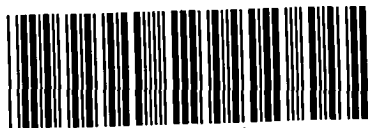
Registration number: 07267422

ABF UK Finance Limited

Annual Report and Financial Statements

18 September 2021

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Contents

Strategic Report	1
Directors' Report	2 to 3
Statement of Directors' Responsibilities	4
Independent Auditor's Report	5 to 7
Statement of Total Comprehensive Income	8
Balance Sheet	9
Statement of Changes in Equity	10
Notes to the Financial Statements	11 to 15

Strategic Report for the Period from 13 September 2020 to 18 September 2021

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 current or prior period.

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.

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 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 group Annual Report which are available at www.abf.co.uk.

Trading results and transfer to reserves

The company's results for the year are reflected in the statement of total comprehensive income on page 8. The profit on ordinary activities after taxation amounted to £2.8m (2020: £3.3m). A dividend of £2.7m (2020: £4.1m) was declared and paid in the period.

Approved by the Board on 15 June 2022 and signed on its behalf by:



AA Smith
Director

Directors' Report for the Period from 13 September 2020 to 18 September 2021

The directors present their report and the financial statements for the period from 13 September 2020 to 18 September 2021.

Dividends

A dividend of £2.7m was declared and paid on the 17 August 2021 (2020: £4.1m). The directors do not recommend the payment of a further dividend.

Going concern

The COVID-19 pandemic has continued across the world, and at the time of approving these financial statements, it has had no adverse impact on the company.

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.

As set out in note 10, the smallest group in which the results of the company are consolidated is that headed by Associated British Foods plc, which confirmed in the Interim Results Announcement dated 26 April 2022 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 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 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' of the company

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

AA Smith

RS Schofield (resigned 24 December 2020)

RG Cahill (appointed 23 December 2020)

**Directors' Report for the Period from 13 September 2020 to 18 September 2021
(continued)**

Directors' indemnities

The directors have benefited from the Associated British Foods plc group Directors and Officers Insurance policy. One director benefited from indemnity provisions provided by ABF Investments plc, a subsidiary of Associated British Foods plc, during the financial period, subject to the conditions set out in the Companies Act 2006.

Health & Safety

The company, and the broader group of which it forms part, 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.

Disclosure of information to the auditor

The directors who held office at the date of approval of this Directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's 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.

Reappointment of auditor

The auditor Ernst & Young LLP is deemed to be reappointed under section 487(2) of the Companies Act 2006.

Approved by the Board on 15 June 2022 and signed on its behalf by:



AA Smith
Director

Registered address Weston Centre
10 Grosvenor Street
London
W1K 4QY

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 year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 101 'Reduced Disclosure Framework' ('FRS 101').

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 apply them consistently;
- make judgements and accounting 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 Members of ABF UK Finance Limited

Opinion

We have audited the financial statements of ABF UK Finance Limited (the 'Company') for the 53 week period ended 18 September 2021, which comprise the Statement of Total Comprehensive Income, Balance Sheet, Statement of Changes of Equity and the related notes 1 to 10, 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 state of the Company's affairs as at 18 September 2021 and of its profit 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 until June 2023.
- 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.

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.

Independent Auditor's Report to the Members of ABF UK Finance Limited (continued)

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and 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.

Matters on which we are required to report by exception

In the light of our 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 and the Directors' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

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

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page 4, 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.

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 the reporting framework (FRS 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice), Companies Act 2006 and relevant laws and regulations in the UK.

Independent Auditor's Report to the Members of ABF UK Finance Limited (continued)

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

- We understood how ABF UK Finance Limited is complying with those frameworks by observing the oversight of those charged with governance, the culture of honesty and ethical behaviour and whether a strong emphasis is placed on fraud prevention, which may reduce opportunities for fraud to take place, and fraud deterrence, which could persuade individuals not to commit fraud because of the likelihood of detection and punishment. We corroborated our enquiries through reading board minutes and consideration of our audit procedures across the company.
- We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur by understanding which areas of the business present potential fraud risk areas (through assessing the presence of opportunities, incentives or potential rationalisation to commit such acts of fraud), understanding where these risks could present themselves and subsequently identifying the process level controls in place to prevent, or detect and correct them. Combining this with our consideration of entity level controls, which has evidenced management's behaviour and the culture embedded within the Company, we have gained a detailed understanding of the overall susceptibility to fraud.
- Based on this understanding we designed our audit procedures to identify noncompliance with such laws and regulations. We performed detailed testing around manual journals for identified fraud risks, corroborating transactions where necessary to underlying supporting documentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at 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

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Ammara Hussain (Senior Statutory Auditor)
For and on behalf of Ernst & Young LLP, Statutory Auditor
1 More London Place
London
United Kingdom
SE1 2AF

Date: 15/6/22

Statement of Total Comprehensive Income
for the Period from 13 September 2020 to 18 September 2021


	Note	2021 £'000	2020 £'000
Interest receivable and similar income		3,404	4,021
Profit on ordinary before taxation		3,404	4,021
Tax on profit on ordinary activities	5	(637)	(764)
Profit on ordinary activities after taxation		2,767	3,257
Other comprehensive income		-	-
Total comprehensive income		2,767	3,257

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

Balance Sheet
at 18 September 2021

	Note	2021 £'000	2020 £'000
Non-current assets			
Debtors: amounts due after one year	7	-	102,112
Current assets			
Debtors: amounts due within one year	8	103,539	806
Cash at bank and in hand		2,921	2,267
		<u>106,460</u>	<u>3,073</u>
Creditors: Amounts falling due within one year	9	<u>(1,208)</u>	-
Net current assets		<u>105,252</u>	<u>3,073</u>
Net assets		<u>105,252</u>	<u>105,185</u>
Capital and reserves			
Called up share capital	10	103,199	103,199
Share premium reserve		1,199	1,199
Profit and loss account		<u>854</u>	<u>787</u>
Shareholders' funds		<u>105,252</u>	<u>105,185</u>

Approved by the Board on 15 June 2022 and signed on its behalf by:



AA Smith
Director

Registered number: 07267422

The notes on pages 11 to 15 form an integral part of these financial statements.

Statement of Changes in Equity
for the Period from 13 September 2020 to 18 September 2021

	Note	Share capital £'000	Share premium £'000	Profit and loss account £'000	Total £'000
At 15 September 2019		103,199	1,199	1,630	106,028
Profit for the period		-	-	3,257	3,257
Total comprehensive income		-	-	3,257	3,257
Dividends	6	-	-	(4,100)	(4,100)
At 12 September 2020		103,199	1,199	787	105,185
	Note	Share capital £'000	Share premium £'000	Profit and loss account £'000	Total £'000
At 13 September 2020		103,199	1,199	787	105,185
Profit for the period		-	-	2,767	2,767
Total comprehensive income		-	-	2,767	2,767
Dividends	6	-	-	(2,700)	(2,700)
At 18 September 2021		103,199	1,199	854	105,252

The notes on pages 11 to 15 form an integral part of these financial statements.

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 53 week period ended 18 September 2021 were authorised for issue by the board of directors on 15 June 2022.

The company’s financial statements are presented in sterling, rounded to the nearest thousand pounds (£’000). 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 a cash flow statement, standards not yet effective, impairment of assets and certain related party transactions. Where required, equivalent disclosures are given in the consolidated financial statements of Associated British Foods plc.

The company has also taken advantage of the exemption under s400 of the Companies Act 2006 not to prepare group accounts as it is a wholly owned subsidiary of Associated British Foods plc and its results are included in the parent company’s consolidated financial statements. These consolidated financial statements are available to the public and may be obtained from Associated British Foods plc, Weston Centre, 10 Grosvenor Street, London, W1K 4QY. They are also available for download on the group’s website at www.abf.co.uk.

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

These accounts have been prepared for the 53 week period ended 18 September 2021.

Going concern

The COVID-19 pandemic has continued across the world, and at the time of approving these financial statements, it has had no adverse impact on the company.

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.

As set out in note 10, the smallest group in which the results of the company are consolidated is that headed by Associated British Foods plc, which confirmed in the Interim Results Announcement dated 26 April 2022 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.

Notes to the Financial Statements (continued)

1 Authorisation of financial statements and statement of compliance with FRS 101 (continued)

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 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.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

Tax

The tax expense for the period comprises current tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

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.

Dividends

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

Interest Income

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

Interest-bearing loans and borrowings

All loans and borrowings are initially recognised at fair value less directly attributable transaction costs. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method.

Notes to the Financial Statements (continued)

2 Accounting policies (continued)

Financial assets and liabilities

Financial assets are measured initially at fair value plus directly attributable transaction costs and thereafter at amortised cost. Allowance for doubtful debts is recognised based on management's expectation of losses without regard to whether an impairment trigger happened or not (an "expected credit loss" model).

3 Directors' remuneration

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, as those services were inconsequential to the company.

4 Auditor's remuneration

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

Notes to the Financial Statements (continued)

5 Taxation

Tax charged in the profit and loss account

	2021 £'000	2020 £'000
Current taxation		
Current tax	<u>637</u>	<u>764</u>

The tax on profit before tax for the period is at the standard rate of corporation tax in the UK of 19% (2020 - 19%).

	2021 £'000	2020 £'000
Profit before tax	<u>3,404</u>	<u>4,021</u>
Corporation tax at standard rate	<u>647</u>	<u>764</u>
Increase (decrease) in current tax from adjustment for prior periods	<u>(10)</u>	<u>-</u>
Total tax charge	<u>637</u>	<u>764</u>

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

6 Dividends

	2021 £'000	2020 £'000
Final dividend of £2,700 (2020 - £4,100) per ordinary share	<u>2,700</u>	<u>4,100</u>

7 Debtors - Amounts due after one year

	2021 £'000	2020 £'000
Amounts owed from intermediate parent undertaking	<u>-</u>	<u>102,112</u>

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

Notes to the Financial Statements (continued)

8 Debtors - Amounts due within one year

	2021 £'000	2020 £'000
Loans to related parties	101,482	-
Corporation tax receivable	2,057	806
	<u>103,539</u>	<u>806</u>

9 Trade and other creditors

	18 September 2021 £	12 September 2020 £
Accrued expenses	<u>1,208</u>	<u>-</u>

10 Share capital

Allotted, called up and fully paid shares

	18 September 2021		12 September 2020	
	No.	£'000	No.	£'000
Issued and fully paid of £1 each	<u>103,199,139</u>	<u>103,199</u>	<u>103,199,139</u>	<u>103,199</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 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.