

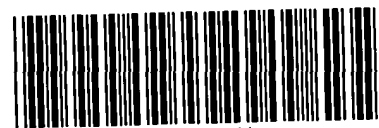
Registration number: 00172141

ABF Food Tech Investments Limited

Annual Report and Financial Statements

14 September 2019

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ABF Food Tech Investments Limited
Annual report and financial statements
14 September 2019
Registered number 00172141

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ABF Food Tech Investments Limited
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Strategic Report for the Period from 16 September 2018 to 14 September 2019

Review of the company's business

The principal activity of the company is the holding of shares in companies in the food industry and in investment companies.

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 holding 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 62 to 66 of the 2019 group Annual Report and were updated by the group's interim results announcement dated 21 April 2020, both of which are available at www.abf.co.uk.

Trading results and transfer to reserves

The company's result for the year is reflected in the statement of total comprehensive income on page 8. The loss on ordinary activities after taxation amounted to EUR23,000 (2018: nil). No dividends were declared or paid in the period (2018: nil).

Approved by the Board on 8 September 2020 and signed on its behalf by:



AA Smith
Director

Directors' Report for the Period from 16 September 2018 to 14 September 2019

The directors present their report and the financial statements for the period from 16 September 2018 to 14 September 2019.

Dividends

No dividends were declared and paid in the current or the prior period. The directors do not recommend the payment of a further dividend.

Directors' of the company

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

AA Smith

RS Schofield

PC Meyers (appointed 25 September 2018)

GJ Weston (appointed 25 September 2018)

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, which provisions remained in force as at the date of this directors' report.

Health & Safety

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, as does the board of Associated British Foods plc.

**Directors' Report for the Period from 16 September 2018 to 14 September 2019
(continued)**

COVID-19 and going concern

Since the balance sheet date, the COVID-19 pandemic has spread across the world. This has highlighted the importance of the global food supply chain, in which the company's subsidiaries play an important part.

The COVID-19 pandemic has, at the time of approving these financial statements, 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 2020 full year impact cannot yet be known.

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 at least twelve months from the date of signing of these financial statements.

After making due enquiries and considering the impact of COVID-19, 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 its interim results announcement dated 21 April 2020 and available at www.abf.co.uk) 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.


Disclosure of information to the auditor

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

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 8 September 2020 and signed on its behalf by:


AA Smith
Director

Statement of Directors' Responsibilities

The directors acknowledge their responsibilities for preparing the Annual 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 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 FRS 101 has 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 Food Tech Investments Limited

Opinion

We have audited the financial statements of ABF Food Tech Investments Limited (the 'Company') for the period from 16 September 2018 to 14 September 2019, which comprise the Statement of Total Comprehensive Income, Balance Sheet, Statement of Changes in Equity, and related note 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 (United Kingdom Generally Accepted Accounting Practice), including FRS 101 'Reduced Disclosure Framework'.

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 14 September 2019 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.

Emphasis of matter - disclosure of effects of COVID-19

We draw attention to notes 1 and 11 of the financial statements, which describe the impact on the Company of COVID-19 in its operations and assessment of going concern. Our opinion is not modified in respect of this matter

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.

Independent Auditor's Report to the Members of ABF Food Tech Investments Limited (continued)

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report set out on pages 1 to 4, other than the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our 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 this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matter 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.

ABF Food Tech Investments Limited
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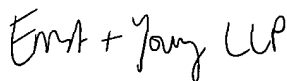
Independent Auditor's Report to the Members of ABF Food Tech Investments Limited (continued)

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.

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.



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Jon Killingley (Senior Statutory Auditor)
For and on behalf of Ernst & Young LLP, Statutory Auditor
London

9 September 2020

Statement of total comprehensive income
for the Period from 16 September 2018 to 14 September 2019

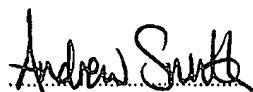
	Note	2019 EUR'000	2018 EUR'000
Interest payable and similar charges	5	(28)	-
Loss before tax		(28)	-
Tax on loss on ordinary activities	6	5	-
Loss on ordinary activities for the period		(23)	-
Other comprehensive income		-	-
Total comprehensive loss		(23)	-

The above results were derived from continuing operations.

Balance Sheet
at 14 September 2019

			(As restated)
	Note	2019 EUR'000	2018 EUR'000
Fixed assets			
Other financial assets	7	1,266	-
Current assets			
Debtors	8	3,722	11
Net assets		<u>4,988</u>	<u>11</u>
Capital and reserves			
Called up share capital	9	5,011	11
Profit and loss account		<u>(23)</u>	<u>-</u>
Shareholders' funds		<u>4,988</u>	<u>11</u>

Approved by the Board on 8 September 2020 and signed on its behalf by:



AA Smith
Director

Registered number: 00172141

Statement of Changes in Equity
for the Period from 16 September 2018 to 14 September 2019

	Share capital EUR'000	Retained earnings EUR'000	Total EUR'000
At 17 September 2017 (as restated)	11	-	11
At 15 September 2018 (as restated)	11	-	11
	Share capital EUR'000	Retained earnings EUR'000	Total EUR'000
At 16 September 2018	11	-	11
Loss for the period	-	(23)	(23)
Total comprehensive income	-	(23)	(23)
New share capital subscribed	5,000	-	5,000
At 14 September 2019	5,011	(23)	4,988

Notes to the Financial Statements

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

The financial statements of ABF Food Tech Investments Limited (the “company”) for the 52 week period ended 14 September 2019 were authorised for issue by the board of directors on 8 September 2020.

The company’s financial statements are presented in Euros, rounded to the nearest thousand Euros (EUR ‘000). They are prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) and the Companies Act 2006.

On 11 October 2018 the company changed its functional and presentation currency from sterling to Euros, using an exchange rate of 1.1392, to align to the currency of its primary operations following a change in the company’s primary currency of funding and investments from that date. As a result the prior year comparative numbers have been restated to reflect this change.

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.

COVID-19 and going concern

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 its interim results announcement dated 21 April 2020 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.

Further details of the impact of COVID-19 on the Company and on the directors’ assessment of going concern are included in the “COVID-19 and going concern” section of the Directors’ report and in the post-balance sheet events note.

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

These accounts have been prepared for the 52 week period ended 14 September 2019.

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 years presented, unless otherwise stated.

Details of new accounting standards applied in the year are set out at the end of this note.

Notes to the Financial Statements (continued)

2 Accounting policies (continued)

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.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates taxable income.

Financial assets and liabilities

Financial assets and liabilities 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).

New Accounting policies

The following accounting standards and amendments were adopted during the period and had no significant impact on the company, except as further described below:

IFRS 9 Financial Instruments: Classification and Measurement

IFRS 9 replaces IAS 39 Financial Instruments: Recognition and Measurement. It includes requirements for recognition and measurement, impairment, derecognition and general hedge accounting. The standard introduces changes to three key areas:

Financial assets are classified using a principles-based approach in three measurement categories: amortised cost, fair value through other comprehensive income or fair value through profit or loss. Classification is performed on initial recognition of the asset based on the characteristics of the asset and the local business model. The vast majority of the company's financial assets were previously recorded at amortised cost and this continues to be the case.

- new requirements for the classification and measurement of financial instruments;
- a new impairment model based on expected credit losses for recognising provisions (compared to IAS 39, which used an incurred loss model); and
- simplified hedge accounting through closer alignment with an entity's risk management methodology.

Notes to the Financial Statements (continued)

2 Accounting policies (continued)

Financial assets are classified using a principles-based approach in three measurement categories: amortised cost, fair value through other comprehensive income or fair value through profit or loss. Classification is performed on initial recognition of the asset based on the characteristics of the asset and the local business model. The vast majority of the company's financial assets were previously recorded at amortised cost and this continues to be the case.

The company revised its impairment methodology under IFRS 9 for financial assets. The company has applied the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected credit loss allowance for all trade receivables.

For financial liabilities, there are no significant classification and measurement changes compared to IAS 39.

The company adopted IFRS 9 on 16 September 2018 and has applied it for the first time in the 2019 financial year, without restating comparative information. No cumulative adjustment to recognise the impact of applying IFRS 9 as at 16 September 2018 was required.

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.

4 Auditor's remuneration

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

5 Interest payable and similar charges

	2019 EUR'000	2018 EUR'000
Bank interest payable	8	-
Interest paid to group undertakings	20	-
	<u>28</u>	<u>-</u>

Notes to the Financial Statements (continued)

6 Taxation

Tax credited in the profit and loss account

	2019 EUR'000	2018 EUR'000
Current taxation		
Current tax	(5)	-

The tax on profit before tax for the period is the same as the standard rate of corporation tax in the UK (2018 - the same as the standard rate of corporation tax in the UK) of 19% (2018 - 19%).

The differences are reconciled below:

	2019 EUR'000	2018 EUR'000
Loss before tax	<u>(28)</u>	<u>-</u>
Corporation tax at standard rate	<u>(5)</u>	<u>-</u>
Total tax credit	<u>(5)</u>	<u>-</u>

At the balance sheet date legislation to reduce the UK corporation tax rate to 17% had been enacted and was due to be effective from 1 April 2020. In March 2020, the Chancellor announced that the UK corporation tax rate would remain at 19% rather than reducing to 17% on 1 April 2020.

7 Other financial assets

	14 September 2019 EUR'000	15 September 2018 EUR'000
Non-current financial assets		
Held to maturity investments	<u>1,266</u>	<u>-</u>

On 6 November 2018 the company committed to invest €5m into Five Seasons Ventures, a French private equity investment fund. This represented 6.48% (€5,000,000 A shares) of the overall fund's share capital.

At 14 September 2019 Five Seasons Ventures had drawn down €1,266m of the agreed commitment.

The primary purpose of Five Seasons Ventures is to invest in food technology opportunities.

Notes to the Financial Statements (continued)

8 Debtors

	(As restated)	
	2019 EUR'000	2018 EUR'000
Receivable from group companies	3,717	11
Corporation tax receivable	5	-
	<u>3,722</u>	<u>11</u>

9 Share capital

	Ordinary shares of EUR 1 each	Nominal value EUR
<i>Allotted, called up and fully paid</i>		
At 15 September 2018	11,392	11,392
New share capital issued	5,000,000	5,000,000
At 14 September 2019	<u>5,011,392</u>	<u>5,011,392</u>

On the 11 October 2018, the company redenominated its share capital using the procedure permitted under sections 622 to 625 of the Companies Act 2006 so that the fixed nominal value of each of the 10,000 ordinary share of £1.00 was redenominated into euros (EUR). Following the redenomination, the 10,000 issued ordinary shares of €1.1392 each were subdivided, in accordance with section 618 of the Companies Act 2006 into 11,392 ordinary shares of €1.00 each. Following redenomination and subdivision, the ordinary shares of €1.00 each have attached to them the same rights, and are subject to the same restrictions, as the previously issued ordinary shares of £1.00 each.

On 31 October 2018, the company issued 5,000,000 ordinary shares of €1.00 each to its immediate parent company, ABF (No.2) Limited.

Notes to the Financial Statements (continued)

10 Holding company

The immediate holding company is ABF (No. 2) Limited, a company registered in England and Wales. The ultimate holding company is Wittington Investments Limited which is incorporated in Great Britain and registered in England and Wales.

The largest group in which the results of the company are consolidated is headed by Wittington Investments Limited, 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.

11 Post balance sheet events

Since the balance sheet date, the COVID-19 pandemic has spread across the world. This is considered a non-adjusting post-balance sheet event and the impact of COVID-19 will be reported in the 2020 financial statements.

This has highlighted the importance of the Global food supply chain, in which the Company plays an important part.

The COVID-19 pandemic has, at the time of approving these financial statements, 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 2020 full year impact, including any impact on the carrying value of the Company's investment, cannot yet be known.

At 31 July 2020 Five Season Ventures had drawn down a further €1,200,000 of the commitment made by the company. The total investment value at the date of approval of the financial statements was €2,500,000.