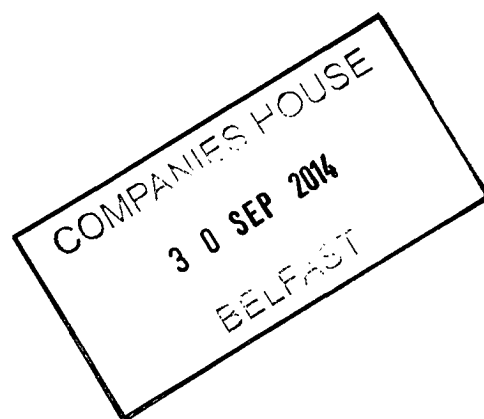


# **ABW Intermediate Limited**

## **Report and Financial Statements**

Year Ended

31 December 2013



TUESDAY



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COMPANIES HOUSE

# ABW Intermediate Limited

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Registered No: 05416645

## **Directors**

M A Molina Dos Santos  
J E De Oliveira Miron

## **Auditors**

BDO Northern Ireland  
Lindsay House  
10 Callender Street  
Belfast  
BT1 5BN

## **Registered Office**

Kingfisher Way  
Hinchingsbrooke Business Park  
Huntingdon  
Cambridgeshire  
PE29 6FJ

## Directors' report

### For the year ended 31 December 2013

The directors present their report together with the audited financial statements for the year ended 31 December 2013.

### Principal Activities

ABW Intermediate Limited operated as a holding company.

### Review of the business and future developments

The loss for the year, after taxation, amounted to £117,000 (2012 - £70,331,000 profit). The company disposed of its freehold land and buildings on 3<sup>rd</sup> January 2014 and no longer receives income from the grant of licence to occupy the property.

### Key performance indicators

	2013 £'000	2012 £'000
Sales	30	34
Operating profit / (loss)	3	(407)
%	10%	-1,197%
Pre-tax loss	(117)	70,331
%	-390%	206,856%

### Results and dividends

The loss for the financial year is reported on page 7 of the Financial Statements. The company did not pay a dividend in the year (2012 - £81,646,000). The directors do not recommend payment of a final dividend (2012 - £Nil).

### Small company exemptions

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

### Directors

The directors who served during the year are listed on page 2.

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

### Post balance sheet events

On 3<sup>rd</sup> January 2014, the sale of freehold land and buildings completed for gross proceeds £4,056,000 (net proceeds £3,380,000). The net book value of the freehold land and buildings at 31 December 2013 was £3,284,530.

## Directors' report

For the year ended 31 December 2013

### Statement of directors' responsibilities in respect of the annual report and the financial statements

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 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 year.

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.

### Statement of disclosure of information to auditors

So far as the directors in office at the date of approval of these financial statements is aware:

- there is no relevant audit information of which the company's auditors are unaware; and
- they have taken all steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

### Auditors

The auditors, BDO Northern Ireland, have indicated their willingness to continue in office, and a resolution concerning their reappointment will be proposed at the Annual General Meeting.

On behalf of the board

J E De Oliveira Miron

Director

Date:

23/09/14

## **ABW INTERMEDIATE LIMITED**

### **Independent auditor's report to the shareholders of ABW Intermediate Limited**

**Year ended 31 December 2013**

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We have audited the financial statements of ABW Intermediate Limited for the year ended 31 December 2013 which comprise the Profit and Loss Account, 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 shareholders, 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 shareholders 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 shareholders 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 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 Financial Reporting Council's (FRC'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 FRC'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 2013 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 the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

## ABW INTERMEDIATE LIMITED

### Independent auditor's report to the shareholders of ABW Intermediate Limited (continued)

**Year ended 31 December 2013**

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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.
- the directors were not entitled to prepare the financial statements and the directors' report in accordance with the small companies' regime.



Nigel V W Harra, senior statutory auditor  
For and on behalf of BDO Northern Ireland, statutory auditor  
Lindsay House  
10 Callender Street  
Belfast  
BT1 5BN

23 September 2014

## Profit and loss account

for the year ended 31 December 2013

	<i>Notes</i>	<i>Total 2013 £'000</i>	<i>Total 2012 £'000</i>	<i>Continuing operations 2012 £'000</i>	<i>Discontinued operations 2012 £'000</i>
Turnover	3	30	34	34	-
Cost of sales		18	11	11	-
<b>Gross profit</b>		<b>12</b>	<b>23</b>	<b>23</b>	<b>-</b>
Administrative expenses	3	9	430	430	-
<b>Operating profit / (loss)</b>		<b>3</b>	<b>(407)</b>	<b>(407)</b>	<b>-</b>
Profit on disposal of operation		-	66,317	-	66,317
Exceptional exchange gain on disposal		-	1,224	-	1,224
<b>Profit/(loss) on ordinary activities before interest and other income</b>		<b>3</b>	<b>67,134</b>	<b>(407)</b>	<b>67,541</b>
Income from shares in group undertakings		-	3,296		
Other interest receivable and similar income	8	14	11		
Interest payable and similar charges	9	(134)	(110)		
<b>(Loss) / Profit on ordinary activities before taxation</b>		<b>(117)</b>	<b>70,331</b>		
Taxation	10	-	-		
<b>(Loss) / Profit on ordinary activities after taxation</b>		<b>(117)</b>	<b>70,331</b>		

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 13 form part of these financial statements

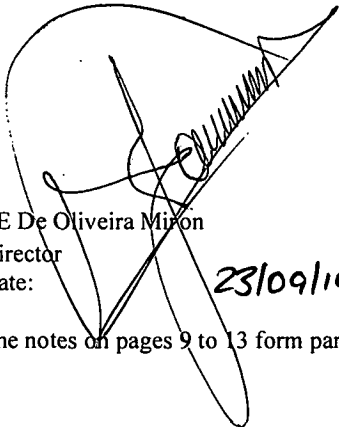
**Balance sheet**

at 31 December 2013

Company number 05416645

	Notes	2013 £'000	2013 £'000	2012 £'000	2012 £'000
<b>Fixed assets</b>					
Tangible assets	11		3,285		3,285
			<u>3,285</u>		<u>3,285</u>
<b>Current assets</b>					
Debtors	12	85		112	
Cash at bank and in hand		4,227		4,188	
		<u>4,312</u>		<u>4,300</u>	
<b>Creditors: amounts falling due within one year</b>	13	1,678		1,549	
<b>Net current assets</b>			<u>2,634</u>		<u>2,751</u>
<b>Total assets less current liabilities</b>			<u>5,919</u>		<u>6,036</u>
<b>Creditors: amounts falling due after more than one year</b>	14		2,459		2,459
			<u>3,460</u>		<u>3,577</u>
<b>Capital and reserves</b>					
Called up share capital	15		1		1
Profit and loss account	16		3,459		3,576
<b>Shareholders' funds</b>	16		<u>3,460</u>		<u>3,577</u>

The financial statements on pages 7 to 13 were approved by the board and were signed on its behalf by:



J E De Oliveira Mixon

Director

Date:

23/09/14

The notes on pages 9 to 13 form part of these financial statements

## Notes to the financial statements

at 31 December 2013

### 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.

#### *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.

#### *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.

### 2. Exceptional item

The exceptional item of £Nil (2012: £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.

## Notes to the financial statements

at 31 December 2013

### 4. Profit on ordinary activities before taxation

	2013 £000	2012 £000
This is arrived at after charging:		
Fees payable to the company's auditor for the auditing of the company's annual accounts	4	4
Impairment	-	300
	<u>4</u>	<u>300</u>

### 5. Dividends

	2013 £000	2012 £000
Ordinary shares		
Interim paid of £Nil (2012 - £81,321) per share	-	81,646
	<u>-</u>	<u>81,646</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 (2012 - £Nil).

### 7. Directors remuneration

No directors received remuneration (2012 - £Nil) or pension benefits (2012 - £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

	2013 £000	2012 £000
Interest receivable from group undertakings	14	11
	<u>14</u>	<u>11</u>

### 9. Interest payable and similar charges

	2013 £000	2012 £000
Interest payable to group undertakings	134	110
	<u>134</u>	<u>110</u>

## Notes to the financial statements

at 31 December 2013

### 10. Taxation

(a) Tax on profit on ordinary activities

The tax charge is made up as follows:

	2013 £000	2012 £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:

	2013 £000	2012 £000
(Loss)/profit on ordinary activities before tax	(117)	70,331
Profit on ordinary activities at the standard rate of corporation tax in the UK of 23.25% (2012 - 24%)	(27)	16,879
Income not assessed for tax purposes	-	(16,879)
Group relief not paid and losses utilised	27	-
Total current tax	-	-

### 11. Tangible fixed assets

	<i>Freehold land and buildings £000</i>
Cost or valuation	3,285
At 31 December 2013	3,285
At 31 December 2012	3,285

## Notes to the financial statements

at 31 December 2013

### 12. Debtors

	2013 £000	2012 £000
Other debtors	1	28
Prepayments and accrued income	84	84
	<u>85</u>	<u>112</u>

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

### 13. Creditors: amount falling due within one year

	2013 £000	2012 £000
Amounts owing to group undertakings	1,669	1,529
Accruals and deferred income	9	20
	<u>1,678</u>	<u>1,549</u>

### 14. Creditors: amount falling due after more than one year

	2013 £000	2012 £000
Amounts owing to group undertaking - loans	<u>2,459</u>	<u>2,459</u>

### 15. Issued share capital

	No.	2013 £000	No.	2012 £000
<i>Allotted, called up and fully paid</i>				
Ordinary shares of £1 each	1,004	1	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>1,004</u>	<u>1</u>

## Notes to the financial statements

at 31 December 2013

### 16. Reconciliation of shareholders' funds and movement on reserves

	<i>Share capital £000</i>	<i>Profit and loss account £000</i>	<i>Total shareholder's funds £000</i>
At 1 January 2013	1	3,576	3,577
Loss for the year	-	(117)	(117)
Dividends paid	-	-	-
Net movement in year	-	(117)	(117)
At 31 December 2013	<b>1</b>	<b>3,459</b>	<b>3,460</b>

### 17. 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.

### 18. 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 [ir.marfrig.com.br](http://ir.marfrig.com.br).

### 19. Post balance sheet events

On 3<sup>rd</sup> January 2014, the sale of freehold land and buildings completed for gross proceeds £4,056,000 (net proceeds £3,380,000). The net book value of the freehold land and buildings at 31 December 2013 was £3,284,530.

There are no other post balance sheet events requiring adjustment or disclosure in the financial statements.