

Registration number: 00683361

A.B.F. Properties Limited

Annual Report and Unaudited Financial Statements

17 September 2022

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Strategic Report for the Period from 19 September 2021 to 17 September 2022

Review of the business

The principal activity of the company is the ownership and letting of property.

During the period the main activities of the company remained unchanged and the directors anticipate that the company will continue to operate on the same basis.

Trading results and transfer to reserves

The Statement of total comprehensive income for the period is set out on page 3. The profit on ordinary activities after taxation amounted to £0.4m (2021: £0.7m). No dividends were declared or paid in the period.

Principal risks and uncertainties

The company may be exposed to reversion of lease liability risks in the event of a default of an assignee of a previously held lease in England and Wales, assuming the landlord has the right to make a claim against the company as the assignor of the lease.

The company is not exposed to these risks in the following situations:

- The lease is a Scottish lease;
- it was signed after 1995 and no Authorised Guarantee Agreement/parent company guarantee was provided by the company or a fellow group company at the time of the assignment; and
- if the lease was surrendered as this would be conditional on the surrender being in full and final settlement of all obligations.

The company is not exposed to any significant unusual risks or uncertainties in its role as a property holding company within the group. A full description of the principal risks and uncertainties applicable to the Associated British Foods plc group, of which this company is a subsidiary, are disclosed on pages 94 to 101 of the 2022 Annual Report, which is available at www.abf.co.uk.

Approved by the Board on 29 June 2023 and signed on its behalf by:



AA Smith
Director

Registered office Weston Centre
10 Grosvenor Street
London
W1K 4QY

Directors' Report for the Period from 19 September 2021 to 17 September 2022

The directors present their annual report and the unaudited financial statements for the period from 19 September 2021 to 17 September 2022.

Dividends

No dividends were declared or paid in the current or prior period. The directors do not recommend the payment of a dividend. (2021: nil).

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 Interim Results Announcement dated 25 April 2023 that its directors have 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 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 statement. 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)

ND Mills

RG Cahill

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.

Auditor

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.

Approved by the Board on 29 June 2023 and signed on its behalf by:



AA Smith
Director

Registered office

Weston Centre
10 Grosvenor Street
London
W1K 4QY

Statement of total comprehensive income
for the Period from 19 September 2021 to 17 September 2022

	Note	2022 £ 000	2021 £ 000
Operating profit	4	403	1,108
Interest income	5	222	75
Interest expense	6	<u>(76)</u>	<u>(81)</u>
Profit on ordinary activities before taxation		549	1,102
Tax charge on profit on ordinary activities	7	<u>(190)</u>	<u>(360)</u>
Profit for the period		359	742
Other comprehensive income		<u>-</u>	<u>-</u>
Total comprehensive income		<u><u>359</u></u>	<u><u>742</u></u>

The above results were derived from continuing operations.

Balance Sheet
at 17 September 2022

	Note	2022 £ 000	2021 £ 000
Fixed assets			
Tangible assets	8	17,001	17,266
Right-of-use assets	9	4,444	4,876
		<u>21,445</u>	<u>22,142</u>
Current assets			
Asset classified as held for sale	11	861	7,528
Debtors: amounts due within one year	12	32,557	25,526
Debtors: amounts due after one year	13	88	113
		<u>33,506</u>	<u>33,167</u>
Creditors: Amounts falling due within one year	14	<u>(9,857)</u>	<u>(10,145)</u>
Net current assets		<u>23,649</u>	<u>23,022</u>
Total assets less current liabilities		45,094	45,164
Creditors: Amounts falling due after one year	15	(6,275)	(6,858)
Provisions for liabilities	16	<u>(896)</u>	<u>(742)</u>
Net assets		<u>37,923</u>	<u>37,564</u>
Capital and reserves			
Called up share capital	17	25,000	25,000
Profit and loss account		<u>12,923</u>	<u>12,564</u>
Shareholders' funds		<u>37,923</u>	<u>37,564</u>

For the financial period ending 17 September 2022 the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the period in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

Approved by the Board on 29 June 2023 and signed on its behalf by:



AA Smith
Director
Registered number: 00683361

Statement of Changes in Equity

for the Period from 19 September 2021 to 17 September 2022

	Share capital £ 000	Profit and loss account £ 000	Total £ 000
At 13 September 2020	25,000	11,822	36,822
Profit for the period	-	742	742
Total comprehensive income	-	742	742
At 18 September 2021	25,000	12,564	37,564
	Share capital £ 000	Profit and loss account £ 000	Total £ 000
At 19 September 2021	25,000	12,564	37,564
Profit for the period	-	359	359
Total comprehensive income	-	359	359
At 17 September 2022	25,000	12,923	37,923

Notes to the Unaudited Financial Statements

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

The financial statements of A.B.F. Properties Limited (the "company") for the 52 week period ended 17 September 2022 were authorised for issue by the board of directors on **29 June 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 is a private limited company incorporated and domiciled in England and Wales.

These accounts have been prepared for the 52 week period ended 17 September 2022.

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 Interim Results Announcement dated 25 April 2023 that its directors have 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 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 statement. Accordingly, the financial statements have been prepared on the going concern basis.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies adopted by the company are set out below. These have been applied consistently to all the years presented, unless otherwise stated.

Notes to the Unaudited 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.

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities based on tax rates and laws that are enacted or substantively enacted by the balance sheet date.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on tax laws and rates that have been enacted or substantively enacted at the balance sheet date.

Tangible fixed assets, including investment properties and depreciation

Tangible fixed assets, including investment properties, are generally stated at cost less accumulated depreciation and impairment charges. Depreciation is charged to the income statement on a straight-line basis over the useful economic lives of the asset sufficient to reduce them to estimated residual value. Land is not depreciated.

Freehold buildings - 66 years

The carrying amounts of freehold fixed assets are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

An impairment charge is recognised in the income statement whenever the carrying amount of an asset or its cash-generating unit (CGU) exceeds its recoverable amount.

Provisions

A provision is recognised when the company has a legal or constructive obligation as a result of a past event; it is probable that an outflow of economic benefits will be required to settle the obligation; and a reliable estimate can be made of the amount of the obligation. If the effect is material, expected future cash flows are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability.

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.

Right-of-use assets

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.

Notes to the Unaudited Financial Statements

2 Accounting policies (continued)

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.

Interest Income

Interest on financial assets held at amortised cost, is recognised in the statement of total comprehensive income 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).

3 Directors' and key management 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.

4 Operating profit

Arrived at after (charging)/crediting

	2022 £ 000	2021 £ 000
Rent receivable	1,979	1,932
Other operating expenses	(775)	(404)
Right-of-use depreciation	(353)	(361)
Depreciation expense	(261)	(361)
Bad debt expense	-	(112)
Release/(addition) to lease provision	(180)	414
Loss on disposal of property, plant and equipment	(7)	-
	<u>403</u>	<u>1,108</u>

5 Interest receivable and similar income

	2022 £ 000	2021 £ 000
Other finance income	<u>222</u>	<u>75</u>

Notes to the Unaudited Financial Statements

6 Interest payable and similar expenses

	2022 £ 000	2021 £ 000
Interest expense on lease liabilities	(76)	(81)

7 Taxation

Tax charged/(credited) in the profit and loss account

	2022 £ 000	2021 £ 000
Current taxation		
UK corporation tax adjustment to prior periods	20	287
UK corporation tax	145	182
Total current taxation	165	469
Deferred taxation		
Arising from origination and reversal of temporary differences	23	90
Adjustment in respect of previous years	(5)	(173)
Effect of change in tax rate	7	(26)
Total deferred taxation	25	(109)
Total tax charge on profit on ordinary activities	190	360

The tax charge on profit before tax for the period is higher than the standard rate of corporation tax in the UK (2021 - higher than the standard rate of corporation tax in the UK) of 19% (2021 - 19%).

The differences are reconciled below:

	2022 £ 000	2021 £ 000
Profit before tax	549	1,102
Corporation tax at standard UK rate of 19% (2021: 19%)	(104)	(209)
Effect of rate change	7	(27)
Adjustments to tax charge in respect of previous years	15	114
Expenses not deductible/(income not taxable)	64	64
Total tax charge	190	360

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

Notes to the Unaudited Financial Statements

7 Taxation (continued)

Deferred tax

Deferred tax movement during the period:

	At 19 September 2021 £ 000	Recognised in profit and loss account £ 000	At 17 September 2022 £ 000
Accelerated capital allowances	161	(16)	145
IFRS 16 transitional adjustment	290	(8)	282
Other short term timing differences	(338)	(1)	(339)
Net tax assets/(liabilities)	<u>113</u>	<u>(25)</u>	<u>88</u>

8 Tangible assets

	Freehold land and buildings £ 000	Leasehold land and buildings £ 000	Total £ 000
Cost or valuation			
At 18 September 2021	22,637	53	22,690
Additions	-	-	-
Disposals	-	(53)	(53)
Reclassification	(397)	-	(397)
At 17 September 2022	<u>22,240</u>	<u>-</u>	<u>22,240</u>
Depreciation & impairment			
At 18 September 2021	(5,424)	-	(5,424)
Charge for the period	(261)	-	(261)
Reclassification	446	-	446
At 17 September 2022	<u>(5,239)</u>	<u>-</u>	<u>(5,239)</u>
Carrying amount			
At 17 September 2022	<u>17,001</u>	<u>-</u>	<u>17,001</u>
At 18 September 2021	<u>17,213</u>	<u>53</u>	<u>17,266</u>

Notes to the Unaudited Financial Statements

9 Right of use assets

	Property
	£'000
Cost or valuation	
At 18 September 2021	5,599
Remeasurement	2
Disposal	(141)
At 17 September 2022	5,460
Depreciation	
At 18 September 2021	(723)
Charge for the period	(353)
Remeasurement	(10)
Disposal	70
At 17 September 2022	(1,016)
Carrying amount	
At 17 September 2022	4,444
At 18 September 2021	4,876

The Derby lease was surrendered on 31 May 2022.

10 Lease liabilities

	£'000
Cost	
At 18 September 2021	7,582
Interest expense	76
Repayments	(714)
At 17 September 2022	6,944
Lease liabilities due within:	
	£'000
Current	669
Non-current	6,275
	6,944

11 Asset classified as held for sale

	2022	2021
	£ 000	£ 000
Freehold property	861	7,528

During the year, properties in Glasgow were disposed of. Consistent with prior year, Angel Drove, Ely remains actively being marketed with a view for sale.

Notes to the Unaudited Financial Statements

12 Debtors: amounts due within one year

	2022	2021
	£ 000	£ 000
Trade debtors	735	180
Owed by fellow undertakings	1,794	1,794
Owed by parent undertaking	30,028	23,522
Prepayments and other debtors	-	30
	<u>32,557</u>	<u>25,526</u>

Amounts due from parent undertakings for the current and prior year were interest-bearing. Amounts due from fellow undertakings are not interest bearing.

13 Debtors: amounts due after one year

	2022	2021
	£ 000	£ 000
Deferred tax assets	<u>88</u>	<u>113</u>

14 Creditors: amounts falling due within one year

	2022	2021
	£ 000	£ 000
Trade creditors	11	146
Accruals and deferred income	197	662
Owed to fellow undertakings	8,633	8,355
Short term lease liabilities	669	724
Corporation tax payable	<u>347</u>	<u>258</u>
	<u>9,857</u>	<u>10,145</u>

Amounts due to fellow undertakings for the current and prior year were not interest-bearing.

15 Creditors: amounts falling after one year

	2022	2021
	£ 000	£ 000
Long term lease liabilities	<u>6,275</u>	<u>6,858</u>

16 Provisions for liabilities

	£000
At the start of the year	742
Utilised	(25)
Created	329
Released	<u>(150)</u>
At the end of the year	<u>896</u>

Notes to the Unaudited Financial Statements

16 Provisions for liabilities (continued)

Provisions comprise anticipated costs incurred by the company as lease guarantor for rent, dilapidation and other property costs.

17 Share capital

Allotted, called up and fully paid shares

	2022		2021	
	No.	£000	No.	£000
Issued and fully paid of £1 each	25,000,000	25,000	25,000,000	25,000

18 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 that headed by Wittington Investments Limited. The smallest group in which they are consolidated is that 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.