

Registration number: 00313307

A.B.F.Holdings Limited

Annual Report and Financial Statements

16 September 2023

Contents

Strategic Report	1 to 3
Directors' Report	4 to 5
Statement of Directors' Responsibilities	6
Independent Auditor's Report	7 to 9
Statement of Total Comprehensive Income	10
Balance Sheet	11
Statement of Changes in Equity	12
Notes to the Financial Statements	13 to 31

Strategic Report for the Period from 18 September 2022 to 16 September 2023

Review of the business

During the period the principal activities were the holding of shares in subsidiary companies and the provision of IT services to companies within the Associated British Foods plc (ABF) group. The principal activities of the subsidiaries were the processing and sale of food and the provision of ingredients for companies in the food industry. The directors anticipate that any future developments will relate to its principal activities.

Principal risks and uncertainties

A full description of the principal risks and uncertainties applicable to the ABF group, of which this company is a wholly owned subsidiary, are disclosed on pages 68 to 75 of the 2023 Annual Report, which is 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 10. The profit on ordinary activities after taxation amounted to £21.6m (2022: £13.5m). No dividends were declared or paid in the period (2022: £nil).

Engaging with our stakeholders - Section 172 Statement

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

The Company is a subsidiary of Associated British Foods plc and, as such, the Company has adopted and directors have due regard to applicable group policies and procedures which impact on the Company's stakeholders. Please also see the Associated British Foods plc Section 172 Statement on pages 40 to 45 of that document.

Stakeholders and engagement

The key stakeholders with whom engagement is fundamental to the company's ongoing success are:

- employees
- suppliers
- subsidiaries of the company
- its shareholder

Strategic Report for the Period from 18 September 2022 to 16 September 2023 (continued)

Employees

The company employs 187 people primarily working on the provision of IT services to companies within the ABF group through Business Technology Services (BTS). The day-to-day operational management of BTS is delegated by the directors to senior IT management within the group. Our people are central to our success and employee engagement is crucial to embedding our company culture and values, and to helping our people see how their efforts contribute to their company's strategic objectives.

Engagement with employees takes place through the senior IT management. Information sharing is key and the senior IT management hold regular "town hall" meetings, where two-way communication is encouraged. Employee engagement is measured through a quarterly survey which allows resources to be focused on the areas that would make the biggest impact to employees. Engagement programmes involve social events and the celebration of success. Leadership have placed an increasing emphasis on diversity and inclusion as well as mental health support.

Suppliers

Our Supplier Code of Conduct, which applies to all companies in the ABF group and which can be found on the ABF website, sets out our values and standards on how we work and engage with our suppliers on ethical, environmental and other relevant matters.

Subsidiaries of the company

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

Shareholder

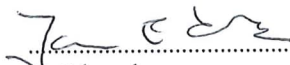
The company takes appropriate steps to ensure that its shareholder is kept up to date on key business activities and decisions.

UK Mandatory Climate Disclosures

The Company is not required to make mandatory climate disclosures under The Companies (Strategic Report) (Climate-related Financial Disclosure) Regulations 2022. It qualifies for the exemption in section 414CA of the Companies Act 2006 as it is a subsidiary of Associated British Foods plc, which makes climate-related financial disclosures under Listing Rule 9.8.6R in line with the Task Force on Climate-related Financial Disclosures ('TCFD') that include the Company. Associated British Foods plc's TCFD disclosures can be found on pages 56 to 67 of its annual report and accounts.

**Strategic Report for the Period from 18 September 2022 to 16 September 2023
(continued)**

Approved by the Board on and signed on its behalf by:


.....
J.L. Edwards
Director

16 January 2024

Registered address Weston Centre
10 Grosvenor Street
London
W1K 4QY

Directors' Report for the Period from 18 September 2022 to 16 September 2023

The directors present their report and the financial statements for the period from 18 September 2022 to 16 September 2023.

Dividends

No dividends were declared and paid in the period (2022: £nil). The directors do not recommend the payment of a dividend.

Engaging with our stakeholders

See pages 1 to 2 for information on how the directors have had regard to employees and suppliers and to the need to foster the company's business relationships with other ABF group entities.

Going Concern

The Company has received a letter of support from its immediate 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 enquiries and considering the support available from the immediate 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 ABF group's directors' assessment of going concern (set out in the Annual Report and Accounts dated 7 November 2023 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 1 March 2025, 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, were as follows:

AA Smith

JG Bason (resigned 28 April 2023)

JL Edwards

RG Cahill

EP Tonge (appointed 26 April 2023)

**Directors' Report for the Period from 18 September 2022 to 16 September 2023
(continued)**

Directors Indemnities

The directors have benefited from the Associated British Foods plc group Directors and Officers Insurance policy.

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.

Employees

The company employed an average of 220 employees during the period (2022:181) all of whom were employed in the IT shared service centre. It is the policy of the company to offer equal opportunities to disabled persons in recruitment, training and career development, having due regard to their aptitudes and abilities in relation to the jobs available. There has recently been additional focus on ensuring the company provides better support for disabled persons, whether employees or users of the services.

Engagement with employees

Details of how the directors have engaged with employees and how the directors have had regard to employee interests, and the effect of that regard including on the principal decisions taken by the company are set out on pages 1-2.

Energy Usage

The company's energy usage information is included in the consolidated accounts of its parent, Associated British Foods plc. For further information please refer to full disclosures made in the Associated British Foods plc annual report for the year ended 16 September 2023.

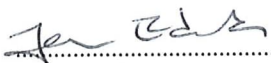
Disclosure of information to the auditor

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 and signed on its behalf by:


.....
JL Edwards
Director

16 January 2024

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 A.B.F.Holdings Limited

Opinion

We have audited the financial statements of A.B.F.Holdings Limited (the 'Company') for the period from 18 September 2022 to 16 September 2023, which comprise the Statement of Total Comprehensive Income, Balance Sheet, Statement of Changes in Equity, and related notes 1 to 18, 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 16 September 2023 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 as applied to other entities of public interest, 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 director's 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 1 March 2025.
- 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 A.B.F.Holdings Limited (continued)

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 year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of 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 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 6, 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 A.B.F.Holdings Limited (continued)

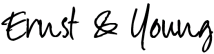
Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud (continued)

- We understood how A.B.F. Holdings 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 <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.

DocuSigned by:

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

Date:

Statement of Total Comprehensive Income
for the Period from 18 September 2022 to 16 September 2023

	Note	2023 £ 000	2022 £ 000
Investment income	5	37,973	17,538
Net other operating income		<u>177</u>	<u>64</u>
Profit on ordinary activities before interest		38,150	17,602
Interest payable	6	<u>(19,351)</u>	<u>(4,160)</u>
Profit on ordinary activities before taxation		18,799	13,442
Tax on profit on ordinary activities	8	<u>2,816</u>	<u>53</u>
Profit for the period		<u>21,615</u>	<u>13,495</u>
Total comprehensive income		<u><u>21,615</u></u>	<u><u>13,495</u></u>

Balance Sheet
at 16 September 2023

	Note	2023 £ 000	2022 £ 000
Fixed assets			
Tangible assets	9	3,413	5,549
Right-of-use assets	10	-	206
Investments in subsidiaries and joint ventures	19	<u>535,697</u>	<u>535,697</u>
		<u>539,110</u>	<u>541,452</u>
Current assets			
Debtors: amounts due within one year	11	5,517	4,789
Debtors: amounts due after one year	12	2,205	1,504
Cash at bank and in hand	13	<u>3</u>	<u>-</u>
		7,725	6,293
Creditors: Amounts falling due within one year	14	<u>(451,034)</u>	<u>(473,574)</u>
Net current liabilities		<u>(443,309)</u>	<u>(467,281)</u>
Total assets less current liabilities		95,801	74,171
Creditors: Amounts falling due after more than one year	15	<u>(200)</u>	<u>(185)</u>
Net assets		<u>95,601</u>	<u>73,986</u>
Capital and reserves			
Called up share capital	17	300	300
Share premium		4,039	4,039
Profit and loss account		<u>91,262</u>	<u>69,647</u>
Shareholders' funds		<u>95,601</u>	<u>73,986</u>

Approved by the Board on and signed on its behalf by:



J.L. Edwards
Director

16 January 2024

Registered number 00313307

Statement of Changes in Equity
for the Period from 18 September 2022 to 16 September 2023

	Share capital £ 000	Share premium £ 000	Profit and loss account £ 000	Total £ 000
At 19 September 2021	300	4,039	56,152	60,491
Profit for the period	-	-	13,495	13,495
Total comprehensive income	-	-	13,495	13,495
At 17 September 2022	<u>300</u>	<u>4,039</u>	<u>69,647</u>	<u>73,986</u>
	Share capital £ 000	Share premium £ 000	Profit and loss account £ 000	Total £ 000
At 18 September 2022	300	4,039	69,647	73,986
Profit for the period	-	-	21,615	21,615
Total comprehensive income	-	-	21,615	21,615
At 16 September 2023	<u><u>300</u></u>	<u><u>4,039</u></u>	<u><u>91,262</u></u>	<u><u>95,601</u></u>

Notes to the Financial Statements

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

The financial statements of A.B.F.Holdings Limited (the "company") have been prepared for the 52 week period ended 16 September 2023.

The Company's financial statements are presented in sterling, 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 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 in Great Britain and domiciled in England and Wales.

Going concern

As set out in note 18, the smallest group in which the results of the company are consolidated is that headed by Associated British Foods plc, which confirmed in the Annual Report and Accounts dated 7 November 2023 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 immediate 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 enquiries and considering the support available from the immediate 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 ABF group's directors' assessment of going concern (set out in the Annual Report and Accounts dated 7 November 2023 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 1 March 2025, 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.

Notes to the Financial Statements

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.

Dividends

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

Interest income

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

Foreign currencies

The company's functional currency and presentation currency is pounds sterling. Transactions in foreign currencies are initially recorded in the functional currency by applying the spot exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rate of exchange ruling at the balance sheet date. All differences are taken to the statement of total comprehensive income.

Non-monetary items that are measured at historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

The company does not apply hedge accounting of foreign exchange risks in its financial statements.

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.

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).

Notes to the Financial Statements

2 Accounting policies (continued)

Tax

The tax expense for the period comprises current and deferred 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.

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and on unused tax losses or tax credits in the company. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

Tangible Assets

The cost of tangible fixed assets is their purchase cost, together with any incidental costs of acquisition. Depreciation is calculated on a straight line basis and is applied to completed capital expenditure in the month it is brought into commission at rates calculated to write off the relevant assets over their expected useful lives. Leasehold land and buildings are written off over the period of the lease.

Depreciation

The anticipated life of other assets is generally deemed to be not longer than:

Asset class	Depreciation method and rate
Leasehold Improvements	Straight line over 10 years
Plant and machinery	Straight line over 8 years
Computer equipment	Straight line over 7 years

Investments in subsidiaries and joint ventures

The company values its investments in subsidiaries and joint ventures at cost less any provision for impairment.

Leases

A lease is an agreement whereby the lessor conveys to the lessee, in return for a payment or a series of payments, the right to use a specific asset for an agreed period.

Notes to the Financial Statements

2 Accounting policies (continued)

Right of use asset

Right-of-use assets are recognised at the commencement date of the lease, which is the date the underlying asset is available for use. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for subsequent remeasurement of lease liabilities.

The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received.

Right-of-use assets are depreciated on a straight-line basis over the shorter of the estimated useful life and the lease term. Right-of-use assets are subject to impairment.

Right-of-use assets are subsequently measured at cost less accumulated depreciation and any impairment losses, adjusted for any remeasurement of the lease liability.

Lease liabilities

Lease liabilities are recognised at the commencement date of the lease and are measured at the present value of lease payments to be made over the lease term, discounted using the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable.

Lease payments include fixed payments, including in-substance fixed payments, and variable lease payments that depend on an index or a rate, less any lease incentives receivable.

After the commencement date of the lease, the lease liability is subsequently measured at amortised cost using the effective interest rate method. The carrying amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.

In addition, the carrying amount of lease liabilities is remeasured when there is a change in future lease payments due to a change in the lease term, a change in the in substance fixed lease payments or a change in the assessment to purchase the underlying asset.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

3 Auditor's remuneration

The auditor's remuneration of £12k was borne by Associated British Foods plc.

Notes to the Financial Statements

4 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.

5 Investment income

The analysis of the company's investment income for the period is as follows:

	2023 £ 000	2022 £ 000
Income from shares in group undertakings	<u>37,973</u>	<u>17,538</u>

6 Interest payable

	2023 £ 000	2022 £ 000
Interest expense on borrowings from parent undertaking	<u>(19,351)</u>	<u>(4,160)</u>

7 Staff costs

The aggregate payroll costs were as follows:

	2023 £ 000	2022 £ 000
Wages and salaries	10,103	8,782
Social security costs	1,175	1,020
Pension costs, defined contribution scheme	762	650
Pension costs, defined benefit scheme	<u>27</u>	<u>25</u>
	<u>12,067</u>	<u>10,477</u>

The average number of persons employed by the company (including directors) during the period, analysed by category was as follows:

	2023 No.	2022 No.
IT Shared Service Centre	<u>187</u>	<u>181</u>

Notes to the Financial Statements

7 Staff costs (continued)

These costs have been fully recharged to other subsidiaries within the Associated British Foods plc group and therefore there is nil impact on the company's income statement.

The company is a member of the Associated British Foods plc pension scheme which provides benefits based on final pensionable pay. As the company is unable to identify its share of the scheme's assets and liabilities on a consistent basis the scheme is accounted for by the company as if it were a defined contribution scheme. On 30 September 2002 the scheme was closed to new members and a defined contribution arrangement was put in place for other employees. Employer's contributions to the defined benefit scheme and the defined contribution scheme are recorded as a cost in the profit and loss account.

The most recent triennial funding valuation of the scheme was carried out as at 5 April 2023, using the current unit method, and revealed a surplus of £1,013m. The market value of the assets was £3,648m, representing 138% of members' accrued benefits after allowing for expected future salary increases.

The scheme was valued at 16 September 2023 on the basis of IAS 19: Employee Benefits ("IAS19") by an independent qualified actuary for inclusion in the Associated British Foods plc group financial statements. The valuation of the scheme showed a surplus of £1,377m (2022: surplus £1,344m). Full IAS disclosures can be found within the annual report and accounts of the group, which are available for download from the group's website at www.abf.co.uk.

Notes to the Financial Statements

8 Taxation

Tax credited in the profit and loss account

	2023	2022
	£ 000	£ 000
Current taxation		
UK current tax	(2,630)	614
UK current tax adjustment to prior periods	<u>572</u>	<u>(268)</u>
	<u>(2,058)</u>	<u>346</u>
Deferred taxation		
Arising from origination and reversal of temporary differences	(52)	(340)
Arising from changes in tax rates and laws	-	(107)
Adjustments in respect of prior periods	<u>(706)</u>	<u>48</u>
Total deferred taxation	<u>(758)</u>	<u>(399)</u>
Tax credited in the profit and loss account	<u><u>(2,816)</u></u>	<u><u>(53)</u></u>

The tax on profit before tax for the period is lower than the standard rate of corporation tax in the UK of 21.8% (2022 - 19%).

The differences are reconciled below:

	2023	2022
	£ 000	£ 000
Profit before tax	<u>18,799</u>	<u>13,442</u>
Nominal tax charge/(credit) at effective rate of 21.8% (2022 - 19%)	4,091	2,554
Adjustments to tax charge/(credit) in respect of prior periods	(134)	(220)
Effects of change in tax rate	(6)	(107)
Expenses not deductible/(income not taxable)	1,497	1,052
Non-taxable dividends from overseas companies	<u>(8,264)</u>	<u>(3,332)</u>
Total tax credit	<u><u>(2,816)</u></u>	<u><u>(53)</u></u>

The UK corporation tax rate of 19% increased to 25% from 1 April 2023. The legislation to effect these changes was enacted before the Balance Sheet date and UK deferred tax has been calculated accordingly.

Notes to the Financial Statements

9 Tangible assets

	Plant and Machinery £ 000	Computer equipment £ 000	Assets under construction £ 000	Total £ 000
Cost or valuation				
At 18 September 2022	126	38,693	1,208	40,027
Additions	-	1,943	-	1,943
Transfers	-	51	(51)	-
At 16 September 2023	<u>126</u>	<u>40,687</u>	<u>1,157</u>	<u>41,970</u>
Depreciation				
At 18 September 2022	12	34,466	-	34,478
Charge for the period	25	4,054	-	4,079
At 16 September 2023	<u>37</u>	<u>38,520</u>	<u>-</u>	<u>38,557</u>
Carrying amount				
At 16 September 2023	<u>89</u>	<u>2,167</u>	<u>1,157</u>	<u>3,413</u>
At 17 September 2022	<u>114</u>	<u>4,227</u>	<u>1,208</u>	<u>5,549</u>

Notes to the Financial Statements

10 Right of use assets

	Property £ 000
Cost or valuation	
At 18 September 2022	1,339
At 16 September 2023	1,339
Depreciation	
At 18 September 2022	1,133
Depreciation for the period	206
At 16 September 2023	1,339
Carrying amount	
At 16 September 2023	-
At 17 September 2022	206

Notes to the Financial Statements

11 Debtors: amounts due within one year

	2023	2022
	£ 000	£ 000
Sundry receivables and prepayments	3,252	3,978
Amounts owed from group companies	818	811
Corporation tax	1,447	-
	5,517	4,789

Amounts due from the group companies for the current and prior year were not interest-bearing.

12 Debtors: amounts due after one year

	2023	2022
	£ 000	£ 000
Other debtors	187	241
Deferred tax asset	2,018	1,263
	2,205	1,504

The deferred tax asset relates to accelerated capital allowances and tax losses.

The directors consider the carrying amounts of debtors to be recoverable.

13 Cash at bank and in hand

	16 September	17 September
	2023	2022
	£ 000	£ 000
Cash at bank	3	-
	3	-

Notes to the Financial Statements

14 Creditors: amounts falling due within one year

	2023 £ 000	2022 £ 000
Trade payables	-	678
Accruals	3,148	5,499
Owed to parent undertaking	447,835	465,446
Owed to fellow subsidiary undertaking	42	830
Lease liability	9	221
Corporation tax	-	900
	<u>451,034</u>	<u>473,574</u>

Although payable on demand, the amount owed to parent undertaking is not expected to be called within one year. Amount due to the parent undertaking for the current and prior year was interest-bearing.

15 Creditors: amounts falling due after one year

	2023 £ 000	2022 £ 000
Owed to fellow subsidiary undertaking	<u>200</u>	<u>185</u>

Amounts due to the fellow subsidiary company for the current and prior year were not interest bearing.

16 Deferred tax liability/(asset)

	Movement in deferred tax liability/(asset) £'000
At 18 September 2022	(1,263)
Credit to Income Statement	(758)
At 16 September 2023	<u>(2,021)</u>

Notes to the Financial Statements

17 Share capital

Issued and fully paid shares

	16 September 2023		17 September 2022	
	No.	£	No.	£
Issued and fully paid of £1 each	<u>300,000</u>	<u>300,000</u>	<u>300,000</u>	<u>300,000</u>

18 Holding company

The ultimate parent company is Wittington Investments Limited, which is incorporated in the United Kingdom and registered in England and Wales.

The largest group of undertakings for which group accounts are drawn up (within which the results of the company are consolidated) and of which the company is a member is headed by Wittington Investments Limited. The smallest such group of undertakings is headed by Associated British Foods plc, which is incorporated in the United Kingdom 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 Wittington Investments Limited and Associated British Foods plc. The consolidated accounts of Associated British Foods plc are also available for download on the group's website at www.abf.co.uk.

Notes to the Financial Statements

19 Investments

	Shares in subsidiaries £ 000	Shares in joint ventures £ 000	Total £ 000
Investments in subsidiaries and joint ventures			
Carrying amount			
Costs as at 18 September 2022 and 16 September 2023	<u>516,459</u>	<u>19,238</u>	<u>535,697</u>

Shares in each undertaking are either held directly by the company or indirectly by the company, as indicated in the tables below. The percentages given show the company's ultimate interest and therefore allow for the position where interests in subsidiaries, joint ventures and associates are held by partly owned intermediate subsidiaries.

In the opinion of the directors the value of investments in subsidiaries and joint ventures is not less than the value at which they are included in the balance sheet.

Subsidiary undertakings

Direct

Name of subsidiary undertaking	Address	% effective holdings 2023
A.B.F. Properties Limited	Weston Centre, 10 Grosvenor Street, London, W1K 4QY, United Kingdom	100
AB Agri Limited	Weston Centre, 10 Grosvenor Street, London, W1K 4QY, United Kingdom	100
AB World Foods (Holdings) Limited	Weston Centre, 10 Grosvenor Street, London, W1K 4QY, United Kingdom	100
ABF PM Limited	Weston Centre, 10 Grosvenor Street, London, W1K 4QY, United Kingdom	100
ABNA Feed Company Limited	Weston Centre, 10 Grosvenor Street, London, W1K 4QY, United Kingdom	100
Atrium 100 Properties Limited	Weston Centre, 10 Grosvenor Street, London, W1K 4QY, United Kingdom	100
Atrium 100 Stores Holdings Limited	Weston Centre, 10 Grosvenor Street, London, W1K 4QY, United Kingdom	100
B.E. International Foods Limited	Weston Centre, 10 Grosvenor Street, London, W1K 4QY, United Kingdom	100
British Sugar (Overseas) Limited	Weston Centre, 10 Grosvenor Street, London, W1K 4QY, United Kingdom	100
Cereform Limited	Weston Centre, 10 Grosvenor Street, London, W1K 4QY, United Kingdom	100
Germain's (U.K.) Limited	Weston Centre, 10 Grosvenor Street, London, W1K 4QY, United Kingdom	100
Jordan Bros. (N.I.) Limited	Unit 4, 211 Castle Road, Randalstown, Co. Antrim, BT41 2EB	100
Nutrition Services (International) Limited	Unit 4, 211 Castle Road, Randalstown, Co. Antrim, BT41 2EB	100
Pride Oils Public Limited Company	Weston Centre, 10 Grosvenor Street, London, W1K 4QY, United Kingdom	100
Primary Diets Limited	Weston Centre, 10 Grosvenor Street, London, W1K 4QY, United Kingdom	100
Sunblest Bakeries Limited	Weston Centre, 10 Grosvenor Street, London, W1K 4QY, United Kingdom	100
Talisman Guernsey Limited	PO Box 33, Dorey Court, Admiral Park, St. Peter Port, GY1 4AT, Guernsey	100
Twining Crosfield & Co Limited	Weston Centre, 10 Grosvenor Street, London, W1K 4QY, United Kingdom	100

Indirect

Name of subsidiary undertaking	Address	% effective holdings 2023
AB Mauri Netherlands B.V.	Mijlweg 77, 3316 BE, Dordrecht, Netherlands	100
AB Sugar China Holdings Limited	Weston Centre, 10 Grosvenor Street, London, W1K 4QY, United Kingdom	100
AB Sugar China Limited	Weston Centre, 10 Grosvenor Street, London, W1K 4QY, United Kingdom	100
AB Sugar China North Limited	Weston Centre, 10 Grosvenor Street, London, W1K 4QY, United Kingdom	100
AB Vista Europe B.V.	Weena 505, 3013AL, Rotterdam, Netherlands	100

Indirect (continued)

Name of subsidiary undertaking	Address	% effective holdings 2023
AB World Foods Asia Ltd	1 Empire Tower, 24th Floor, Unit 2412-2413, South Sathorn Road, Yannawa, Sathorn, Bangkok, 10120, Thailand	100
AB World Foods Limited	Weston Centre, 10 Grosvenor Street, London, W1K 4QY, United Kingdom	100
ABF Grain Products Limited	Weston Centre, 10 Grosvenor Street, London, W1K 4QY, United Kingdom	100
ABN (Overseas) Limited	Weston Centre, 10 Grosvenor Street, London, W1K 4QY, United Kingdom	100
ABN (Scotland) Limited	180 Glentanar Road, Glasgow, G22 7UP	100
ABNA (Shanghai) Feed Co., Ltd.	868 Yongpu Road, Pujiang Town, Minhang District, Shanghai, 201112, China	100
ABNA Limited	Weston Centre, 10 Grosvenor Street, London, W1K 4QY	100
ABNA Trading (Shanghai) Co., Ltd.	Room 2803, Raffles City Changning, No. 1189 Changning Road, Changning District, Shanghai, 200051, China	100
Acetum (UK) Limited	Weston Centre, 10 Grosvenor Street, London, W1K 4QY, United Kingdom	100
Agrilines Limited	Weston Centre, 10 Grosvenor Street, London, W1K 4QY, United Kingdom	100
Allied Mills Limited	Weston Centre, 10 Grosvenor Street, London, W1K 4QY, United Kingdom	100
Atrium 100 Stores Limited	Weston Centre, 10 Grosvenor Street, London, W1K 4QY, United Kingdom	100
Banbury Agriculture Limited	Weston Centre, 10 Grosvenor Street, London, W1K 4QY, United Kingdom	100
BSO (China) Limited	Weston Centre, 10 Grosvenor Street, London, W1K 4QY, United Kingdom	100
Dairy Consulting Limited	Weston Centre, 10 Grosvenor Street, London, W1K 4QY, United Kingdom	100
Dorset Cereals Limited	Weston Centre, 10 Grosvenor Street, London, W1K 4QY, United Kingdom	100
Elsenham Quality Foods Limited	Weston Centre, 10 Grosvenor Street, London, W1K 4QY, United Kingdom	100
Foods International Holding B.V.	Mijlweg 77, 3316 BE, Dordrecht, Netherlands	100
G. Costa (Holdings) Limited	Weston Centre, 10 Grosvenor Street, London, W1K 4QY, United Kingdom	100
G. Costa and Company Limited	Weston Centre, 10 Grosvenor Street, London, W1K 4QY, United Kingdom	100
Greencoat Farm Limited	Weston Centre, 10 Grosvenor Street, London, W1K 4QY, United Kingdom	100
Greencoat Limited	Weston Centre, 10 Grosvenor Street, London, W1K 4QY, United Kingdom	100
H 5 Limited	Weston Centre, 10 Grosvenor Street, London, W1K 4QY, United Kingdom	100
KO2 Limited	Weston Centre, 10 Grosvenor Street, London, W1K 4QY, United Kingdom	100

Indirect (continued)

Name of subsidiary undertaking	Address	% effective holdings 2023
Korway Foods Limited	Miller Samuel LLP, RWF House, 5 Renfield Street, Glasgow, G2 5EZ, United Kingdom	100
Korway Holdings Limited	Miller Samuel LLP, RWF House, 5 Renfield Street, Glasgow, G2 5EZ, United Kingdom	100
LeafTC Limited	Weston Centre, 10 Grosvenor Street, London, W1K 4QY, United Kingdom	100
National Livestock Records Limited	Fox Talbot House, Unit 4 Greenways Business Park, Bellinger Close, Chippenham, Wiltshire, SN15 1BN	100
National Milk Laboratories Limited	32 Kelvin Avenue, Hillington, Glasgow, G52 4LT, United Kingdom	100
National Milk Records Limited	Greenways Business Park, Fox Talbot House, Chippenham, Wiltshire, SN15 1BN	100
National Milk Records Trustee Company Limited	Fox Talbot House, Unit 4 Greenways Business Park, Bellinger Close, Chippenham, Wiltshire, SN15 1BN	100
Natural Vetcare Limited	Weston Centre, 10 Grosvenor Street, London, W1K 4QY, United Kingdom	100
Nordic Star Ltd	Fox Talbot House, Unit 4 Greenways Business Park, Bellinger Close, Chippenham, Wiltshire, SN15 1BN	100
Nutrilabs GmbH	Krottenbachstrasse 82-88/Stg 1/Top 5, 1190, Vienna, Austria	100
Nutrition Trading (International) Limited	Weston Centre, 10 Grosvenor Street, London, W1K 4QY, United Kingdom	100
Nutrition Trading Limited	Weston Centre, 10 Grosvenor Street, London, W1K 4QY, United Kingdom	100
Nutritional Advanced Formulas (Ireland) Limited	13 Classon House, Dundrum Business Park, Dundrum, Dublin 14, D14X9F9, Ireland	100
Patak (Spices) Limited	Weston Centre, 10 Grosvenor Street, London, W1K 4QY, United Kingdom	100
Patak Food Limited	Weston Centre, 10 Grosvenor Street, London, W1K 4QY, United Kingdom	100
Patak's Breads Limited	Weston Centre, 10 Grosvenor Street, London, W1K 4QY, United Kingdom	100
Patak's Chilled Foods Limited	Miller Samuel LLP, RWF House, 5 Renfield Street, Glasgow, G2 5EZ, United Kingdom	100
Patak's Foods 2008 Limited	Weston Centre, 10 Grosvenor Street, London, W1K 4QY, United Kingdom	100
Patak's Frozen Foods Limited	Miller Samuel LLP, RWF House, 5 Renfield Street, Glasgow, G2 5EZ, United Kingdom	100
Premier Nutrition Products Limited	Weston Centre, 10 Grosvenor Street, London, W1K 4QY, United Kingdom	100

Indirect (continued)

Name of subsidiary undertaking	Address	% effective holdings 2023
Pro-Active Nutrition Limited	Weston Centre, 10 Grosvenor Street, London, W1K 4QY, United Kingdom	100
R. Twining and Company Limited	Weston Centre, 10 Grosvenor Street, London, W1K 4QY, United Kingdom	100
Reflex Nutrition Limited	Weston Centre, 10 Grosvenor Street, London, W1K 4QY, United Kingdom	100
Roses Nutrition Ltd	Weston Centre, 10 Grosvenor Street, London, W1K 4QY, United Kingdom	100
Shep-Fair Products Limited	Weston Centre, 10 Grosvenor Street, London, W1K 4QY, United Kingdom	100
Spectrum Aviation Limited	Weston Centre, 10 Grosvenor Street, London, W1K 4QY, United Kingdom	100
The Natural Sweetness Company Limited	Weston Centre, 10 Grosvenor Street, London, W1K 4QY, United Kingdom	100
The Roadmap Company Limited	Weston Centre, 10 Grosvenor Street, London, W1K 4QY, United Kingdom	100
Twinings & Co SAS	25 Rue Anatole France, 92300 , Levallois-Perret, France	100
Twinings Private Limited	G3/41, New Budge Budge Trunk Road, Old Dakghar, Kolkata, West Bengal, 700141, India	100
Westmill Foods Europe B.V.	Laarderhoogtweg 25, Amsterdam, 1101 EB, Netherlands	100
Westmill Foods Europe GmbH	Marie-Kahle-Allee 2, D-53113, Bonn, Germany	100
Worldwing Investments Limited	Weston Centre, 10 Grosvenor Street, London, W1K 4QY, United Kingdom	100
Botian Sugar Industry (Chayou Qianqi) Co., Ltd.	17 Xiangyang Street, Tu Township, Chayouqianqi, Inner Mongolia, China	71
Botian Sugar Industry (Zhangbei) Co., Ltd.	No.1 Botian Road, Economic Development Zone, Zhangbei County, Zhangjiakou City, Hebei Province, China	71
Botian Sugar Industry Co., Ltd.	Room 1110, No. 368, Changjiang Road, , Nangang Concentrated District, , Economic Development Zone, , Harbin, China	71
Mauri Products Limited	Weston Centre, 10 Grosvenor Street, London, W1K 4QY, United Kingdom	50

Joint Ventures

Direct

Name of Joint Venture	Address	% effective holdings 2023
Frontier Agriculture Limited	Associated British Foods plc, Group Secretarial Department, Weston Centre, 10 Grosvenor Street, London, W1K 4QY, United Kingdom	50

Indirect

Name of Joint Venture	Address	% effective holdings 2023
Anglia Grain Holdings Limited	Riverside, Wissington Road, Nayland, Colchester, Essex, CO6 4LT	50
Anglia Grain Services Limited	Riverside, Wissington Road, Nayland, Colchester, Essex, CO6 4LT	50
B.C.W. (Agriculture) Limited	Unit 8 , Burnside Business Park, Burnside Road, Market Drayton, TF9 3UX, United Kingdom	50
Boothmans (Agriculture) Limited	Weston Centre, 10 Grosvenor Street, London, W1K 4QY, United Kingdom	50
Euroagkem Limited	Kingseat, Newmacher, Aberdeenshire, AB21 0UE, United Kingdom	50
Forward Agronomy Limited	Associated British Foods plc, Group Secretarial Department, Weston Centre, 10 Grosvenor Street, London, W1K 4QY, United Kingdom	50
G F P (Agriculture) Limited	Associated British Foods plc, Group Secretarial Department, Weston Centre, 10 Grosvenor Street, London, W1K 4QY, United Kingdom	50
GH Grain (No.2) Limited	Weston Centre, 10 Grosvenor Street, London, W1K 4QY, United Kingdom	50
GH Grain Limited	Weston Centre, 10 Grosvenor Street, London, W1K 4QY	50
Grain Harvesters Limited	Weston Centre, 10 Grosvenor Street, London, W1K 4QY, United Kingdom	50
Independent Milk Laboratories Ltd	Rathcore Golf & Country Club, Rathcore, Co. Meath, A83KP98, Ireland	50
Intracrop Limited	Weston Centre, 10 Grosvenor Street, London, W1K 4QY, United Kingdom	50
Lothian Crop Specialists Limited	Kingseat, Newmacher, Aberdeenshire, AB21 0UE, United Kingdom	50
Nomix Enviro Limited	C/O Nomix Enviro Limited, Witham St Hughs, Lincoln, LN6 9TN, United Kingdom	50
Nomix Limited	Associated British Foods plc, Group Secretarial Department, Weston Centre, 10 Grosvenor Street, London, W1K 4QY, United Kingdom	50
North Wold Agronomy Limited	Associated British Foods plc, Group Secretarial Department, Weston Centre, 10 Grosvenor Street, London, W1K 4QY, United Kingdom	50
Phoenix Agronomy Limited	Associated British Foods plc, Group Secretarial Department, Weston Centre, 10 Grosvenor Street, London, W1K 4QY, United Kingdom	50
Southampton Grain Terminal Limited	Berth 36, Test Road , Eastern Docks, Southampton, Hampshire, SO14 3GG, United Kingdom	50
Soyl Limited	Associated British Foods plc, Group Secretarial Department, Weston Centre, 10 Grosvenor Street, London, W1K	50

Name of Joint Venture	Address	% effective holdings 2023
	4QY, United Kingdom	
Synchronis	59, Chemin du Moulin, 695701, Carron, Dardilly, France	50
The Agronomy Partnership Limited	Associated British Foods plc, Group Secretarial Department, Weston Centre, 10 Grosvenor Street, London, W1K 4QY, United Kingdom	50
Twinnings Japan Co Ltd	36F Atago Green Hills Mori Tower, 2-5-1 Atago, Minato-Ku, Tokyo, Japan	50
Yagro Ltd	Eagle Labs Incubator, 28 Chesterton Road, Cambridge, England, CB4 3AZ	50

Associates

Indirect

Name of Associate	Address	% effective holdings 2023
Bakers Basco Limited	Pacioli House, Duncan Close, Moulton Park Industrial Estate, Northampton, NN3 6WL, England	20
Navara Oat Milling Limited	Northants Apc, Rushton Road, Kettering England, NN14 1FL	38