

Company registration number 01008760 (England and Wales)

MBC BONDCO LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022
PAGES FOR FILING WITH REGISTRAR

MBC BONDCO LIMITED

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MBC BONDCO LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2022

		2022	2021
	Notes	£	£
Current assets			
Trade and other receivables	5	2,202,769	2,204,285
Cash and cash equivalents		21,324	48,636
		<u>2,224,093</u>	<u>2,252,921</u>
Current liabilities	6	(24,840)	(26,594)
		<u>2,199,253</u>	<u>2,226,327</u>
Net current assets			
		<u>2,199,253</u>	<u>2,226,327</u>
Equity			
Called up share capital	8	50,000	50,000
Share premium account		613,682	613,682
Capital redemption reserve		105,777	105,777
Retained earnings		1,429,794	1,456,868
		<u>2,199,253</u>	<u>2,226,327</u>
Total shareholders' funds			
		<u>2,199,253</u>	<u>2,226,327</u>

The directors of the company have elected not to include a copy of the income statement within the financial statements.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the board of directors and authorised for issue on 22 September 2023 and are signed on its behalf by:

Mr H De Almeida Cedro
Director

Company Registration No. 01008760

The notes on pages 9 to 17 form part of these financial statements

MBC BONDCO LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2022

	Share capital	Share premium account	Capital redemption reserve	Retained earnings	Total
	£	£	£	£	£
Balance at 1 January 2021	50,000	613,682	105,777	1,502,852	2,272,311
Year ended 31 December 2021:					
Loss and total comprehensive income	-	-	-	(45,984)	(45,984)
Balance at 31 December 2021	50,000	613,682	105,777	1,456,868	2,226,327
Year ended 31 December 2022:					
Loss	-	-	-	(36,074)	(36,074)
Other comprehensive income net of taxation:					
Actuarial gains on defined benefit plans	-	-	-	9,000	9,000
Total comprehensive income	-	-	-	(27,074)	(27,074)
Balance at 31 December 2022	50,000	613,682	105,777	1,429,794	2,199,253

MBC BONDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

Company information

MBC Bondco Limited is a private company limited by shares incorporated in England and Wales. The registered office is 1 Bartholomew Lane, London, EC2N 2AX.

The company's immediate parent company is Weston Importers Limited, incorporated and registered in Scotland, which owns 100% of the Company's share capital. It's registered office is C/O Brodies LLP Capital Square, 58 Morrison Street, Edinburgh, Scotland, EH3 8BP.

The ultimate parent company of the group is Marfrig Global Foods S.A, a company incorporated and registered in Brazil. Marfrig Global Foods S.A. is 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.

This company is a qualifying entity for the purposes of FRS 101, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements, as permitted by FRS 101 paragraph 8:

- The requirement of IAS 7 'Statement of Cash Flows' and IAS 1 'Presentation of Financial Statements' paragraph 10(d), 111 relating to the presentation of a Cash Flow Statement;
- The requirement of IFRS 7 'Financial Instruments: Disclosures' relating to the disclosure of financial instruments and the nature and extent of risks arising from such instruments;
- The requirement of IAS 8 'Accounting Policies, Change in Accounting Estimates and and Errors' paragraph 30 and 31 relating to the disclosure of standards, amendments, and interpretations in issue but not yet effective.
- The requirement of IFRS 13 'Fair Value Measurement' paragraph 91 to 99 relating to the fair value measurement disclosures of financial assets and financial liabilities that are measured at fair value.
- The requirement of IAS 24 'Related Party Disclosures' paragraph 17 relating to the disclosure of key management personnel compensation, and relating to the disclosure of related party transactions entered into between the Company and other wholly-owned subsidiaries of the group.

The financial statements of the company are consolidated in the financial statements of Marfrig Global Foods S.A. These consolidated financial statements are available from its website www.marfrig.com.br/en.

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.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

1.3 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.

1.4 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.

1.5 Equity instruments

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

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

1 Accounting policies

(Continued)

1.6 Defined benefit pension scheme

Pension costs in respect of defined benefit schemes are charged to the statement of comprehensive income 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 statement of comprehensive income 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 comprehensive income.

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 directors consider that the following estimates and judgements are likely to have the most significant effect on amounts recognised in the financial statements.

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 10.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

3 Auditor's remuneration

	2022 £	2021 £
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the company	10,000	9,000
Other services relating to taxation	1,500	1,500
	<u>11,500</u>	<u>10,500</u>

4 Employees

	2022 Number	2021 Number
Directors	<u>3</u>	<u>3</u>

The company has no employees and makes no payment to directors.

5 Trade and other receivables

	2022 £	2021 £
Amounts falling due within one year:		
Amounts due from group undertakings	2,196,809	2,198,325
Other receivables	5,960	5,960
	<u>2,202,769</u>	<u>2,204,285</u>

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

6 Current liabilities

	2022 £	2021 £
Accruals	<u>24,840</u>	<u>26,594</u>

MBC BONDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

7 Retirement benefit schemes

Defined benefit schemes

The company operates a defined benefit plan in the UK. A full actuarial valuation was carried out at 31 March 2017 and the results have been updated to 31 December 2022 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. No contribution was required during the year.

During the year, a final lump sum payments were made to the members with annuity policies in the name of trustees. The only remaining defined benefit obligation at the year end is in relation to the ex-member who had previously taken a transfer out and the benefit amount payable has now been set by the trustees. The annuity policies was reassigned to be in the name of the members rather than the trustees over the period, and as such, are no longer part of the plan.

The year end defined benefit obligation is therefore a fixed lump sum amount and hence no actuarial assumptions are required at the year end for the purpose of calculating the defined benefit obligation.

The actuary has computed the following information about the financial position of the scheme as at 31 December 2022:

	2022	2021
	%	%
<i>Key assumptions</i>		
Discount rate	1.8	1.8
	=====	=====
<i>Mortality assumptions</i>	2022	2021
Assumed life expectations on retirement at age 65:	Years	Years
Longevity at retirement age (current pensioners)		
- Males	21.8	21.8
- Females	23.7	23.7
	=====	=====
Longevity at retirement age (future pensioners)		
- Males	23.1	23.1
- Females	25.3	25.3
	=====	=====
	2022	2021
<i>Amounts recognised in the income statement</i>	£	£
Other costs and income	9,000	-
	=====	=====

MBC BONDCO LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

7 Retirement benefit schemes		(Continued)
	2022 £	2021 £
<i>Amounts taken to other comprehensive income</i>		
Actual return on scheme assets	-	3,000
Less: calculated interest element	-	-
Return on scheme assets excluding interest income	-	3,000
Actuarial changes related to obligations	(12,000)	(3,000)
Effect of changes in the amount of surplus that is not recoverable	3,000	-
Total costs/(income)	(9,000)	-
The amounts included in the statement of financial position arising from the company's obligations in respect of defined benefit plans are as follows:		
	2022 £	2021 £
Present value of defined benefit obligations	9,000	36,000
Fair value of plan assets	(244,000)	(264,000)
Surplus in scheme	(235,000)	(228,000)
Restriction on scheme assets	235,000	228,000
Total liability recognised	-	-
<i>Movements in the present value of defined benefit obligations</i>		2022 £
Liabilities at 1 January 2022		36,000
Benefits paid		(16,000)
Actuarial gains and losses		(12,000)
Interest cost		1,000
At 31 December 2022		9,000
<i>The defined benefit obligations arise from plans funded as follows:</i>		2022 £
Wholly unfunded obligations		-
Wholly or partly funded obligations		9,000
		9,000

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

7 Retirement benefit schemes (Continued)

	2022 £
<i>Movements in the fair value of plan assets</i>	
Fair value of assets at 1 January 2022	264,000
Interest income	5,000
Benefits paid	(16,000)
Other	(9,000)
At 31 December 2022	244,000

	2022 £	2021 £
<i>Fair value of plan assets at the reporting period end</i>		
Debt instruments	163,000	177,000
Equity instruments	35,000	37,000
Cash and cash equivalents	46,000	50,000
	244,000	264,000

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

8 Share capital

	2022 Number	2021 Number	2022 £	2021 £
Ordinary share capital				
Issued and fully paid				
Ordinary shares of £1 each	50,000	50,000	50,000	50,000

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

9 Reserves

The following describes the nature and purpose of each reserve within equity:

Reserves	Description and purpose
Share capital	Nominal value of share capital subscribed for.
Share premium	Amount paid for the Company's shares in excess of the aggregate nominal share value.
Capital redemption reserve	Non-distributable reserve and presents paid up share capital.
Retained earnings	All other net gains and losses and transactions with owners not recognised elsewhere.

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NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2022

10 Audit report information

As the income statement has been omitted from the filing copy of the financial statements, the following information in relation to the audit report on the statutory financial statements is provided in accordance with s444(5B) of the Companies Act 2006:

The auditor's report was unqualified.

Senior Statutory Auditor:

Jayson Lawson

Statutory Auditor:

Ensors Accountants LLP

11 Events after the reporting date

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

12 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 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.

13 Ultimate 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 smallest and 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/en.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.