

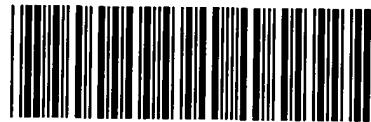
A.B. Exploration Limited

**Directors' report and financial
statements**

Registered number 00487323

13 September 2014

THURSDAY



L49B6J4X

LD4

11/06/2015

#109

COMPANIES HOUSE

Contents

Strategic report	1
Directors' report	2
Statement of directors' responsibilities in respect of the directors' report and the financial statement	3
Independent auditor's report to the members of A.B. Exploration Limited	4
Profit and loss account	5
Balance Sheet	6
Notes to the financial statements	7

Strategic report

Review of the company's business

The principal activity of the company is the holding of intellectual property rights. During the period the main activity of the company remained unchanged and the directors anticipate that any future developments will relate to the company's principal activity.

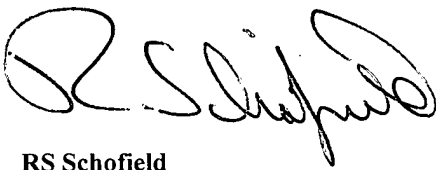
The profit and loss account for the period is set out on page 5. The loss on ordinary activities after taxation amounted to £1,737,000 (2013: loss of £1,447,000).

No dividends were declared and paid in the period (2013: £nil). No preference dividends were declared (2013: £nil). The right to cumulative preference dividends has been waived.

Principal risks and uncertainties

The Company is not exposed to any significant unusual risks or uncertainties in its role holding intellectual property rights. A full description of the risks and uncertainties to which the group is exposed is included within the Associated British Foods plc Annual Report and Accounts.

By order of the board



RS Schofield
Secretary

4 June 2015

Directors' report

The Company was incorporated on 13 October 1950 and the directors present their annual report and the audited financial statements for the 52 week period ended 13 September 2014. The financial statements are presented in sterling, rounded to the nearest thousand.

Disclosure of information to auditor

The directors who held office at the date of approval of this report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each director has taken all the steps that he ought to have taken to make himself aware of any relevant audit information and to establish that the Company's auditor is aware of that information. For these purposes, relevant audit information means information needed by the Company's auditor in connection with preparing their report on page 4.

Auditor

KPMG LLP was appointed by the board of directors as the Company's auditor for the financial year ended 13 September 2014 and the board intends to re-appoint KPMG LLP as auditor for the financial year ending 12 September 2015

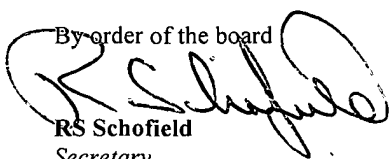
Directors

The directors who held office during the period were:

JG Bason

PA Russell

By order of the board


RS Schofield
Secretary

Weston Centre
10 Grosvenor Street
London
W1K 4QY

4 June 2015

Registered number 00487323

Statement of directors' responsibilities in respect of the strategic report, the directors' report and the financial statement

The directors are responsible for preparing the Strategic Report, Directors' 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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

Under Company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities

KPMG LLP
15 Canada Square
Canary Wharf
London
E14 5GL

Independent auditor's report to the members of A.B. Exploration Limited

We have audited the financial statements of A.B. Exploration Limited for the 52 week period ended 13 September 2014 set out on pages 5 to 10. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

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.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 13 September 2014 and of its loss for the period then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.


Opinion on other matter prescribed by the Companies Act 2006

In our opinion 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

Matters on which we are required to report by exception

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.



Richard Pinckard (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants
15 Canada Square
Canary Wharf
London
E14 5GL

Date: 5 June 2015

Profit and loss account

for the period ended 13 September 2014

	<i>Note</i>	2014 £'000	2013 £'000
Royalty income		1,500	1,659
Administration costs		(4,851)	(4,852)
		<hr/>	<hr/>
Operating loss		(3,351)	(3,193)
Investment income		1,443	1,727
		<hr/>	<hr/>
Loss on ordinary activities before taxation		(1,908)	(1,466)
Tax on loss on ordinary activities	5	171	19
		<hr/>	<hr/>
Loss on ordinary activities after taxation		(1,737)	(1,447)
		<hr/>	<hr/>

There are no other recognised gains and losses in the period. Accordingly, no statement of total recognised gains and losses and no statement of movements in reserves have been presented.

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

The notes on pages 7 to 10 form part of the financial statements

Balance Sheet

at 13 September 2014

	<i>Note</i>	2014 £'000	2013 £'000
Fixed assets			
Intangible fixed assets	6	17,995	22,846
Current assets			
Debtors: due within one year	7	185,656	182,542
Net current assets		185,656	182,542
Total assets less current liabilities		203,651	205,388
Capital and reserves			
Called up share capital	8	200,784	200,784
Share premium account		200	200
Profit and loss account		2,667	4,404
Equity shareholder's funds	9	203,651	205,388

The notes on pages 7 to 10 form part of the financial statements.

These financial statements were approved by the board of directors on 4 June 2015 and were signed on its behalf by:



PA Russell

Director

Registered number 00487323

Notes to the financial statements

1 Accounting reference date

The accounting reference date of the Company is the Saturday nearest to 15 September. Accordingly, these financial statements have been prepared for the 52 week period ended 13 September 2014.

2 Accounting policies

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

Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards (UK GAAP) and the Companies Act 2006.

The Company is exempt by virtue of section 400 of the Companies Act 2006 from the requirement to prepare group accounts. These financial statements present information about the Company as an individual undertaking and not about its group.

Under Financial Reporting Standard 1 (Revised), the Company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the Company in its own published consolidated financial statements. A group cash flow statement is included in the financial statements of Associated British Foods plc.

The Company is controlled by Associated British Foods plc and is exempt from disclosing transactions with it and other group companies under Financial Reporting Standard 8 as it is a wholly owned subsidiary included within consolidated financial statements which are publicly available.

Royalty income

Royalty income is recognised on the basis of sales made by fellow subsidiaries of products for which the Company owns the intellectual property rights¹

Dividends

Dividends unpaid at the balance sheet date are only recognised as a liability at that date to the extent that they are appropriately authorised and are no longer at the discretion of the Company. Unpaid dividends that do not meet these criteria are disclosed in the notes to the financial statements.

Goodwill and intangible assets

Impairment reviews of goodwill and intangible assets are carried out at the end of the first financial year after acquisition and where there is any indication of impairment.

Goodwill is amortised over its estimated useful life of 15 years. Intangible fixed assets are capitalised at their cost. Purchased intangible assets are amortised to nil by equal annual instalments over their useful economic lives, generally their respective unexpired periods, of 10 years.

Income tax

The charge for taxation is based on the profit or loss for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

Deferred tax is recognised, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by Financial Reporting Standard 19.

3 Directors' emoluments

The directors have received no emoluments in respect of their services as directors of the Company in the current or the previous period¹

4 Auditor's remuneration

Auditor's remuneration has been borne by the holding Company in the current and the previous period.

Notes to the financial statements *(continued)*

5 Tax on loss on ordinary activities

(a) Analysis of credit in the period

	2014 £'000	2013 £'000
Current Tax Expense		
UK- corporation tax at 22.1 % (2013: 23.5%)	(473)	64
Deferred Tax		
UK deferred tax	644	(45)
Total tax credit	<u>171</u>	<u>19</u>

(b) Factors affecting the current tax charge for the period

Loss on ordinary activities before taxation	(1,908)	(1,466)
UK corporation tax rate of 22.1 % (2013: 23.5%)	422	345
Losses carried forward	(232)	
Timing differences	(339)	(362)
Prior year adjustment	(324)	81
Total current tax	<u>(473)</u>	<u>64</u>

(c) Factors that may affect future tax charges

The UK corporation tax rate was reduced from 23% to 21% with effect from 1 April 2014, with a further reduction to 20% effective from 1 April 2015. The legislation to effect these rate changes had been enacted before the balance sheet date. As deferred tax is measured at the rates that are expected to apply in the periods when the underlying timing differences reverse, opening and closing deferred tax balances have been calculated using a rate of 20%.

6 Intangible fixed assets

	Goodwill £'000	Intangibles £'000	Total £'000
Cost			
At 13 September 2014 and 14 September 2013	57,646	10,084	67,730
Amortisation			
At 14 September 2013	36,350	8,534	44,884
Provided during year	3,843	1,008	4,851
At 13 September 2014	<u>40,193</u>	<u>9,542</u>	<u>49,735</u>
Net book value			
13 September 2014	17,453	542	17,995
14 September 2013	21,296	1,550	22,846

Notes to the financial statements *(continued)*

7 Debtors: due within one year

	2014 £'000	2013 £'000
Owed by parent Company undertaking	181,684	178,677
Owed by fellow subsidiary undertakings	670	803
Deferred tax	3,302	2,658
Corporation tax	-	404
	<u>185,656</u>	<u>182,542</u>

8 Called up share capital

	2014 £'000	2013 £'000
<i>Issued and fully paid</i>		
800,800,000 Ordinary shares of 25p each	200,200	200,200
583,750 6.5% Cumulative redeemable preference shares of £1 each	584	584
	<u>200,784</u>	<u>200,784</u>

Dividends on cumulative redeemable preference shares are paid at the discretion of the issuer. The right to these dividends has been waived.

Notes to the financial statements *(continued)*

9 Reconciliation of movements in equity shareholder's funds

	Called up share capital £'000	Share premium £'000	Profit and loss reserve £'000	Total £'000
At 14 September 2013	200,784	200	4,404	205,388
Loss on ordinary activities after taxation	-	-	(1,737)	(1,737)
At 13 September 2014	<u>200,784</u>	<u>200</u>	<u>2,667</u>	<u>203,651</u>

No dividends were declared or paid during the period.

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.