A.B.F. Properties Limited

Directors' report and financial statements

Registered number 00683361

15 September 2012

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Directors' report

The directors present their annual report and the audited financial statements for the 52 week period ended 15 September 2012

Principal activity

The principal activity is the ownership and letting of property

Business review and future developments

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 During the year properties with a net book value of nil were disposed (2011 £nil)

Trading results, dividends and transfer to reserves

The profit and loss account for the period is set out on page 4 The profit on ordinary activities after taxation amounted to £924,000 *(2011 £725,000)* No dividends were declared or paid during the year (*2011 £nil*) Reserves were increased by £924,000 in 2012 (*2011 £725,000*)

Fixed assets

Changes in tangible fixed assets are shown in note 6 The directors are of the opinion that the market value of interests in land and buildings at the end of the period exceeded the amounts at which they are included in the balance sheet, but they are unable to quantify the excess The company has therefore recorded its interest in investment properties at cost rather than at open market value as required by Statement of Standard Accounting Practice No 19 *Accounting for investment properties*

Directors

The directors who held office during the period were

D Mills	PA Russell
JG Bason	RS Schofield

Disclosure of information to auditor

The directors who held office at the date of approval of this Directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditor is unaware, and each director has taken all the 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 3

Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor is deemed to have been reappointed and KPMG Audit Plc will therefore continue in office

RS Schofield
Secretary

10 Grosvenor Street
London
W1K 4QY

12 December 2012
Registered number 00683361

Statement of directors' responsibilities in respect of the directors' report and the financial statements

The directors are responsible for preparing the 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 Audit Plc
15 Canada Square
Canary Wharf
London E14 5HL

Independent auditor's report to the members of A.B.F. Properties Ltd

We have audited the financial statements of A B F Properties Ltd for the 52 week period ended 15 September 2012 set out on pages 4 to 11 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 2, 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 (APB's) Ethical Standards for Auditors We believe that the audit evidence we obtained is sufficient and appropriate to provide a basis for our qualified opinion

Scope of the audit of the financial statements
A description of the scope of an audit of financial statements is provided on the APB's website at www frc org uk/apb/scope/private cfm

Basis for qualified opinion on financial statements
As explained in notes 2 and 6 to the financial statements, properties with a net book value of £1,144,000 *(2011 £1,166,000)* rented to non-group companies are not included in the balance sheet at their open market value in accordance with the requirements of Statement of Standard Accounting Practice No 19 "*Accounting for investment properties*" but instead have been included at their historical cost and have been depreciated, the charge for the year being £22,000 *(2011 £25,000)* As no valuations have been carried out, it is not practicable for us to quantify the effect of this departure

We qualified our audit report on the financial statements for the year ended 17 September 2011 with regards to this same disagreement

Qualified opinion on financial statements

In our opinion except for the effect of the matter described in the basis for qualified opinion on financial statements paragraph, the financial statements

- give a true and fair view of the state of the company's affairs as at 15 September 2012 and of its profit for the 52 week 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 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
As a result of our disagreement on the accounting treatment in respect of investment properties mentioned above we were unable to determine whether adequate accounting records have been kept
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

- 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

Richard Pinckard (Senior Statutory Auditor)
for and on behalf of KPMG Audit Plc, Statutory Auditor
Chartered Accountants
15 Canada Square
Canary Wharf
London E14 5GL
Date 12 December 2012

Profit and loss account

for the period ended 15 September 2012

	Note	**2012**	2011
		£'000	£'000
Operating loss - continuing operations	*3*	**(140)**	(328)
Profit on disposal of properties		**-**	157
Interest and similar income	*4*	**1,400**	1,213
Profit on ordinary activities before taxation		**1,260**	1,042
Tax on profit on ordinary activities	*5*	**(336)**	(317)
Profit on ordinary activities after taxation		**924**	725

There are no recognised gains and losses in the period Accordingly, no statement of total recognised gains and losses has 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 6 to 11 form part of the financial statements

Balance sheet

at 15 September 2012

	Note	**2012** **£'000**	2011 £'000
Fixed assets			
Tangible assets	*6*	**5,783**	6,127
Current assets			
Debtors			
– amounts falling due within one year	*7*	**95,634**	94,192
Creditors			
- amounts falling due within one year	*8*	**(1,704)**	(1,524)
- bank overdraft		**(1)**	(7)
Net current assets		**93,929**	92,661
Net assets		**99,712**	98,788
Capital and reserves			
Share capital	*9*	**25,000**	25,000
Profit and loss account		**74,712**	73,788
Equity shareholder's funds	*10*	**99,712**	98,788

These financial statements were approved by the board of directors on 12 December 2012 and were signed on its behalf by

PA Russell
Director

The notes on pages 6 to 11 form part of the financial statements

Registered number 00683361

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 15 September 2012

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, except that the accounts do not comply with Statement of Standard Accounting Practice No 19 "Accounting for Investment Properties" in that investment properties are recorded at cost less depreciation, instead of being recorded at their open market value The market value of these properties is not known

The directors consider that it is not practicable to obtain valuations of the investment properties and as such continue to account for them at cost less depreciation

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 it is a wholly owned subsidiary 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

Fixed assets and depreciation

Depreciation is provided on the original cost of assets less their estimated residual value and is calculated on a straight line basis over the anticipated life of the asset No depreciation is provided on freehold land Leaseholds are written off over the period of the lease The anticipated life of other assets is generally deemed to be not longer than

Freehold buildings	-	66 years

Taxation

The charge for taxation is based on the profit for the year and takes into account deferred tax in respect of all timing differences that have originated but not reversed at the balance sheet date Deferred tax is not discounted

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

Notes to the financial statements

3 Operating loss – continuing operations

	2012 £'000	2011 £ 000
Rents receivable	813	831
Less Rents payable	(345)	(358)
Depreciation and other costs less other property income	(341)	(307)
Net rental income	127	166
Administrative expenses	(267)	(494)
Operating loss	(140)	(328)
Profit before taxation is stated after charging		
Depreciation and other amounts written off tangible fixed assets		
Owned	344	344

The directors received no emoluments in respect of their services as directors of the company in the current or the previous period

The auditor's remuneration was borne by the holding company in both the current and previous periods

4 Interest receivable and similar income

Sundry income primarily consisted of interest of £1,399,531 *(2011 £1,213,398)* that was earned on amounts loaned to a parent company

Notes to the financial statements

5 Taxation on profit on ordinary activities

(a) Analysis of charge in period

	2012 £'000	2011 £'000
UK corporation tax at 25 1% (2011 27 1%)	(331)	(217)
Deferred taxation	(5)	(100)
	(336)	(317)

(b) Factors affecting the current tax charge

The current tax assessed for the period is less than the standard rate of corporation tax in the UK of 25 1% (2011 27 1%) The differences are explained below

	2012 £'000	2011 £'000
Profit on ordinary activities before tax	1,260	1,042
Profit on ordinary activities before tax at the standard rate of corporation tax	316	282
Expenses not deductible for tax purposes	48	66
Adjustment in respect of prior years	-	(28)
Profit on disposal of tangible fixed assets	-	(43)
Accelerated capital allowances (timing differences)	(33)	(60)
Total current tax	(331)	(217)

(c) Factors that may affect future tax charges

Effective 1 April 2012 the UK corporation tax rate was reduced from 26% to 24% A further reduction to 23% is due to take effect on 1 April 2013 and the impact on deferred tax has been included within these accounts It has also been announced that the UK tax rate will drop a further 1% the following year, reaching 22% effective from 1 April 2014 However, the impact of this subsequent corporation tax rate reduction will only be reflected as the relevant legislation is substantively enacted

Notes to the financial statements

6 Tangible fixed assets

	Freehold land and buildings £'000	Leasehold land and buildings £'000	Total £'000
Cost			
At beginning and end of period	7,317	213	7,530
Depreciation			
At beginning of period	1,289	114	1,403
Charge for period	340	4	344
At end of period	1,629	118	1,747
Net book value			
At 15 September 2012	**5,688**	**95**	**5,783**
At 17 September 2011	6,028	99	6,127

Included in the above are certain investment properties which are rented to non-group companies These properties have been included at their cost of £1,711,000 *(2011 £1,711,00)* with accumulated depreciation of £567,000 *(2011 £545,000)* No tangible assets *(2011 £nil)* became investment properties during the year The open market value of these properties has not been determined

Analysis of leasehold land and buildings at net book value

	2012 £'000	2011 £'000
Long leasehold	**95**	99

Freehold land of £7,004 *(2011 £7,004)* is not depreciated

Notes to the financial statements

7 Debtors: amounts falling due within one year

	2012 £'000	2011 £'000
Trade debtors	6	38
Amounts owed by parent undertaking	94,012	93,114
Amounts owed by fellow undertakings	1,616	1,040
	95,634	94,192

8 Creditors: amounts falling due within one year

	2012 £'000	2011 £'000
Corporation tax payable	979	714
Deferred tax	325	320
Sundry creditors	90	-
Amounts owed to fellow undertakings	-	175
Accruals and deferred income	310	315
	1,704	1,524

9 Share capital

	2012 £'000	2011 £'000
Issued and fully paid		
25,000,000 Ordinary shares of £1 each	25,000	25,000

10 Reconciliation of movements in equity shareholder's funds

	2012 £'000	2011 £'000
Opening equity shareholder's funds	98,788	98,063
Profit for the financial year	924	725
Closing equity shareholder's funds	99,712	98,788

Notes to the financial statements

11 Holding company

The immediate holding company is A B F Holdings 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