

Twining Crosfield & Co Limited

Annual report and financial statements
For the period ended
16 September 2023

Company number 00144900

Contents

| | Page Number |
|--|-------------|
| Strategic report | 1 |
| Directors' report | 2 |
| Statement of Directors' responsibilities | 4 |
| Statement of comprehensive income | 5 |
| Statement of changes in equity | 6 |
| Balance sheet | 7 |
| Notes to the financial statements | 8 |

Strategic report

The directors present their annual report and the financial statements for the 52 week period ended 16 September 2023.

Business review

The results show a pre-tax profit of £3.36m (2022: £1.60m loss), due to an increase in interest income. The company has total net assets of £56m (2022: £54m).

Principal activity

During the year the principal activity of the company was that of a holding company.

Principal risks and uncertainties

The company is a holding company and its results are dependent on interest and similar income receivable from or payable to other group companies.

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, including those referred to on page 46 of the Associated British Foods plc Annual Report and Accounts 2023. Please also see the Associated British Foods plc section 172 statement on pages 40 to 45 of that document.

Stakeholders and engagement

As part of the identification of key stakeholders, the directors have identified that due to the company's status as a holding company, stakeholder engagement is limited to other Associated British Foods plc group entities.

The company forms part of the group of companies headed by Associated British Foods plc and the company's accounts are consolidated into the Associated British Foods plc 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.

Principal decisions

There were no significant decisions taken during the period which deviated from past practice and therefore no specific assessment of stakeholder views/interests was performed.

By order of the board

DocuSigned by:

Peter Taylor

8F93673CA5E8403...

P R Taylor
Director

18 December 2023

Directors' report

The directors present their report for the 52-week period ended 16 September 2023.

Directors of the company

The directors who held office during the period were:

OK Silden

PR Taylor

Secretary

RG Cahill

Dividends

No dividends were paid during the period (2022: Nil).

Political contributions

The company made no political contributions during the period (2022: Nil).

Directors' indemnity

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

Principal risks and uncertainties

A full description of the principal risks and uncertainties applicable to the Associated British Foods plc 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.

Energy usage

The directors consider the company to be a low energy user. For further information on carbon and energy reporting for the group of which the company forms part, please refer to the disclosures made on pages 53 to 55 of the Associated British Foods plc annual report for the period ended 16 September 2023.

Directors' report *(continued)*

Going concern

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

After making enquiries and considering 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 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.

Engagement with employees

Although the company does not have any employees, its subsidiary R. Twining and Company Limited, employed on average 412 persons within the period. As noted in the R. Twining and Company Limited accounts, during the reporting period regular engagement surveys were undertaken, leadership updates were provided, as were regular internal communications, Health & Safety programmes and training. The directors review the outcome of these communications/events to focus resources on the areas where improvement would derive the most benefit for our people.

Audit exemption

The company is exempt from the requirements of the Companies Act 2006 (the 'Act') relating to the audit of individual accounts pursuant to section 479A of the Act.

By order of the board

DocuSigned by:

8F93673CA5E8403...

P R Taylor
Director
18 December 2023

Statement of Directors' Responsibilities

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

Company law requires the directors to prepare financial statements for each financial period. Under that law they have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent-;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;-
- 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.

**Statement of comprehensive income
 for the 52-weeks ended 16 September 2023**

| | <i>Note</i> | Period ended 16 September 2023 £000 | Period ended 17 September 2022 £000 |
|--|-------------|--|--|
| Other interest receivable or (payable) | 3 | 3,358 | (1,600) |
| Profit on ordinary activities before taxation | | 3,358 | (1,600) |
| Tax (charge) / credit on ordinary activities | 6 | (636) | 323 |
| Profit / (loss) on ordinary activities after taxation | | 2,722 | (1,277) |

All results arise from continuing activities.

A statement of movements in reserves is given in the statement of changes in equity. There was no other comprehensive income or loss for the period.

The notes on pages 8 to 15 form part of these financial statements.

Statement of changes in equity

for the 52-weeks ended 16 September 2023

| | Share capital £'000 | Share premium £'000 | Revaluation reserve £'000 | Retained earnings £'000 | Total equity £'000 |
|--|---------------------------|---------------------------|---------------------------------|-------------------------------|--------------------------|
| At 1 September 2021 | 610 | 107 | 93 | 53,986 | 54,796 |
| Loss for the financial period | - | - | - | (1,277) | (1,277) |
| Other comprehensive income | - | - | - | - | - |
| Total comprehensive income for the period | - | - | - | (1,277) | (1,277) |
| At 17 September 2022 | 610 | 107 | 93 | 52,709 | 53,519 |
| Profit for the financial period | - | - | - | 2,722 | 2,722 |
| Other comprehensive income | - | - | - | - | - |
| Total comprehensive income for the period | - | - | - | 2,722 | 2,722 |
| At 16 September 2023 | 610 | 107 | 93 | 55,431 | 56,241 |

Balance sheet

as at 16 September 2023

| | Note | 16 September 2023 | | 17 September 2022 | |
|---|------|-------------------|---------------|-------------------|---------------|
| | | £000 | £000 | £000 | £000 |
| Non-current assets | | | | | |
| Investments | 7 | | 24,133 | | 24,133 |
| Deferred tax asset | 6 | | 400 | | - |
| | | | <u>24,533</u> | | <u>24,133</u> |
| Current assets | | | | | |
| Debtors | 8 | 462,199 | | 400,930 | |
| Creditors: amounts falling due within one year | 9 | (430,491) | | (371,544) | |
| Net current assets | | | 56,241 | | 53,519 |
| Net assets | | | 56,241 | | 53,519 |
| Capital and reserves | | | | | |
| Called up share capital | 10 | | 610 | | 610 |
| Share premium account | 11 | | 107 | | 107 |
| Revaluation reserve | 11 | | 93 | | 93 |
| Retained earnings | 11 | | 55,431 | | 52,709 |
| Total equity shareholder's funds | | | <u>56,241</u> | | <u>53,519</u> |

The notes on pages 8 to 15 form part of these financial statements.

For the 52 week period ended 16 September 2023 the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

The members have not required the company to obtain an audit of its accounts for the period in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

These financial statements were approved by the board of directors on 18 December 2023 and were signed on its behalf by:

DocuSigned by:

Peter Taylor

8F93673CA5E8403...

P R Taylor

Director

Registered number 00144900

Notes

(forming part of the financial statements)

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

Twining Crosfield & Co Limited is a private company limited by shares and is incorporated and domiciled in England and Wales. The registered office is Weston Centre, 10 Grosvenor Street, London W1K 4QY.

The Company's financial statements are presented in Sterling, rounded to the nearest thousand pounds except where otherwise indicated. The financial statements were 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 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 principal accounting policies adopted by the company are set out in note 2.

2 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

Basis of preparation

The accounting policies which follow set out those policies which apply in preparing the financial statements for the 52-week period ended 16 September 2023

The Company has taken advantage of the disclosure exemptions permitted by FRS 101 in relation to:

- a) The requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement;
- b) The requirements in paragraph 38 of IAS 1 "Presentation of Financial Statements" to present comparative information in respect of:
 - i. Paragraph 79(a)(iv) of IAS 1
- c) The requirements of paragraphs 10(d), 10(f), 39(c) and 134-136 of IAS 1 Presentation of Financial Statements;
- d) The requirements of IAS 7 Statement of Cash Flows;
- e) The requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors (standards not yet effective);
- f) The requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member;
- g) The requirements of paragraphs 130(f)(ii), 130(f)(iii), 134(d)-134(f) and 135(c)-135(e) of IAS 36 Impairment of Assets;
- h) The requirements of paragraph 17 of IAS 24 Related Party Disclosures; and
- i) The requirement of IFRS 9 Financial Instruments: Recognition and Disclosures

Where required, the equivalent disclosures are included in the consolidated financial statements of Associated British Foods plc.

Notes *(continued)****Basis of preparation (continued)*****Going concern**

As set out in note 13, 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 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 enquiries and considering 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 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.

Financial Instruments

Financial assets and liabilities are recognised when the company becomes a party to the contractual provisions of the instrument and are offset only when the company currently has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial Assets

Management determines the classification of its financial assets initially at fair value and are subsequently carried at amortised cost using the effective interest method.

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or the company has transferred its rights to receive cash flows from the asset.

Impairment of financial assets

In accordance with IFRS 9, the company recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

Twining Crosfield has intercompany debtor balances only, therefore the ECL model has not been used as all inter-company debts are considered to always be recoverable.

Financial Liabilities

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, as appropriate.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

A financial liability (or part thereof) is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

Accounting policies (continued)

Investments

Investments are shares in subsidiaries which are stated at cost less provision for any diminution in value.

Foreign currencies

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the balance sheet date. Gains or losses on translation are included in the income statement.

Taxation

Corporation tax payable is provided on taxable profits at the current rate.

Notes (continued)

3 Other interest Receivable or Payable

| | Period ended 16 September 2023 £000 | Period ended 17 September 2022 £000 |
|--|--|--|
| Net receivable/(payable) from group undertakings | 3,358 | (1,600) |
| | <u>3,358</u> | <u>(1,600)</u> |
| | <u><u>3,358</u></u> | <u><u>(1,600)</u></u> |

Income receivable from group undertakings represents interest on intercompany loan balances.

4 Remuneration of directors

None of the directors received any emoluments in respect of their services to the company in 2023 (2022: £Nil). Retirement benefits did not accrue to any of the directors in respect of their services to the company in 2023 (*in 2022: £Nil*).

Directors remuneration has been borne by R.Twining & Company Limited in 2023 and 2022. The proportion of remuneration in relation to Twining Crosfield & Co Limited is not deemed significant.

5 Staff numbers and costs

The company did not employ any staff in the current or previous period.

Notes (continued)

6 Taxation

Analysis of tax in period

| | Period ended 16 September 2023 £000 | Period ended 17 September 2022 £000 |
|---|--|--|
| <i>Current tax</i> | | |
| UK – Current tax charge/(credit) on income for the period | 731 | (302) |
| UK - Adjustments in respect of prior periods | 305 | (21) |
| | <hr/> | <hr/> |
| Total current tax charge/(credit) | 1,036 | (323) |
| <i>Deferred tax</i> | | |
| Adjustment in respect of previous periods | (400) | - |
| | <hr/> | <hr/> |
| Total deferred tax credit | (400) | - |
| | <hr/> | <hr/> |
| Total tax charge/(credit) on profit/(loss) on ordinary activities | 636 | (323) |

| | Period ended 16 September 2023 £000 | Period ended 17 September 2022 £000 |
|--|--|--|
| Total tax reconciliation | | |
| Profit / (Loss) on ordinary activities before tax | 3,358 | (1,600) |
| | <hr/> | <hr/> |
| Nominal tax charge/(credit) at UK corporation tax rate of 21.8% (2022: 19%). | 731 | (304) |
| <i>Effects of:</i> | | |
| Adjustments to tax charge/(credit) in respect of prior periods | (95) | (21) |
| Other | - | 2 |
| | <hr/> | <hr/> |
| Total tax charge/(credit) | 636 | (323) |

| | Period ended 16 September 2023 £000 | Period ended 17 September 2022 £000 |
|---------------------------|--|--|
| Deferred tax asset | 400 | - |
| <i>Made up of:</i> | | |
| Tax losses | 400 | - |

Movement in deferred tax asset

| | | |
|----------------------------|-------|-------|
| Brought forward | - | - |
| Credit to Income statement | 400 | - |
| | <hr/> | <hr/> |
| Carried forward | 400 | - |

Factors affecting future tax charges

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 (continued)

7 Investments

| | 16 September 2023 £000 |
|--------------------------------|---------------------------------------|
| <i>Cost and Net Book Value</i> | |
| At beginning of period | 24,133 |
| Movements | - |
| | <hr/> |
| At end of period | 24,133 <hr/> <hr/> |

The full list of the company's investments in subsidiaries and joint ventures are as follows:

| Name and registered office address of undertaking | Country of registration or incorporation | Principal activity | Class of shares held (at par value) | % effective holding if not 100% |
|---|--|---|-------------------------------------|---------------------------------|
| R. Twining and Company Limited Weston Centre, 10 Grosvenor Street, London, W1K 4QY, United Kingdom | England | Tea merchants | Ord. £1.00 | |
| Twinings & Co S.A.S 25 Rue Anatole France, 92300, Levallois-Perret, France | France | Tea merchants | Ord. €23.00 | |
| Synchronis* 59, Chemin du Moulin, 695701, Carron, Dardilly, France | France | Distribution | Ord. €1.00 | 50% |
| Foods International Holding B.V. Mijlweg 77, 3316 BE, Dordrecht, Netherlands | Netherlands | Sale of baking ingredients and yeast products | Ord. €1.00 | |
| AB Mauri Netherlands B.V.* Mijlweg 77, 3316 BE, Dordrecht, Netherlands | Netherlands | Non-trading | Ord. €1.00 | |
| Twinings Japan Co Ltd 36F Atago Green Hills Mori Tower, 2-5-1 Atago, Minato-Ku, Tokyo, Japan | Japan | Tea merchants | Common Stock JPY 50,000 | 50% |
| Twinings Private Limited G3/41, New Budge Budge Trunk Road, Old Dakghar, Kolkata, West Bengal, 700141, India | India | Tea merchants | Ord. INR 10.00 | |

* Shareholdings marked are held through subsidiary undertakings, the rest are owned directly by Twining Crosfield & Co Limited.

Group financial statements have not been prepared as the company is a wholly owned subsidiary of Associated British Foods plc which prepares group financial statements that include the company. In the opinion of the directors, the investments in and amounts due from the company's subsidiary undertakings are worth at least the amounts at which they are stated in the balance sheet.

Notes (continued)

8 Debtors

| | 16 September 2023 £000 | 17 September 2022 £000 |
|---|------------------------------|------------------------------|
| Amounts owed by group undertakings | 462,199 | 400,237 |
| Amounts owed by group entities in respect of UK corporation tax | - | 693 |
| | <u>462,199</u> | <u>400,930</u> |

All debts are repayable on demand.

9 Creditors: amounts falling due within one year

| | 16 September 2023 £000 | 17 September 2022 £000 |
|---|------------------------------|------------------------------|
| Amounts owed to subsidiary undertakings | 429,762 | 371,544 |
| Amounts owed to group entities in respect of UK corporation tax | 729 | - |
| | <u>430,491</u> | <u>371,542</u> |

Amounts owed to subsidiary undertakings are interest bearing, total interest for the period amounted to £14,942,000 (2022: £4,098,000). Interest was payable at 3.681% (2022: 1.277%).

10 Called up share capital

| | 16 September 2023 | | 17 September 2022 | |
|---|-------------------|------------|-------------------|------------|
| | Number | £000 | Number | £000 |
| <i>Allotted, called up and fully paid</i> | | | | |
| Ordinary shares of £0.25 each | 2,440,000 | 610 | 2,440,000 | 610 |
| | | <u>610</u> | | <u>610</u> |

Notes *(continued)***11 Reserves*****Revaluation Reserve***

The revaluation reserve is used to record increases in the fair value of assets and decreases to the extent that such decrease relates to an increase on the same asset previously recognised in equity.

12 Contingent liabilities

The company, together with Associated British Foods plc and certain fellow UK subsidiary undertakings, is party to a set-off arrangement in respect of its bank accounts with certain of the group's bankers.

13 Parent company

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 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.

14 Related Party disclosures

During the period the company undertook no business transactions with any subsidiaries within the Associated British Foods plc group that were not wholly owned and, as such, at 16 September 2023 no amounts were due to or from such subsidiaries. The company is exempt from disclosing transactions with wholly-owned subsidiaries within the Associated British Foods plc group by virtue of the exemption available under paragraph 8(k) of FRS101.