

Company Registration No. 01008760 (England and Wales)

**MBC BONDCO LIMITED**  
**(FORMERLY CDB MEATS LIMITED)**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2016**



**MBC BONDCO LIMITED**  
**(FORMERLY CDB MEATS LIMITED)**  
**COMPANY INFORMATION**

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<b>Directors</b>	G Prazeres M Dos Santos H Cedro
<b>Secretary</b>	Intertrust (UK) Limited
<b>Company number</b>	01008760
<b>Registered office</b>	35 Great St Helen's LONDON EC3A 6AP
<b>Auditor</b>	Grant Thornton UK LLP Chartered Accountants and Statutory Auditor 101 Cambridge Science Park Milton Road Cambridge Cambridgeshire CB4 0FY

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**MBC BONDCO LIMITED  
(FORMERLY CDB MEATS LIMITED)  
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**MBC BONDCO LIMITED  
(FORMERLY CDB MEATS LIMITED)  
DIRECTORS' REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2016**

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The directors present their annual report and financial statements for the year ended 31 December 2016.

**Principal activities**

MBC Bondco Limited had no trading income during the year (2015: £nil) and a loss after interest and similar charges of £30,741 (2015: £38,322 profit). No dividend income was received in either the current or prior year and directors have not recommended payment of a dividend in either year.

On 20 February 2017 the company changed its name from CDB Meats Limited to MBC Bondco Limited.

**Directors**

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

G Prazeres  
M Dos Santos  
H Cedro

**Results and dividends**

The results for the year are set out on page 5.

**Financial instruments**

***Financial risk management***

The company's operations expose it to a variety of financial risks that include the effects of changes in debt market prices, credit risk, liquidity risk, exchange risk and interest rate risk. The company along with its ultimate parent has in place a risk management programme that seeks to limit the adverse effects on the financial performance of the company by monitoring levels of debt finance and the related finance costs.

The company's policy on funding capacity is to ensure that they always have sufficient long term funding and committed bank facilities in place to meet foreseeable requirements.

All loans and leases arranged by the company are at a fixed rate.

The company does not use derivative financial instruments to manage interest rate costs and as such, no hedge accounting is applied.

**Post reporting date events**

On 31 January 2017 Ham Packers Limited, a 100% owned subsidiary of the company was dissolved.

**Auditor**

Grant Thornton UK LLP were appointed as auditor on 10 July 2017. The auditor, Grant Thornton UK LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

**MBC BONDCO LIMITED**  
**(FORMERLY CDB MEATS LIMITED)**  
**DIRECTORS' REPORT (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2016**

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**Statement of directors' responsibilities**

The directors are responsible for preparing the annual 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 the directors 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 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 accounting estimates that are reasonable and prudent;
- 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 disclosure to auditor**

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board



H Cedro  
Director

28 September 2017

**MBC BONDCO LIMITED  
(FORMERLY CDB MEATS LIMITED)  
INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF MBC BONDCO LIMITED**

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We have audited the financial statements of MBC Bondco Limited for the year ended 31 December 2016 which comprise the Statement of Comprehensive Income, the Statement Of Financial Position, the Statement of Changes in Equity and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 101 'Reduced Disclosure Framework'.

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). 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](http://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 31 December 2016 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

**Opinion on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken during the course of the audit:

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Director's Report had been prepared in accordance with applicable legal requirements.

**Matter on which we are required to report under the Companies Act 2006**

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

**MBC BONDCO LIMITED  
(FORMERLY CDB MEATS LIMITED)  
INDEPENDENT AUDITOR'S REPORT (CONTINUED)  
TO THE MEMBERS OF MBC BONDCO LIMITED**

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**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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the Directors' Report and take advantage of the small companies exemption from the requirement to prepare a Strategic Report.

*Grant Thornton UK LLP*

David Newstead (Senior Statutory Auditor)  
for and on behalf of Grant Thornton UK LLP  
Cambridge

*29 September 2017*

**MBC BONDCO LIMITED**  
**(FORMERLY CDB MEATS LIMITED)**  
**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED 31 DECEMBER 2016**

		<b>2016</b>	<b>2015</b>
	<b>Notes</b>	<b>£</b>	<b>£</b>
Administrative expenses		(25,610)	(24,202)
Investment income	<b>5</b>	4,000	10
Finance costs	<b>6</b>	(6,029)	(26,153)
Other gains and losses	<b>7</b>	(3,102)	
<b>Loss before taxation</b>		<b>(30,741)</b>	<b>(50,345)</b>
Tax on loss	<b>8</b>		88,667
<b>(Loss)/profit for the financial year</b>		<b>(30,741)</b>	<b>38,322</b>
<b>Other comprehensive loss</b>			
Actuarial loss on defined benefit pension schemes		(36,059)	(53,124)
<b>Total comprehensive loss for the year</b>		<b>(66,800)</b>	<b>(14,802)</b>

The income statement has been prepared on the basis that all operations are discontinuing operations.

There are no recognised gains and losses other than those passing through the income statement.



**MBC BONDCO LIMITED**  
**(FORMERLY CDB MEATS LIMITED)**  
**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2016**

	Notes	2016 £	£	2015 £	£
<b>Fixed assets</b>					
Investments	9		-		2
<b>Current assets</b>					
Trade and other receivables	11	2,505,000		2,577,386	
Cash and cash equivalents		40,376		52,635	
		<u>2,545,376</u>		<u>2,630,021</u>	
<b>Current liabilities</b>	12	(20,400)		(38,247)	
<b>Net current assets</b>			<u>2,524,976</u>		<u>2,591,774</u>
<b>Total assets less current liabilities</b>			<u>2,524,976</u>		<u>2,591,776</u>
<b>Equity</b>					
Called up share capital	14	50,000		50,000	
Share premium account		613,682		613,682	
Capital redemption reserve		105,777		105,777	
Retained earnings		1,755,517		1,822,317	
<b>Total shareholders' funds</b>			<u>2,524,976</u>		<u>2,591,776</u>

The financial statements were approved by the board of directors and authorised for issue on 28 September 2017 and are signed on its behalf by:

  
H Cedro  
Director

Company Registration No. 01008760

**MBC BONDCO LIMITED**  
**(FORMERLY CDB MEATS LIMITED)**  
**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 31 DECEMBER 2016**

	Share capital £	Share premium account £	Capital redemption reserve £	Retained earnings £	Total £
<b>Balance at 1 January 2015</b>	50,000	613,682	105,777	1,837,119	2,606,578
<b>Year ended 31 December 2015:</b>					
Profit for the year	-	-	-	38,322	38,322
Other comprehensive loss:					
Actuarial loss on defined benefit plans	-	-	-	(53,124)	(53,124)
<b>Total comprehensive loss for the year</b>	-	-	-	(14,802)	(14,802)
<b>Balance at 31 December 2015</b>	50,000	613,682	105,777	1,822,317	2,591,776
<b>Year ended 31 December 2016:</b>					
Loss for the year	-	-	-	(30,741)	(30,741)
Other comprehensive loss:					
Actuarial loss on defined benefit plans	-	-	-	(36,059)	(36,059)
<b>Total comprehensive loss for the year</b>	-	-	-	(66,800)	(66,800)
<b>Balance at 31 December 2016</b>	50,000	613,682	105,777	1,755,517	2,524,976

**MBC BONDCO LIMITED**  
**(FORMERLY CDB MEATS LIMITED)**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2016**

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**1 Accounting policies**

**Company information**

MBC Bondco Limited is a private company limited by shares incorporated in England and Wales. The registered office is 35 Great St Helen's, LONDON, EC3A 6AP.

The ultimate parent company of the group is Marfrig Global Foods S.A, a company listed on the Brazilian stock exchange.

**1.1 Accounting convention**

These financial statements have been prepared in accordance with FRS 101 "Reduced Disclosure Framework" ("FRS 101") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

In preparing these financial statements the company has taken advantage of all disclosure exemptions conferred by FRS 101. Therefore these financial statements do not include:

- certain comparative information as otherwise required by EU endorsed IFRS;
- a statement of cash flows;
- the effect of future accounting standards not yet adopted;
- the disclosure of the remuneration of key management personnel;
- disclosure of related party transactions with other wholly owned members of the group headed by Marfrig Global Foods S.A; and
- business combinations, the financial statements contain information about MBC Bondco Limited as an individual company and do not contain consolidated information as the parent of a group.

**1.2 Going concern**

As production ceased in December 2014, the company is dependent on the on-going support of the parent company Weston Importers Limited. The group has continued to support the company post year end and have undertaken to do so for the foreseeable future.

On the basis of their assessment of the company's financial position and of the enquiries made of the directors of the parent company Weston Importers Limited, at the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

**1.3 Non-current investments**

Interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

A subsidiary is an entity controlled by the company. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

**1.4 Cash and cash equivalents**

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts.

**MBC BONDCO LIMITED**  
**(FORMERLY CDB MEATS LIMITED)**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2016**

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**1 Accounting policies**

**(Continued)**

**1.5 Financial instruments**

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

***Basic financial assets***

Basic financial assets, which include trade and other receivables and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

***Classification of financial liabilities***

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

***Basic financial liabilities***

Basic financial liabilities, which include trade and other payables are classified as debt and are initially recognised at fair value unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

**1.6 Equity instruments**

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

**1.7 Taxation**

The tax expense represents the sum of the tax currently payable and deferred tax.

***Current tax***

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

**MBC BONDCO LIMITED**  
**(FORMERLY CDB MEATS LIMITED)**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2016**

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**1 Accounting policies**

**(Continued)**

***Deferred tax***

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end 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. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

**1.8 Foreign exchange**

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the income statement for the period.

**1.9 Defined benefit pension scheme**

Pension costs in respect of defined benefit schemes are charged to the profit and loss account on a systematic basis based on actuarial calculations. Amounts charged are calculated using the following rates:

Current service cost - Discount rate at the start of the year

Interest cost - Discount rate at the start of the year

Expected return on assets - Expected rate of return at the start of the year

Past service costs are recognised in the profit and loss account on a straight line basis over the period in which increases in benefit vest.

Assets in the scheme are measured at their fair value at the balance sheet date. Defined benefit liabilities are measured on an actuarial basis using the projected unit method. The assets and liabilities of the scheme are subject to a full actuarial valuation by an external professionally qualified actuary triennially and are reviewed annually by the actuary and updated to reflect current conditions.

Any shortfall in the value of the scheme assets compared to the present value of the scheme liabilities is recognised as a liability. A surplus is not recognised as an asset in the balance sheet as it may only be refunded after the purchase by the fund of annuities for all member in the pension scheme.

Actual gains and losses that arise on the valuation of the scheme's assets and liabilities are released to the statement of total recognised gains and losses.

**MBC BONDCO LIMITED**  
**(FORMERLY CDB MEATS LIMITED)**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2016**

**2 Judgements and key sources of estimation uncertainty**

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities and the disclosure of contingent assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

**Critical judgements**

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

**Recoverability of debtors**

Trade and other debtors are recognised to the extent that they are judged recoverable. Management reviews are performed to estimate the level of reserves required for irrecoverable debt. Provisions are made against specific invoices where recoverability is uncertain.

Management make allowance for doubtful debts based on an assessment of the recoverability of debtors. Allowances are applied to debtors where events or changes in circumstances indicate that the carrying amounts may not be recoverable. Management specifically analyse historical bad debts, customer creditworthiness, current economic trends and changes in customer payment terms when making a judgement to evaluate the adequacy of the provision of doubtful debts. Where the expectation is different from the original estimate, such difference will impact the carrying value of debtors and the charge in the profit and loss account.

**Pension scheme**

The company operates a defined benefit pension scheme which is closed to future accrual of benefits for members. The estimation of the employee benefit cost and future scheme liabilities requires the use of actuaries and the determination of appropriate assumptions such as discount rates and expected future rates of return as set out in note 13.

**3 Operating loss**

	2016	2015
	£	£
Operating loss for the year is stated after charging:		
Exchange (gains)/losses	-	3,893
	<u>          </u>	<u>          </u>

**4 Auditor's remuneration**

	2016	2015
	£	£
Fees payable to the company's auditor and associates:		
<b>For audit services</b>		
Audit of the financial statements of the company	9,000	14,500
Other services relating to taxation	2,000	-
	<u>          </u>	<u>          </u>
	<u>11,000</u>	<u>14,500</u>

**MBC BONDCO LIMITED**  
**(FORMERLY CDB MEATS LIMITED)**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2016**

**5 Investment income**

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
<b>Interest income</b>		
Interest on bank deposits	-	10
Interest on net pension scheme asset	4,000	-
	<u>4,000</u>	<u>10</u>
<b>Total income</b>	<u><u>4,000</u></u>	<u><u>10</u></u>
Interest on financial assets not measured at fair value through profit or loss	<u>-</u>	<u>10</u>

**6 Finance costs**

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
<b>Interest on financial liabilities measured at amortised cost:</b>		
Bank charges	6,029	25,153
<b>Other finance costs:</b>		
Interest on net pension scheme liability	-	1,000
	<u>6,029</u>	<u>26,153</u>

**7 Other gains and losses  
fixed asset investments**

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Amounts written off current loans	<u>(3,102)</u>	<u>-</u>

**8 Taxation**

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
<b>Current tax</b>		
UK corporation tax on loss for the current period	<u>-</u>	<u>(88,667)</u>

**MBC BONDCO LIMITED**  
**(FORMERLY CDB MEATS LIMITED)**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2016**

**8 Taxation**

**(Continued)**

The actual charge/(credit) for the year can be reconciled to the expected credit for the year based on the profit or loss and the standard rate of tax as follows:

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Loss before taxation	(30,741)	(50,345)
	<u>          </u>	<u>          </u>
Expected tax credit based on the standard rate of corporation tax in the UK of 20.00% (2015: 20.00%)	(6,148)	(10,069)
Tax effect of expenses that are not deductible in determining taxable profit	-	200
Adjustments in respect of prior years	-	(88,669)
Impact changes in tax rates	-	987
Deferred tax not recognised	6,148	8,884
	<u>          </u>	<u>          </u>
Taxation credit for the year	-	(88,667)
	<u>          </u>	<u>          </u>

**9 Fixed asset investments**

	<b>2016</b>	<b>2015</b>
<b>Notes</b>	<b>£</b>	<b>£</b>
Investments in subsidiaries	-	2
	<u>          </u>	<u>          </u>

The company owns 100% (2016: 100%) of the ordinary share capital of Ham Packers Limited, a company registered in England and Wales which was dissolved on 31 January 2017.

**Movements in non-current investments**

	<b>Shares in group undertakings £</b>
<b>Cost or valuation</b>	
At 1 January 2016	2
Written off during the year	(2)
	<u>          </u>
At 31 December 2016	-
	<u>          </u>
<b>Carrying amount</b>	
At 31 December 2016	-
	<u>          </u>
At 31 December 2015	2
	<u>          </u>



**MBC BONDCO LIMITED**  
**(FORMERLY CDB MEATS LIMITED)**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2016**

**10 Financial instruments**

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
<b>Carrying amount of financial assets</b>		
Measured at amortised cost	2,545,376	2,630,021
	<u>          </u>	<u>          </u>
<b>Carrying amount of financial liabilities</b>		
Measured at amortised cost	20,400	38,247
	<u>          </u>	<u>          </u>

**11 Trade and other receivables**

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
<b>Amounts falling due within one year:</b>		
Amounts due from group undertakings	2,505,000	2,577,386
	<u>          </u>	<u>          </u>

Amounts owed by group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

**12 Current liabilities**

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Trade payables	-	31,446
Corporation tax	-	2
Accruals	20,400	6,799
	<u>          </u>	<u>          </u>
	20,400	38,247
	<u>          </u>	<u>          </u>

**13 Retirement benefit schemes**

**Defined contribution schemes**

The company operates a defined contribution pension scheme whose assets are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company and amounted to £nil (2015: £nil). At the period end £nil of these contributions were outstanding (2015: £nil).

**Defined benefit schemes**

The company operates a defined benefit plan in the UK. A full actuarial valuation was carried out at 31 March 2014 and the results have been updated to 31 December 2016 by a qualified actuary, independent of the scheme's sponsoring employer.

The schedule of contributions dated (i.e. signed by the trustees on) 13 May 2009 states that the company will pay amounts into the scheme equal to the Pensions Protection Fund Levy. Management and administration expenses are payable in addition as and when they are due. The company is contributing £2,747 per month.

The actuary has computed the following information about the financial position of the scheme as at 31 December 2016:

**MBC BONDCO LIMITED**  
**(FORMERLY CDB MEATS LIMITED)**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2016**

**13 Retirement benefit schemes**

**(Continued)**

	<b>2016</b>	<b>2015</b>
	<b>%</b>	<b>%</b>
<i>Key assumptions</i>		
Discount rate	2.6	3.8
Expected rate of increase of pensions in payment	3.2	2.8
Inflation assumption	3.3	2.9
	<u>          </u>	<u>          </u>
<i>Mortality assumptions</i>	<b>2016</b>	<b>2015</b>
Assumed life expectations on retirement at age 65:	<b>Years</b>	<b>Years</b>
Longevity at retirement age (current pensioners)		
- Males	22.2	22.1
- Females	24.2	24.1
	<u>          </u>	<u>          </u>
Longevity at retirement age (future pensioners)		
- Males	23.9	23.8
- Females	26.1	26.0
	<u>          </u>	<u>          </u>
	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
<i>Amounts recognised in the income statement</i>		
Net interest on defined benefit liability/(asset)	(16,000)	(23,000)
Other costs and income	12,000	24,000
	<u>          </u>	<u>          </u>
Total costs/(income)	(4,000)	1,000
	<u>          </u>	<u>          </u>
	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
<i>Amounts taken to other comprehensive income</i>		
Actual return on scheme assets	(84,000)	(26,000)
Less: calculated interest element	16,000	23,000
	<u>          </u>	<u>          </u>
Return on scheme assets excluding interest income	(68,000)	(3,000)
Actuarial changes related to obligations	35,000	(53,000)
Movement in unrecognised plan surplus excluding amounts including in net interest	65,000	109,000
	<u>          </u>	<u>          </u>
Total costs	32,000	53,000
	<u>          </u>	<u>          </u>

**MBC BONDCO LIMITED**  
**(FORMERLY CDB MEATS LIMITED)**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2016**

**13 Retirement benefit schemes**

**(Continued)**

The amounts included in the statement of financial position arising from the company's obligations in respect of defined benefit plans are as follows:

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
Present value of defined benefit obligations	209,000	655,000
Fair value of plan assets	(387,000)	(764,000)
	<u>          </u>	<u>          </u>
Surplus in scheme	(178,000)	(109,000)
Asset not recognised due to asset ceiling	178,000	109,000
	<u>          </u>	<u>          </u>
Total liability recognised	-	-
	<u>          </u>	<u>          </u>

	<b>2016</b>
	<b>£</b>
<i>Movements in the present value of defined benefit obligations</i>	
Liabilities at 1 January 2016	655,000
Past service cost	12,000
Benefits paid	(493,000)
Actuarial gains and losses	35,000
	<u>          </u>
At 31 December 2016	209,000
	<u>          </u>

	<b>2016</b>
	<b>£</b>
<i>The defined benefit obligations arise from plans funded as follows:</i>	
Wholly unfunded obligations	-
Wholly or partly funded obligations	(209,000)
	<u>          </u>
	209,000
	<u>          </u>

	<b>2016</b>
	<b>£</b>
<i>Movements in the fair value of plan assets</i>	
Fair value of assets at 1 January 2016	764,000
Interest income	16,000
Return on plan assets (excluding amounts included in net interest)	68,000
Benefits paid	(493,000)
Contributions by the employer	32,000
	<u>          </u>
At 31 December 2016	387,000
	<u>          </u>

**MBC BONDCO LIMITED**  
**(FORMERLY CDB MEATS LIMITED)**  
**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**FOR THE YEAR ENDED 31 DECEMBER 2016**

**13 Retirement benefit schemes** **(Continued)**

	<b>2016</b>	<b>2015</b>
<i>Fair value of plan assets at the reporting period end</i>	<b>£</b>	<b>£</b>
Secure Growth Fund	372,000	749,000
Other (cash)	15,000	15,000
	<u>387,000</u>	<u>764,000</u>

None of the fair values of the assets shown above include an direct investment in the company's own financial instruments or any property occupied by, or other assets used by, the company.

**14 Share capital**

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
<b>Ordinary share capital</b>		
<b>Issued and fully paid</b>		
50,000 Ordinary shares of £1 each	50,000	50,000
	<u>50,000</u>	<u>50,000</u>

The company's authorised share capital is 50,000 ordinary shares of £1 each. All of these shares are allotted and fully paid.

**15 Events after the reporting date**

There are no events after the reporting date requiring adjustment or disclosure in the financial statements.

**16 Related party transactions**

The company has taken advantage of the exemptions contained in FRS 101, "Reduced Disclosure Framework" not to disclose transactions with its parent undertakings and fellow subsidiary undertakings of any group company on the grounds that it is a 100% owned subsidiary and the consolidated financial statements of Marfrig Global Foods S.A., in which the company is included, are publicly available.

There are no other transactions with related parties such as are required to be disclosed under FRS 101.

**17 Controlling party**

The immediate parent company is Weston Importers Limited, a company registered in Scotland.

The ultimate parent and controlling party is Marfrig Global Foods S.A., a company listed on the Brazilian stock exchange, which is the parent undertaking of the largest group to consolidate these financial statements. The financial statements of Marfrig Global Foods S.A can be obtained from its website [www.marfrig.com/br/ie](http://www.marfrig.com/br/ie). The smallest group to consolidate these financial statements is Weston Importers Limited. Copies of the group financial statements are available from Companies House UK.