

A.B.F. Properties Limited

**Directors' report and financial
statements**

Registered number 00683361

13 September 2014

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Strategic report

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 there were no additions of properties (2013: £2,448,000) and properties with a net book value of £83,000 were disposed (2013: £4,459,000).

Trading results, dividends and transfer to reserves

The profit and loss account for the period is set out on page 5. The profit on ordinary activities after taxation amounted to £1,006,000 (2013: £146,000). No dividends were declared or paid during the year (2013: £nil). Reserves were increased by £1,006,000 in 2014 (2013: £146,000).

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*.

Principal risks and uncertainties

The company is not exposed to any significant unusual risks or uncertainties in its role as a holding company within the group. A full description of the 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

29 May 2015

Directors' report

The directors present their annual report and the audited financial statements for the 52 week period ended 13 September 2014.

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 the preparation of 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:

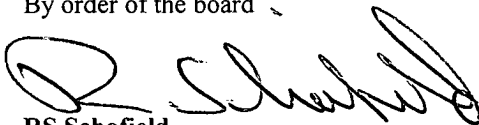
D Mills

PA Russell

JG Bason

RS Schofield

By order of the board



RS Schofield
Secretary

Weston Centre
10 Grosvenor Street
London
W1K 4QY

29 May 2015

Registered number 00683361

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

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 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 13 September 2014 set out on pages 5 to 12. 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. 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 Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

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 £3,102,000; (2013: £3,400,000) rented to non-group companies or held for appreciation in value 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 period being £215,000; (2013: £6,000). As no valuations have been carried out, it is not practicable for us to quantify the effect of this departure.

We qualified our audit opinion on the financial statements for the period ended 14 September 2013 with regard 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 13 September 2014 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

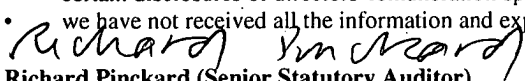
In our opinion the information given in the Strategic Report, and Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

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

Chartered Accountants
15 Canada Square
Canary Wharf
London E14 5GL

Date: 2 June 2015

Profit and loss account

for the period ended 13 September 2014

	<i>Note</i>	2014 £'000	2013 £'000
Operating loss - continuing operations	3	(788)	(724)
Profit on disposal of properties		1,063	75
Interest and similar income	4	776	934
		<hr/>	<hr/>
Profit on ordinary activities before taxation		1,051	285
Tax on profit on ordinary activities	5	(45)	(139)
		<hr/>	<hr/>
Profit on ordinary activities after taxation		1,006	146
		<hr/>	<hr/>

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 7 to 12 form part of the financial statements

Balance sheet

at 13 September 2014

	Note	2014 £'000	2013 £'000
Fixed assets			
Tangible assets	6	3,102	3,400
Current assets			
Debtors			
– amounts falling due within one year	7	98,392	97,915
Creditors			
- amounts falling due within one year	8	(621)	(1,457)
- bank overdraft		(9)	-
Net current assets		<u>97,762</u>	<u>96,458</u>
Net assets		<u><u>100,864</u></u>	<u><u>99,858</u></u>
Capital and reserves			
Share capital	9	25,000	25,000
Profit and loss account		75,864	74,858
Equity shareholder's funds	10	<u><u>100,864</u></u>	<u><u>99,858</u></u>

These financial statements were approved by the board of directors on 29 May 2015 and were signed on its behalf by:



PA Russell
 Director

The notes on pages 7 to 12 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 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, 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.

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
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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

	2014 £'000	2013 £'000
Rents receivable	355	353
Less: Rents payable	(637)	(347)
Depreciation and other costs less other property income	(207)	(263)
	<hr/>	<hr/>
Net rental income	(489)	(257)
Administrative expenses	(299)	(467)
	<hr/>	<hr/>
Operating loss	(788)	(724)
	<hr/>	<hr/>

Profit before taxation is stated after charging

Depreciation and other amounts written off tangible fixed assets:		
Owned	215	273
	<hr/>	<hr/>

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

Interest of £776,151 (2013: £934,335) 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

	2014 £'000	2013 £'000
UK corporation tax at 22.08% (2013: 23.54%)	(45)	(464)
Deferred taxation	-	325
	<u>(45)</u>	<u>(139)</u>

(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 22.08% (2013: 23.54%). The differences are explained below:

	2014 £'000	2013 £'000
Profit on ordinary activities before tax	1,051	285
Profit on ordinary activities before tax at the standard rate of corporation tax	232	67
Expenses not deductible for tax purposes	(187)	64
Accelerated capital allowances (timing differences)	-	333
Total current tax	<u>45</u>	<u>464</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%.

Notes to the financial statements

6 Tangible fixed assets

	Freehold land and buildings £'000	Leasehold land and buildings £'000	Total £'000
Cost			
At beginning of period	3,315	213	3,528
Additions	-	-	-
Disposals	-	(210)	(210)
At 13 September 2014	3,315	3	3,318
Depreciation			
At beginning of period	4	124	128
Charge for period	212	3	215
Disposals	-	(127)	(127)
At 13 September 2014	216	-	216
Net book value			
At 13 September 2014	3,099	3	3,102
At 14 September 2013	3,311	89	3,400

Included in the above are certain investment properties which are rented to non-group companies or held for appreciation in value. These properties have been included at their cost of £3,318,000 (2013: £3,528,000) with accumulated depreciation of £216,000; (2013: £128,000). There were no additions; (2013: £2,448,000) and disposals of £210,000; (2013: £841,000) of investment properties were made during the year. The open market value of these properties and land has not been determined.

Analysis of leasehold land and buildings at net book value:

	2014 £'000	2013 £'000
Long leasehold	3	89

Freehold land of £863,000; (2013: £863,000) is not depreciated.

Notes to the financial statements

7 Debtors: amounts falling due within one year

	2014 £'000	2013 £'000
Trade debtors	122	44
Amounts owed by parent undertaking	91,872	91,473
Amounts owed by fellow undertakings	6,398	6,398
	<u>98,392</u>	<u>97,915</u>

8 Creditors: amounts falling due within one year

	2014 £'000	2013 £'000
Corporation tax payable	490	1,122
Sundry creditors	131	-
Accruals and deferred income	-	335
	<u>621</u>	<u>1,457</u>

9 Share capital

	2014 £'000	2013 £'000
<i>Issued and fully paid</i>		
25,000,000 Ordinary shares of £1 each	25,000	25,000

10 Reconciliation of movements in equity shareholder's funds

	Called up share capital £'000	Profit and loss reserve £'000	Total £'000
At 14 September 2013	25,000	74,858	99,858
Profit on ordinary activities after taxation	-	1,006	1,006
At 13 September 2014	<u>25,000</u>	<u>75,864</u>	<u>100,864</u>

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