

ABW Intermediate Limited

Report and Financial Statements

Year Ended

31 December 2012

MONDAY



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COMPANIES HOUSE

ABW Intermediate Limited

Registered No 05416645

Directors

M A Molina Dos Santos

J E De Oliveira Miron - Appointed 1 January 2013

Secretary

Trusec Limited - Appointment terminated 17 January 2013

Auditors

BDO LLP

125 Colmore Row

Birmingham B3 3SD

Registered Office

Kingfisher Way

Hinchingsbrooke Business Park

Huntingdon

Cambridgeshire

PE29 6FJ

Report of the directors

For the year ended 31 December 2012

The directors present their report together with the audited financial statements for the year ended 31 December 2012

Results and dividends

The profit for the year, after taxation, amounted to £70,331,000 (2011 - £Nil) The company paid a dividend of £81,646,000 in the year (2011 - £Nil) The directors do not recommend payment of a final dividend (2011 - £Nil)

Principal activity and review of the business

ABW Intermediate Limited operates as a holding company On 30 April 2012, Marfrig Alimentos S A disposed of the global distribution business of its subsidiary Keystone Foods LLC, to The Martin-Brower Company LLC As a result of this disposal, the company disposed of its subsidiary undertakings, realising a profit on disposal of £66,317,000 The principal activities of its subsidiary company's were

Keystone Distribution UK Limited – sale and distribution of the majority of supplies for McDonald's Restaurants Limited in the UK as well as the distribution of supplies for other customers

Keystone Distribution Properties Limited - property leasing company

Keystone Distribution Holdings UK Limited - holding company

Future developments

The company's current activities are expected to continue for the foreseeable future

Risks and uncertainties

Treasury Policies

As a holding company, funding for the company's operations, cash resources and balances with group undertakings are managed through the parent company

Directors' responsibilities

The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year Under the law the directors have elected to prepare group and company 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, 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 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

Report of the directors

For the year ended 31 December 2012

Directors

The directors of the company during the year were

M A Molina Dos Santos

J J Coggins - resigned on 31 December 2012

P Botton - resigned on 27 April 2012

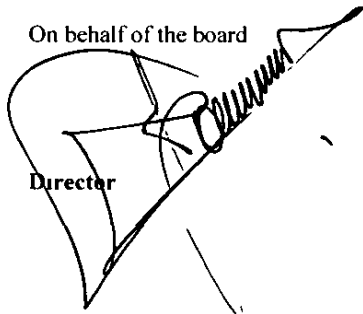
Auditors

All of the current directors have taken all the steps that they ought to have taken to make themselves aware of any information needed by the company's auditors for the purposes of their audit and to establish that the auditors are aware of that information. The directors are not aware of any relevant audit information of which the auditors are unaware.

Reappointment of auditors

BDO LLP have expressed their willingness to continue in office and a resolution to re-appoint them will be proposed at the annual general meeting.

On behalf of the board



Director

JE DE OLIVEIRA MIRON

27 September 2013

Independent auditors' report

To the members of ABW Intermediate Limited

We have audited the financial statements of ABW Intermediate Limited for the year ended 31 December 2012 which comprise the profit and loss account, the balance sheet 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).

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 auditors

As explained more fully in the statement of directors' responsibilities, 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.

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.

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 2012 and of its profit 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 matter prescribed by the Companies Act 2006

In our opinion the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Independent auditors' report (continued)

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

BDO LLP

*Stephen Ward (Senior statutory auditor)
For and on behalf of BDO LLP, statutory auditor
Birmingham
United Kingdom*

30 September 2013

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127)

Profit and loss account

for the year ended 31 December 2012

	<i>Notes</i>	<i>Continuing operations 2012 £'000</i>	<i>Discontinued operations 2012 £'000</i>	<i>Total 2012 £'000</i>	<i>Total 2011 £'000</i>
Turnover	3	34	-	34	-
Cost of sales		11	-	11	-
Gross profit		23	-	23	-
Administrative expenses	3	430	-	430	-
Operating loss		(407)	-	(407)	-
Profit on disposal of operation		-	66,317	66,317	-
Exceptional exchange gain on disposal		-	1,224	1,224	-
Profit/(loss) on ordinary activities before interest and other income		(407)	67,541	67,134	-
Income from shares in group undertakings				3,296	-
Other interest receivable and similar income				11	167
Interest payable and similar charges	9			(110)	(167)
Profit on ordinary activities before taxation				70,331	-
Taxation on profit on ordinary activities	10			-	-
Profit on ordinary activities after taxation				70,331	-

All recognised gains and losses in the current and prior year are included in the profit and loss account

The notes on pages 9 to 14 form part of these financial statements

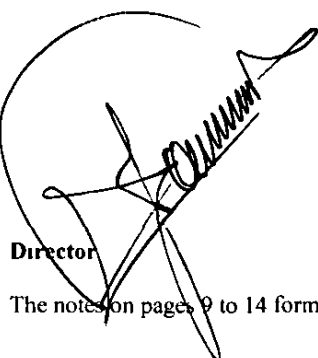
Balance sheet

at 31 December 2012

Company number 05416645

	Notes	2012 £'000	2012 £'000	2011 As restated £'000	2011 As restated £'000
Fixed assets					
Tangible assets	11		3,285		-
Fixed asset investments	12		-		13,710
			<u>3,285</u>		<u>13,710</u>
Current assets					
Debtors	13	112		1 245	
Cash at bank and in hand		4,188		-	
		<u>4,300</u>		<u>1 245</u>	
Creditors amounts falling due within one year	14	1,549		1,088	
Net current assets			<u>2,751</u>		<u>157</u>
Total assets less current liabilities			<u>6,036</u>		<u>13,867</u>
Creditors amounts falling due after more than one year	15		2,459		2 459
			<u>3,577</u>		<u>11 408</u>
Capital and reserves					
Called up share capital	17		1		11,251
Profit and loss account	18		3,576		157
Shareholders' funds	18		<u>3,577</u>		<u>11,408</u>

The financial statements were approved by the board of directors and authorised for issue on 27 September 2013



Director

The notes on pages 9 to 14 form part of these financial statements

J E DE OLIVEIRA MIRON

Notes to the financial statements

at 31 December 2012

1. Accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention and are in accordance with applicable Accounting Standards

Going concern

After making enquiries the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly they continue to adopt the going concern basis in preparing these financial statements.

Preparation of group accounts

The company has taken exemption from preparing group accounts under section 401 of the Companies Act 2006. Details of the company's immediate parent undertaking are provided in note 20. These financial statements therefore present information about the company as an individual undertaking and not about its group.

Statement of cash flow

The company has taken advantage of FRS 1 (revised) and has accordingly not prepared a statement of cash flow as its cash flows are included in the consolidated cash flow statement of Marfrig Alimentos S A, the ultimate parent company.

Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid.

Investments

In accordance with FRS 11 "Impairment of fixed assets and goodwill", investments are valued at cost less any diminution in value arising from their impairments. Impairment is measured by comparing the carrying value of the assets with the realisable amount, which is performed when there is some indication that impairment has occurred or that a past impairment loss may have been reversed.

Taxation

In accordance with the requirements of the ultimate parent undertaking the company makes or receives payment in respect of group relief at 100% of the value of the relief given.

Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more, tax, with the following exceptions:

- deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Notes to the financial statements

at 31 December 2012

2. Exceptional item

The exceptional item of £1.2m represents foreign exchange gains

3. Turnover

Turnover is wholly attributable to the principal activity of the company and arises solely within the United Kingdom

4. Profit on ordinary activities before taxation

	2012 £000	2011 £000
This is arrived at after charging		
Fees payable to the company's auditor for the auditing of the company's annual accounts	4	-
Impairment	300	-
	<u>304</u>	<u>-</u>

5. Dividends

	2012 £000	2011 £000
Ordinary shares		
Interim paid of £81,321 (2011 - £Nil) per share	81,646	-
	<u>81,646</u>	<u>-</u>

6. Staff costs

The company did not employ staff during the year and is administered by the employees of other group companies. No recharges were made in the year with respect to these services (2011 - £Nil)

7. Directors remuneration

No directors received remuneration (2011 - £Nil) or pension benefits (2011 - £Nil) from the company in the year, in respect of their services to the company which are considered insignificant

No director has a direct or indirect interest in any transaction, arrangement or agreement which, in the opinion of the directors, requires disclosure. Directors who served the company during the year have been remunerated from other group companies

8. Interest receivable

	2012 £000	2011 £000
Interest receivable from group undertakings	11	167
	<u>11</u>	<u>167</u>

Notes to the financial statements

at 31 December 2012

9. Interest payable and similar charges

	2012 £000	2011 £000
Interest payable to group undertakings	110	167

10. Tax

(a) Tax on profit on ordinary activities

The tax charge is made up as follows

	2012 £000	2011 £000
<i>Current tax</i>		
UK corporation tax on profit for the year	-	-
<i>Deferred tax</i>		
Origination and reversal of timing differences	-	-
Tax on profit on ordinary activities	-	-

(b) Factors affecting current tax

The tax for the year varies from the standard rate of corporation tax in the UK. The differences are explained below

	2012 £000	2011 £000
Profit on ordinary activities before tax	70,331	-
Profit on ordinary activities at the standard rate of corporation tax in the UK of 24% (2011 - 26%)	16,879	-
Income not assessed for tax purposes	(16,879)	-
Total current tax	-	-

Notes to the financial statements

at 31 December 2012

11 Tangible fixed assets

	<i>Freehold land and buildings £000</i>
Cost or valuation	
Additions	3,585
Impairment	(300)
	<hr/>
At 31 December 2012	3,285
	<hr/> <hr/>
At 31 December 2011	-
	<hr/> <hr/>

12 Investments

	<i>Subsidiary undertakings £000</i>
At 1 January 2012	13,710
Disposals	(13,710)
	<hr/>
At 31 December 2012	-
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As a result of the disposal, the company disposed of its subsidiary undertakings, realising a profit on disposal of £66,317,000 (see note 16)

13. Debtors

	<i>2012 £000</i>	<i>2011 £000</i>
Amounts owing by group undertakings	-	1,245
Other debtors	28	-
Prepayments and accrued income	84	-
	<hr/>	<hr/>
	112	1,245
	<hr/> <hr/>	<hr/> <hr/>

All amounts shown under debtors fall due for payment within one year

Notes to the financial statements

at 31 December 2012

14. Creditors: amount falling due within one year

	2012 £000	2011 £000
Amounts owing to group undertakings	1,529	1,088
Accruals and deferred income	20	-
	<u>1,549</u>	<u>1,088</u>

15. Creditors: amount falling due after more than one year

	2012 £000	2011 £000
Amounts owing to group undertaking - loans	-	2,459
	<u>-</u>	<u>2,459</u>

16. Discontinued operations

On 30 April 2012 the company disposed of its subsidiary undertakings

The profit on disposal of its subsidiary undertakings has been calculated as follows

	£000	£000
<i>Cash proceeds</i>		80,422
<i>Net assets of subsidiary undertakings</i>	14,105	
	<u>14,105</u>	<u>14,105</u>
<i>Profit on disposal</i>		<u>66,317</u>

Notes to the financial statements

at 31 December 2012

17. Issued share capital

		2012		2011
<i>Allotted, called up and fully paid</i>	<i>No.</i>	<i>£000</i>	<i>No.</i>	<i>£000</i>
Ordinary shares of £1 each	11,251,002	11,251	11,251,002	11,251
Share issue	3,484,531	3,485	-	-
Capital reduction	(14,734,529)	(14,735)	-	-
	<u>1,004</u>	<u>1</u>	<u>11,251</u>	<u>11,251</u>

On 18 April 2012 the authorised share capital of the business was increased to 14,800,000 shares with the creation of 2,800,000 £1 shares each ranking in all respects pari passu with existing ordinary shares

Following this the issued share capital was increased by 3,484,531 shares. On 5 September 2012 a special resolution was passed reducing the share capital by cancelling 14,734,529 shares

18. Reconciliation of shareholders' funds and movement on reserves

	<i>Share capital</i>	<i>Profit and loss account</i>	<i>Total shareholder's funds</i>
	<i>£000</i>	<i>£000</i>	<i>£000</i>
At 1 January 2011	11,251	157	11,408
Profit for the year	-	70,331	70,331
Dividends paid	-	(81,646)	(81,646)
Share issue	3,484	-	3,484
Share reduction	(14,734)	14,734	-
Net movement in year	(11,250)	3,419	(7,831)
At 31 December 2012	<u>1</u>	<u>3,576</u>	<u>3,577</u>

19. Related party transactions

In accordance with FRS8 Related Party Disclosures, the company is exempt from disclosing transactions with entities that are part of a group, or investees of the group qualifying as related parties, as it is a wholly owned subsidiary of a parent publishing consolidated financial statements

20. Ultimate parent undertaking and controlling party

McKey Luxembourg SARL is the company's immediate parent undertaking at the year end and Marfrig Alimentos S A, incorporated in Brazil, is the company's ultimate parent company in which the results of the company are consolidated. The consolidated accounts of the ultimate parent company are published in English and are available to the public at www.marfrig.com.br