

ABF US Holdings Limited
Annual report and financial statements
Registered number 05659249
16 September 2017



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Strategic report

Review of the company's business

The principal activity of the company is that of a holding company within the Associated British Foods plc group (the "group"). The company holds balances with other members of the group, certain of which are interest bearing, and periodically receives dividends from its subsidiary ABF North America Corp which is also a holding company within the group.

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

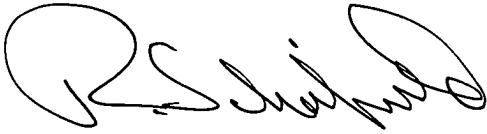
Trading results and transfer to reserves

The company's performance for the year is reflected in the statement of total comprehensive income on page 6. Profit on ordinary activities after tax amounted to £178.8m (2016: £27.9m). The increase in profit is a result of investment income in the year of £154.5m (2016: £nil) received from subsidiary undertaking ABF North America Corp.

Principal risks and uncertainties

The company is not exposed to any significant unusual risks or uncertainties in its role as a holding company within the group. A full description of the risks and uncertainties to which the group is exposed is included within the Associated British Foods plc annual report and accounts.

On behalf of the board



RS Schofield
Secretary

13 December 2017

Directors' report

The directors present their annual report and financial statements for the 52 week period ended 16 September 2017. The financial statements are presented in sterling, rounded to the nearest thousand.

Dividends

No dividends were paid or proposed in the current or prior period. The directors do not recommend the further payment of a dividend.

Going concern

After making due enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operation for at least 12 months from the date on which these financial statements are approved. Accordingly the financial statements have been prepared on the going concern basis.

Directors

The directors who held office during the period were:

PA Russell
RS Schofield

Directors' indemnities

The directors have benefited from the ABF Group's Directors and Officers Insurance policy and from indemnity provisions provided by an intermediate holding company during the financial period and as at the date of this report, subject to the conditions set out in the Companies Act 2006.

Health and safety

The company keeps its safety, health and environmental performance and levels of legal compliance under regular review and ensures that its risk management controls are appropriate and effective. The company's board of directors reviews these at least annually, as does the board of Associated British Foods plc.

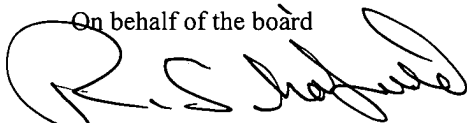
Disclosure of information to auditor

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditor is unaware; and each director has taken all the steps that he ought to have taken to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and Ernst & Young LLP will therefore continue in office.

On behalf of the board



RS Schofield
Secretary

Weston Centre
10 Grosvenor Street
London
W1K 4QY

13 December 2017

Registered Number 05659249

Statement of directors' responsibilities

The directors are responsible for preparing the Strategic report, the Directors' report and the financial statements in accordance with applicable UK law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Generally Accepted Accounting Practice (UK Accounting Standards and applicable law), including Financial Reporting Standard 101 '*Reduced Disclosure Framework*'.

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 estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; 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.

Independent auditor's report to the members of ABF US Holdings Limited

Opinion

We have audited the financial statements of ABF US Holdings Limited for the 52 week period ended 16 September 2017 which comprise the Statement of total comprehensive income, the Balance sheet, the Statement of changes in shareholder's equity and the related notes 1 to 11, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the company's affairs as at 16 September 2017 and of its profit for the 52 week period 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report below. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the annual report set out on pages 1 to 3, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

Independent auditor's report to the members of ABF US Holdings Limited *(continued)*

Opinions on other matters prescribed by the Companies Act 2006

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

- the information given in the Strategic report and the Directors' report for the financial period for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and Directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

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 Strategic report or Directors' report.

We have nothing to report in respect of the following matters in relation to which 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.

Responsibilities of directors

As explained more fully in the Statement of directors' responsibilities set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Ernst & Young LLP

Andrew Walton (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
London
15 December 2017

Statement of total comprehensive income

for the period ended 16 September 2017

	<i>Note</i>	52 week period ended 16 September 2017 £'000	53 week period ended 17 September 2016 £'000
Interest due from group undertakings		25,063	26,936
Foreign exchange gain		193	1,253
Investment income		154,484	-
		<hr/>	<hr/>
Profit on ordinary activities before taxation		179,740	28,189
Taxation	6	(949)	(264)
		<hr/>	<hr/>
Profit on ordinary activities after taxation		178,791	27,925
		<hr/>	<hr/>
Other comprehensive income		-	-
		<hr/>	<hr/>
Total comprehensive income		178,791	27,925
		<hr/> <hr/>	<hr/> <hr/>

There is no material difference between the company's results as reported and on an historical cost basis. Accordingly no note of historical cost, profits and losses has been prepared.

The notes on pages 9 to 12 form part of these financial statements.

Balance sheet

at 16 September 2017

	Note	2017 £'000	2016 £'000
Non-current assets			
Investments	7	231,122	231,122
Debtors: amounts falling due after one year	8	566,281	586,985
Total non-current assets		797,403	818,107
Debtors: amounts due within one year	8	766,214	586,308
Creditors: amounts falling due within one year			
Amounts payable to group companies	9	(565,134)	(585,672)
Taxation	9	(2,442)	(1,493)
Net current assets / (liabilities)		198,638	(857)
Net assets		996,041	817,250
Capital and reserves			
Issued share capital	10	324	324
Share premium		317,688	317,688
Profit and loss account		678,029	499,238
Equity shareholder's funds		996,041	817,250

These financial statements were approved by the board of directors on 13 December 2017 and were signed on its behalf by:



PA Russell
Director

Registered Number 05659249

The notes on pages 9 to 12 form part of these financial statements

Statement of changes in shareholder's equity

for the 52 weeks ended 16 September 2017

	Issued share capital	Share premium	Profit and loss account	Total
	£'000	£'000	£'000	£'000
Balance as at 12 September 2015	324	317,688	471,313	789,325
Profit for the financial year	-	-	27,925	27,925
	<hr/>	<hr/>	<hr/>	<hr/>
Total comprehensive income for the year	-	-	27,925	27,925
	<hr/>	<hr/>	<hr/>	<hr/>
Balance as at 17 September 2016	324	317,688	499,238	817,250
Profit for the financial period	-	-	178,791	178,791
	<hr/>	<hr/>	<hr/>	<hr/>
Total comprehensive income for the period	-	-	178,791	178,791
	<hr/>	<hr/>	<hr/>	<hr/>
Balance as at 16 September 2017	324	317,688	678,029	996,041
	<hr/>	<hr/>	<hr/>	<hr/>

Notes to the financial statements

1 Authorisation of financial statements

The financial statements of ABF US Holdings Limited (the “company”) for the 52 week period ended 16 September 2017 were authorised for issue by the board of directors on 13 December 2017.

The company’s financial statements are presented in sterling and all values are rounded to the nearest thousand pounds (£’000) except where otherwise indicated. They are prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) and the Companies Act 2006.

The company has taken advantage of the disclosure exemptions permitted by FRS 101 in relation to financial instruments, capital management, presentation of comparative information in respect of certain assets, presentation of a cash flow statement, standards not yet effective, impairment of assets and certain related party transactions. Where required, equivalent disclosures are made in the consolidated financial statements of Associated British Foods plc.

The company has also taken advantage of the exemption under s400 of the Companies Act 2006 not to prepare group accounts as it is a wholly owned subsidiary of Associated British Foods plc and its results are included in the parent company’s consolidated financial statements. These consolidated financial statements are available to the public and may be obtained from Associated British Foods plc, Weston Centre, 10 Grosvenor Street, London, W1K 4QY. They are also available for download on the group’s website at www.abf.co.uk.

After making due enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operation for at least 12 months from the date on which these financial statements are approved. Accordingly the financial statements have been prepared on the going concern basis. The company is a private limited company incorporated and domiciled in England and Wales.

The principal accounting policies adopted by the company are set out in note 3 below. They have been applied consistently to all years presented.

2 Accounting reference date

These accounts have been prepared for the 52 week period ended 16 September 2017.

3 Significant accounting policies

Functional currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates (“the functional currency”). The directors consider sterling to be the company’s functional and presentational currency as the currency funding the company’s financing activities and the currency in which receipts from operating activities are retained is sterling.

Interest

Interest on borrowings held at amortised cost is recognised in the statement of total comprehensive income using the effective interest method.

Dividends

Dividends, both payable and receivable, are recognised in the period in which they are paid or received.

Taxation

Current tax is provided at amounts expected to be paid using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Investments in subsidiaries

The company values its investments in subsidiaries at cost less any provision for impairment.

Notes to the financial statements (*continued*)

Investment income

Income from investments is dividend income and is recognised when the rights to receive payment have been established.

Financial assets and liabilities

Financial assets and liabilities are measured initially at fair value plus directly attributable transaction costs and thereafter at amortised cost.

4 Auditor's remuneration

Auditor's remuneration was borne by Associated British Foods plc in the current period and the prior period.

5 Directors' and key management emoluments

Key management, which is limited to the named directors of the company, received no emoluments in respect of their services to this company in either the current or the prior period.

6 Taxation

(a) Analysis of charge for the period

	2017 £'000	2016 £'000
Current tax	1,031	1,491
Adjustments in regard to prior periods	(82)	(1,227)
Total tax charge	<u>949</u>	<u>264</u>

(b) Factors affecting tax charge for the period

The tax assessed for the current and prior period is less than the standard rate of corporation tax in the UK of 19.54% (2016: 20%).

	2017 £'000	2016 £'000
Profit on ordinary activities before tax	179,740	28,189
UK corporation tax at 19.54% (2016: 20%)	35,121	5,638
Income not taxable	(3,904)	(4,147)
Investment income not subject to corporation tax	(30,186)	-
Adjustments in respect of prior periods	(82)	(1,227)
Total tax charge	<u>949</u>	<u>264</u>

(c) Factors that may affect future tax charges

The UK corporation tax rate was reduced from 20% to 19% with effect from 1 April 2017, with a further reduction to 17% effective from 1 April 2020. The legislation to effect these rate changes had been enacted before the balance sheet date.

Notes to the financial statements (*continued*)

7 Fixed asset investments

	£'000
<i>Cost</i>	
At 17 September 2016 and 16 September 2017	231,122

The company's interest in fixed asset investments comprises:

	Registered office and country of registration or incorporation	Class of shares	Percentage of ordinary shares
<i>Subsidiary</i>			
ABF North America Corp	United States	Ordinary	96%

The registered address of the subsidiary undertaking is as follows:

Subsidiary undertaking	Registered address
ABF North America Corp	The Corporation Trust Company, Corporation Trust Center, 1209 Orange Street, Wilmington DE 19801, United States

In the opinion of the directors the fixed asset investments are worth at least the amount at which they are stated in the balance sheet.

8 Debtors

	2017 £'000	2016 £'000
<i>Non-current</i>		
Amounts due from intermediate holding company	129,047	38,212
Amounts due from subsidiary group companies	437,234	548,773
	<u>566,281</u>	<u>586,985</u>
<i>Current</i>		
Amounts due from intermediate holding company	766,214	586,308

Current and non-current amounts due from the intermediate holding company are interest bearing in the current and prior year.

Amounts due from subsidiary group companies are interest bearing in the current and prior year.

Notes to the financial statements (*continued*)

9 Creditors

	2017 £'000	2016 £'000
<i>Current</i>		
Amounts due to fellow subsidiary company	(565,134)	(585,672)
Corporation tax	(2,442)	(1,493)
	<u>(567,576)</u>	<u>(587,165)</u>

The amount due to fellow subsidiary company is repayable on demand and is not interest bearing in the current or prior year.

10 Issued share capital

	2017 £'000	2016 £'000
<i>Issued and fully paid</i>		
324,093 Ordinary shares of £1 each	<u>324</u>	<u>324</u>

11 Holding company

The immediate parent company is ABF Overseas Limited, a company registered in the England and Wales. The ultimate holding company is Wittington Investments Limited which is incorporated in Great Britain and registered in England and Wales.

The largest group in which the results of the company are consolidated is headed by Wittington Investments Limited, incorporated in Great Britain. The smallest group in which they are consolidated is headed by Associated British Foods plc, which is incorporated in Great Britain and registered in England and Wales. The consolidated accounts of these groups are available to the public and may be obtained from Associated British Foods plc, Weston Centre, 10 Grosvenor Street, London, W1K 4QY. The consolidated accounts of Associated British Foods plc are also available for download on the group's website at www.abf.co.uk.