

Registration number: 09852426

BFC Finance Limited

Report and Unaudited Financial Statements

31 December 2019

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COMPANIES HOUSE

BFC Finance Limited

Directors Y N Bomans

G Boulange

Company secretary Brodies Secretarial Services Limited

Registered number 09852426

Registered office Porter Tun House
500 Capability Green
Luton
LU1 3LS

BFC Finance Limited

Directors' Report

for the Year Ended 31 December 2019

The directors present their report and the unaudited financial statements for the year ended 31 December 2019.

Results and dividends

The loss for the financial year, after taxation, amounted to \$1,000 (2018: profit of \$2,017,366.000).

The Directors do not recommend the payment of a dividend (2018: \$78,236,126).

Directors of the company

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

Y N Bomans

G Boulange

Deeds of Indemnity

As at the date of this report and for the period, indemnities are in force under which AB InBev S.A, a fellow AB InBev group company, has agreed to indemnify the Directors of the Company, to the extent permitted by law and the Company's Articles of Association, in respect of all losses arising out of, or in connection with, the execution of their powers, duties and responsibilities, as Directors of the Company. These indemnities meet the definition of a qualifying third party indemnity provision.

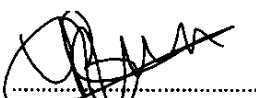
Going concern

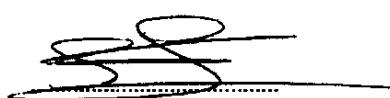
In accordance with their responsibilities, the Directors have considered the appropriateness of the going concern basis for the preparation of the Financial Statements. It is the intention of the Directors of the Company to cease trading within a period of less than 12 months from the signing date of the Financial Statements. As a consequence of the intention to cease trading, the Directors have determined that the Financial Statements should be prepared on a basis other than a going concern.

Small companies provision statement

This report has been prepared in accordance with the small companies regime under the Companies Act 2006.

Approved by the Board on *10 October 2020* and signed on its behalf by:


.....
Y N Bomans
Director


.....
G Boulange
Director

Statement of 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 that law the Directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), 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 accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed;
- notify the shareholder in writing about the use of disclosure exemptions, if any, of FRS 101 used in the preparation of 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.

BFC Finance Limited

Statement of Comprehensive Income for the Year Ended 31 December 2019

	<i>Note</i>	<i>2019</i> <i>\$ 000</i>	<i>2018</i> <i>\$ 000</i>
Interest receivable and other income	4	-	2,017,366
Interest payable and other costs	5	<u>(1)</u>	<u>-</u>
(Loss)/profit before tax		(1)	2,017,366
Tax on (loss)/profit	7	<u>-</u>	<u>-</u>
(Loss)/profit for the year		<u>(1)</u>	<u>2,017,366</u>
Total comprehensive (loss)/income for the year		<u>(1)</u>	<u>2,017,366</u>

The above results were derived from continuing operations.

The notes on pages 7 to 13 form an integral part of these financial statements.

BFC Finance Limited

Balance Sheet

as at 31 December 2019

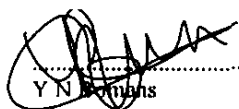
	Note	2019 \$ 000	2018 \$ 000
Current assets			
Debtors	8	-	1
Net current assets		-	1
Total assets less current liabilities		-	1
Capital and reserves			
Called up share capital	9	-	-
Profit and loss account		-	1
Shareholders' funds		-	1

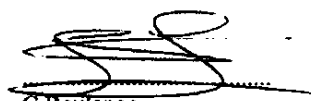
For the financial year ending 31 December 2019 the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

Approved by the Board on 10 March 2020 and signed on its behalf by:


Y N Boumans
Director


G Boulange
Director

The notes on pages 7 to 13 form an integral part of these financial statements.

BFC Finance Limited

Statement of Changes in Equity

for the Year Ended 31 December 2019

	<i>Called up share capital \$ 000</i>	<i>Share premium account \$ 000</i>	<i>Profit and loss account \$ 000</i>	<i>Total \$ 000</i>
At 1 January 2018	-	-	76,218,761	76,218,761
Profit for the year	-	-	2,017,366	2,017,366
Dividends	-	-	(78,236,126)	(78,236,126)
At 31 December 2018	-	-	1	1
Loss for the year	-	-	(1)	(1)
Total comprehensive loss	-	-	(1)	(1)
At 31 December 2019	-	-	-	-

The notes on pages 7 to 13 form an integral part of these financial statements.

BFC Finance Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2019

1 General information

BFC Finance Limited is a private company limited by shares, incorporated and domiciled in England and Wales under the Companies Act 2006.

The address of its registered office is:

Porter Tun House
500 Capability Green
Luton
LU1 3LS
United Kingdom

These financial statements are presented in USD. The company's functional currency was determined by reference to the functional currency of its parent company. The company's functional currency is USD.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Basis of preparation

The Company meets the definition of a qualifying entity under FRS 100 'Application of Financial Reporting Requirements' issued by the Financial Reporting Council. Accordingly, these financial statements were prepared in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework'.

The financial statements are prepared on the historical cost basis of accounting, modified to include revaluation to fair value of certain financial instruments as outlined below, and in accordance with applicable accounting standards.

Historical cost is generally based on the fair value of the consideration given in exchange for the goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement purposes in these financial statements is determined on such a basis.

A rounding level of \$000 has been applied to these financial statements.

Accounting policies have been applied consistently over the financial period and prior period.

BFC Finance Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2019

2 Accounting policies (continued)

The preparation of financial statements in compliance with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies (see note 3).

Summary of disclosure exemptions

The following exemptions from the requirements of IFRS have been applied in the preparation of these financial statements, in accordance with FRS 101:

- IFRS 7, 'Financial Instruments: Disclosures'
- Paragraph 38 of IAS 1, 'Presentation of financial statements' comparative information requirements in respect of i. paragraph 79(a)(iv) of IAS 1;
- The following paragraphs of IAS 1, 'Presentation of financial statements':
 - 10(d) (statement of cash flows);
 - 10(f) (statement of financial position as at the beginning of the preceding period when an entity applies an accounting policy retrospectively or makes a retrospective restatement of items in its financial statements, or when it reclassifies items in its financial statements);
 - 16 (statement of compliance with all IFRS);
 - 38A (requirement for minimum of two primary statements, including cash flow statements);
 - 111 (cash flow statement information); and
 - 134-136 (capital management disclosures).
- IAS 7, 'Statement of cash flows';
- Paragraph 17 of IAS 24, 'Related party disclosures' (key management compensation);
- The requirements in IAS 24, 'Related party disclosures' (inter group transactions).

Exemption from preparing group accounts

The financial statements contain information about BFC Finance Limited as an individual company and do not contain consolidated financial information as the parent of a group.

The Company is exempt under section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it and its subsidiary undertakings are included by full consolidation in the consolidated financial statements of its parent, HFC Finance Limited, a company incorporated in the United Kingdom.

Financial instruments

The Company recognises financial instruments when it becomes a party to the contractual arrangements of the instrument. Financial instruments are de-recognised when they are discharged or when the contractual terms expire. The Company's accounting policies in respect of financial instrument transactions are explained below:

Notes to the Unaudited Financial Statements

for the Year Ended 31 December 2019

2 Accounting policies (continued)

Fair value measurement

The best evidence of fair value is a quoted price for an identical asset in an active market. When quoted prices are unavailable, the price of a recent transaction for an identical asset provides evidence of fair value as long as there has not been a significant change in economic circumstances or a significant lapse of time since the transaction took place. If the market is not active and recent transactions of an identical asset on their own are not a good estimate of fair value, the fair value is estimated by using a valuation technique.

The Company seeks to use valuation techniques using inputs that are observable for the asset or liability either directly (i.e. as prices) or indirectly (i.e. derived from prices), but where such inputs are not observable, fair value is derived using valuation techniques that include inputs for the asset or liability that are not based on observable market data.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment.

Impairment provisions are recognised when there is objective evidence (such as significant financial difficulties on the part of the counterparty or default or significant delay in payment) that the Company will be unable to collect all of the amounts due under the terms receivable, the amount of such a provision being the difference between the net carrying amount and the present value of the future expected cash flows associated with the impaired receivable.

Financial liabilities

Financial guarantees are initially recognised at fair value and are subsequently measured at the higher of (a) the amount determined in accordance with IFRS 9 and (b) the amount initially recognised less, when appropriate, cumulative amortisation recognised in accordance with IFRS 9.

Interest receivable and similar income

Interest receivable and similar income is recognised in the statement of comprehensive income using the effective interest method.

Guarantor fee income is recognised in the statement of comprehensive income using the effective interest rate method.

Notes to the Unaudited Financial Statements

for the Year Ended 31 December 2019

2 Accounting policies (continued)

Interest payable and similar costs

Interest expense is recognised as it accrues on a time basis, by reference to the principal outstanding and the effective interest rate applicable, which is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability to the net carrying amount on initial recognition.

Guarantee fees are recognised in the statement of comprehensive income using the effective interest method.

Dividends

Dividend distribution to the company's shareholders is recognised as a liability in the company's financial statements in the period in which the dividends are approved by the company's shareholders.

Tax

The tax currently receivable/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 asset/liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Tax is recognised in the statement of comprehensive income, except that a change attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

Deferred tax is recognised on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Deferred tax assets are recognised only to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, carried forward tax credits or tax losses can be utilised.

Deferred tax assets and liabilities are measured on an undiscounted basis at the tax rates that are expected to apply when the related asset is realised or liability is settled, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

The carrying amount of deferred tax assets is reviewed at each balance sheet date. Deferred income tax assets and liabilities are offset, only if a legally enforceable right exists to set off current tax assets against current tax liabilities, the deferred income taxes relate to the same taxation authority and that authority permits the company to make a single net payment.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

BFC Finance Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2019

3 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies which are described in note 2, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of 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 if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The directors do not feel there are any areas of estimation uncertainty or accounting judgements which are required.

4 Interest receivable and other income

	2019 \$ 000	2018 \$ 000
Interest receivable and similar income from group undertakings	<u>-</u>	<u>2,017,366</u>

5 Interest payable and other costs

	2019 \$ 000	2018 \$ 000
Interest payable and other costs	<u>1</u>	<u>-</u>

6 Staff costs

The Company had no employees (2018: Nil) in the current or previous year.

None of the Directors received remuneration from the Company. The Directors acting during the year were remunerated by other AB Inbev group companies. The services to this Company and to a number of fellow subsidiaries are of a non-executive nature and their emoluments are deemed to be wholly attributable to their services to other group companies. Accordingly, no further emoluments details are disclosed in this Company's financial statements.

BFC Finance Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2019

7 Income tax

Tax charged/(credited) in the statement of comprehensive income

2019	2018
\$ 000	\$ 000

Current taxation

-	-
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The tax on loss for the year is lower than the standard rate of corporation tax in the UK (2018 - lower than the standard rate of corporation tax in the UK) of 19% (2018 - 19%).

The differences are reconciled below:

2019	2018
\$ 000	\$ 000

(Loss)/profit before tax	(1)	2,017,366
Tax on loss at standard UK tax rate of 19% (2018: 19%)	-	383,299
Effects of group relief/ other reliefs	-	(383,299)
Tax charge for the period	-	-

8 Amounts due from group undertakings

2019	2018
\$ 000	\$ 000

Interest receivable from group undertakings	-	1
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BFC Finance Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2019

9 Share capital

Allotted, called up and fully paid shares

	2019		2018	
	No.	\$	No.	\$
Ordinary shares of \$0.00 each	4,000,001	1.00	4,000,001	1.00
Ordinary shares of £0.00 each	<u>45,999,976,876</u>	<u>1.01</u>	<u>45,999,976,876</u>	<u>1.01</u>
	<u>46,003,976,877</u>	<u>2</u>	<u>46,003,976,877</u>	<u>2</u>

10 Dividends

	2019	2018
	\$ 000	\$ 000
Distribution paid to HFC Finance Limited	<u>-</u>	<u>78,236,126</u>

11 Parent undertaking and controlling party

The ultimate parent company and controlling party is Anheuser-Busch InBev NV/SA and the immediate parent company is HFC Finance Limited, a company incorporated in the United Kingdom.

The largest and smallest group to consolidate these financial statements is Anheuser-Busch InBev NV/SA, incorporated in Belgium. The consolidated financial statements are available to the public and may be obtained from Anheuser-Busch InBev, Grand's Place 1, Brussels, Belgium.