

Twining Crosfield & Co Limited

Annual report and financial statements
For the period ended
17 September 2022

Company number 00144900



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Strategic report

The directors present their annual report and the financial statements for the period ended 17 September 2022.

Business Review

The results for the period are set out on page 5.

The results of the company show a pre-tax loss of £1.60m (2021: £0.60m profit). The reduction in profit is due to a reduction in dividend income.

The company has total net assets of £54m (2021: £55m).

Principal activities

In the course of the period the principal activities of the company were that of a holding company.

Principal Risks and Uncertainties

The company is a holding company and its results are dependent on interest and similar income receivable from or payable to other group companies.

Engaging with our stakeholders – Section 172 Statement

The directors are required to act in a way which they consider, in good faith, is most likely to promote the success of the company for the benefit of its members as a whole and, in doing so, have regard (amongst other matters) to the matters set out in section 172(1)(a) to (f) of the Companies Act 2006.

The company is a subsidiary of Associated British Foods plc and, as such, the company has adopted and directors have due regard to applicable group policies and procedures which impact on the company's stakeholders, including those referred to on page 71 of the Associated British Foods plc Annual Report and Accounts 2022. Please also see the Associated British Foods plc section 172 statement on pages 64 to 68 of that document.

Stakeholders and engagement

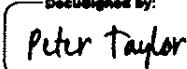
As part of the identification of key stakeholders, the directors have identified that due to the company's status as a holding company, stakeholder engagement is limited to other Associated British Foods plc group entities.

The company forms part of the group of companies headed by Associated British Foods plc and the company's accounts are consolidated into the Associated British Foods plc accounts. Group companies can provide financial and other support to the company and the sharing of best practice and know-how between the businesses within the broader group is actively encouraged.

Principal decisions

There were no significant decisions taken during the period which deviated from past practice and therefore no specific assessment of stakeholder views/interests was performed.

By order of the board

DocuSigned by:

P R Taylor
Director
20 December 2022

Directors' report

The directors present their report for the period ended 17 September 2022.

During the year the accounting reference date was changed from 31 August to 15 September. In accordance with section 390(3) of the Companies Act 2006, these financial statements have been prepared for the 55 weeks ended 17 September 2022.

Directors of the company

The directors who held office during the period were:

OK Silden (appointed 23 March 2022)

PR Taylor

RE Tavener (resigned 23 March 2022)

Secretary

RG Cahill (appointed 23 March 2022)

Dividends

No dividends were paid during the period (2021: Nil).

Political contributions

The company made no political contributions during the period (2021: Nil).

Directors' indemnity

The directors have benefited from the Associated British Foods plc group Directors and Officers Insurance policy.

Principal risks and uncertainties

A full description of the principal risks and uncertainties applicable to the Associated British Foods plc group, of which this company is a wholly owned subsidiary, are disclosed on pages 94 to 101 of the 2022 Annual Report, which is available at www.abf.co.uk.

Energy usage

The directors consider the company to be a low energy user. For further information on carbon and energy reporting for the group of which the company forms part, please refer to the disclosures made on pages 74 to 76 of the Associated British Foods plc annual report for the year ended 17 September 2022.

Directors' report *(continued)*

Going concern

The company has received a letter of support from its intermediate parent company, ABF Investments plc, indicating that it will receive the financial and other support necessary for the company to trade and meet its liabilities as and when they become due for a period of twelve months from the date of signing of these financial statements.

After making enquiries and considering the support available from the intermediate parent company described above, the directors have a reasonable expectation that the company has adequate resources to continue in operation for 12 months from the date of signing of these financial statements. These considerations included the ABF group's directors' assessment of going concern (set out in the Annual Report and Accounts dated 8 November 2022 and available at www.abf.co.uk), which included the significant levels of cash and undrawn committed long-term facilities available to the group and the ABF group's directors' stress testing of cash flow forecasts through to 2 March 2024, and an assessment of any developments since that date that would adversely affect that conclusion. Accordingly, the financial statements have been prepared on the going concern basis.

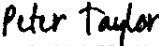
Engagement with employees

Although the company does not have any employees, its subsidiary R. Twining and Company Limited, employed on average 405 persons within the period. As noted in the R. Twining and Company Limited accounts, during the reporting period regular engagement surveys were undertaken, leadership updates were provided, as were regular internal communications, Health & Safety programmes and training. The directors review the outcome of these communications/events to focus resources on the areas where improvement would derive the most benefit for our people.

Audit exemption

The company is exempt from the requirements of the Companies Act 2006 (the 'Act') relating to the audit of individual accounts pursuant to section 479A of the Act.

By order of the board

DocuSigned by:

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P R Taylor
Director

20 December 2022

Statement of Directors' Responsibilities

The directors are responsible for preparing the Strategic report, 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 period. Under that law they 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 for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments 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;-
- 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.

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Statement of comprehensive income for the period ended 15 September 2022

	<i>Note</i>	Period ended 15 September 2022 £000	Year ended 31 August 2021 £000
Income from shares in group undertakings		-	2,647
Other interest receivable or (payable)	3	(1,600)	(2,046)
Profit on ordinary activities before taxation		(1,600)	601
Tax credit / (charge) on ordinary activities	6	323	370
Profit on ordinary activities after taxation		(1,277)	971

All results arise from continuing activities.

A statement of movements on reserves is given in note 11.

There was no other comprehensive income or loss for the period.

The notes on pages 8 to 15 form part of these financial statements.

Statement of changes in equity
for the period ended 15 September 2022

	Share capital	Share premium	Revaluation reserve	Retained earnings	Total equity
	£'000	£'000	£'000	£'000	£'000
At 1 September 2020	610	107	93	53,015	53,825
Profit for the financial year	-	-	-	971	971
Other comprehensive income	-	-	-	-	-
Total comprehensive income for the year	-	-	-	971	971
At 31 August 2021	610	107	93	53,986	54,796
Loss for the financial period	-	-	-	(1,277)	(1,277)
Other comprehensive income	-	-	-	-	-
Total comprehensive income for the period	-	-	-	(1,277)	(1,277)
At 15 September 2022	610	107	93	52,709	53,519

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Balance sheet

as at 15 September 2022

	Note	15 September 2022 £000	31 August 2021 £000
Fixed assets			
Investments	7	24,133	9,249
Current assets			
Debtors	8	400,930	360,160
Creditors: amounts falling due within one year	9	(371,544)	(314,613)
Net current assets		53,519	54,796
Net assets		53,519	54,796
Capital and reserves			
Called up share capital	10	610	610
Share premium account	11	107	107
Revaluation reserve	11	93	93
Retained earnings	11	52,709	53,986
Total equity shareholder's funds		53,519	54,796

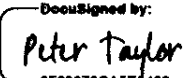
The notes on pages 8 to 15 form part of these financial statements.

For the year ended 17 September 2022 the company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies.

The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476 of the Companies Act 2006.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of accounts.

These financial statements were approved by the board of directors on 20 December 2022 and were signed on its behalf by:

DocuSigned by:

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P R Taylor

Director

Registered number 00144900

Notes

(forming part of the financial statements)

1 Authorisation of financial statements and statement of compliance with FRS 101

The financial statements of Twining Crosfield & Co Limited (the company) for the period ended 17 September 2022 were authorised for issue by the board of directors on 20 December 2022 and the balance sheet was signed on the board's behalf by Peter Taylor. The company is incorporated and domiciled in England and Wales. The address of the Company's registered office is Weston Centre, 10 Grosvenor Street, London, W1K 4QY.

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) and in accordance with applicable accounting standards. They are presented in Sterling and all values are rounded to the nearest thousand pounds (£000) except when otherwise indicated.

The company has 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 consolidated financial statements of Associated British Foods plc which are available at Weston Centre, 10 Grosvenor Street, London, W1K 4QY.

The principal accounting policies adopted by the company are set out in note 2.

2 Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements.

Basis of preparation

The accounting policies which follow set out those policies which apply in preparing the financial statements for the period ended 15 September 2022

The company has taken advantage of the following disclosure exemptions under FRS 101:

- a) The requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement;
- b) The requirements in paragraph 38 of IAS 1 "Presentation of Financial Statements" to present comparative information in respect of:
 - i. Paragraph 79(a)(iv) of IAS 1
- c) The requirements of paragraphs 10(d), 10(f), 39(c) and 134-136 of IAS 1 Presentation of Financial Statements;
- d) The requirements of IAS 7 Statement of Cash Flows;
- e) The requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;
- f) The requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member;
- g) The requirements of paragraphs 130(f)(ii), 130(f)(iii), 134(d)-134(f) and 135(c)-135(e) of IAS 36 Impairment of Assets;
- h) The requirements of paragraph 17 of IAS 24 Related Party Disclosures; and
- i) The requirement of IFRS 9 Financial Instruments: Recognition and Disclosures

Notes *(continued)*

Basis of preparation (continued)

Going concern

As set out in note 13, the smallest group in which the results of the company are consolidated is that headed by Associated British Foods plc, which confirmed in the Annual Report and Accounts dated 8 November 2022 that its directors have a reasonable expectation that the Associated British Foods plc group has adequate resources to continue in operational existence for the foreseeable future.

The company has received a letter of support from its intermediate parent company, ABF Investments plc, indicating that it will receive the financial and other support necessary for the company to trade and meet its liabilities as and when they become due for a period of 12 months from the date of signing of these financial statements.

After making enquiries and considering the support available from the intermediate parent company described above, the directors have a reasonable expectation that the company has adequate resources to continue in operation for 12 months from the date of signing of these financial statements. These considerations included the ABF group's directors' assessment of going concern (set out in the Annual Report and Accounts dated 8 November 2022 and available at www.abf.co.uk), which included the significant levels of cash and undrawn committed long-term facilities available to the group and the ABF group's directors' stress testing of cash flow forecasts through to 2 March 2024, and an assessment of any developments since that date that would adversely affect that conclusion. Accordingly, the financial statements have been prepared on the going concern basis.

Financial Instruments

Financial assets and liabilities are recognised when the company becomes a party to the contractual provisions of the instrument and are offset only when the company currently has a legally enforceable right to set off the recognised amounts and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial Assets

Management determines the classification of its financial assets initially at fair value and are subsequently carried at amortised cost using the effective interest method.

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired or the company has transferred its rights to receive cash flows from the asset.

Impairment of financial assets

In accordance with IFRS 9, the company recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

Twining Crosfield has intercompany debtor balances only, therefore the ECL model has not been used as all inter-company debts are considered to always be recoverable.

Financial Liabilities

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, as appropriate.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

A financial liability (or part thereof) is derecognised when the obligation specified in the contract is discharged, cancelled or expires.

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Accounting policies (continued)

Investments

Investments are shares in subsidiaries which are stated at cost less provision for any diminution in value.

Foreign currencies

Transactions in foreign currencies are recorded using the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the rate of exchange ruling at the balance sheet date. Gains or losses on translation are included in the income statement.

Taxation

Corporation tax payable is provided on taxable profits at the current rate.

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Notes *(continued)*

3 Other interest Receivable or Payable

	Period ended 15 September 2022 £000	Year ended 31 August 2021 £000
Receivable/(payable) from group undertakings	(1,600)	(2,046)
	<u>(1,600)</u>	<u>(2,046)</u>

Income receivable from group undertakings represents interest on intercompany loan balances.

4 Remuneration of directors

None of the directors received any emoluments in respect of their services to the company in 2022 (2021: £Nil). Retirement benefits did not accrue to any of the directors in respect of their services to the company in 2022 (*in 2021: £Nil*).

Directors remuneration has been borne by R.Twining & Company Limited in 2022 and 2021. The proportion of remuneration in relation to Twining Crosfield & Co Limited is not deemed significant.

5 Staff numbers and costs

The company did not employ any staff in the current or previous period.

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Notes (continued)

6 Taxation

Analysis of tax in period

	Period ended 15 September 2022 £000	Year ended 31 August 2021 £000
<i>UK corporation tax</i>		
Current tax (credit) / charge on income for the period	(323)	(370)
	<hr/>	<hr/>
Tax (credit) / charge on profit on ordinary activities	(323)	(370)
	<hr/>	<hr/>

	Period ended 15 September 2022 £000	Year ended 31 August 2021 £000
Total tax reconciliation		
(Loss) / Profit on ordinary activities before tax	(1,600)	601
	<hr/>	<hr/>
Current tax at effective rate 19% (2021: 19%)	(304)	114
<i>Effects of:</i>		
Non-taxable dividends from overseas companies	-	(484)
	<hr/>	<hr/>
Total current tax	(304)	(370)
	<hr/>	<hr/>

The UK corporation tax rate of 19% is set to increase to 25% from 1 April 2023.

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Notes (continued)

7 Investments

15 September
 2022
 £000

Cost and Net Book Value
 At beginning of period
 Movements

9,249
 14,884

At end of period

24,133

The full list of the company's investments in subsidiaries and joint ventures are as follows:

Name and registered office address of undertaking	Country of registration or incorporation	Principal activity	Class of shares held (at par value)	% effective holding if not 100%
R. Twining and Company Limited <i>Weston Centre, 10 Grosvenor Street, London, W1K 4QY, United Kingdom</i>	England	Tea merchants	Ord. £1.00	
Twinings & Co S.A.S <i>25 Rue Anatole France, 92300, Levallois-Perret, France</i>	France	Tea merchants	Ord. €23.00	
Synchronis* <i>59, Chemin du Moulin, 695701, Carron, Dardilly, France</i>	France	Distribution	Ord. €1.00	50%
Foods International Holding B.V. <i>Mijlweg 77, 3316 BE, Dordrecht, Netherlands</i>	Netherlands	Sale of baking ingredients and yeast products	Ord. €1.00	
AB Mauri Netherlands B.V.* <i>Mijlweg 77, 3316 BE, Dordrecht, Netherlands</i>	Netherlands	Non-trading	Ord. €1.00	
Twinings Japan Co Ltd <i>36F Atago Green Hills Mori Tower, 2-5-1 Atago, Minato-Ku, Tokyo, Japan</i>	Japan	Tea merchants	Common Stock JPY 50,000	50%
Twinings Private Limited <i>G3/41, New Budge Budge Trunk Road, Old Dakghar, Kolkata, West Bengal, 700141, India</i>	India	Tea merchants	Ord. INR 10.00	

* Shareholdings marked are held through subsidiary undertakings, the rest are owned directly by Twining Crosfield & Co Limited.

Group financial statements have not been prepared as the company is a wholly owned subsidiary of Associated British Foods plc which prepares group financial statements that include the company. In the opinion of the directors, the investments in and amounts due from the company's subsidiary undertakings are worth at least the amounts at which they are stated in the balance sheet.

Notes (continued)

11 Reserves

	Share Premium account £000	Revaluation Reserve £000	Retained earnings £000	Total £000
At beginning of period	107	93	53,986	54,186
Retained profit for the period	-	-	(1,277)	(1,277)
At end of period	107	93	52,709	52,909

Revaluation Reserve

The revaluation reserve is used to record increases in the fair value of assets and decreases to the extent that such decrease relates to an increase on the same asset previously recognised in equity.

12 Contingent liabilities

The company, together with Associated British Foods plc and certain fellow UK subsidiary undertakings, is party to a set-off arrangement in respect of its bank accounts with certain of the group's bankers.

13 Parent company

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 Weston Centre, 10 Grosvenor Street, London W1K 4QY, which is the registered office of each of these companies. The consolidated accounts of Associated British Foods plc are also available for download on the group's website at www.abf.co.uk.

14 Related Party disclosures

During the period the company undertook no business transactions with any subsidiaries within the Associated British Foods plc group that were not wholly-owned and, as such, at 17 September 2022 no amounts were due to or from such subsidiaries. The company is exempt from disclosing transactions with wholly-owned subsidiaries within the Associated British Foods plc group by virtue of the exemption available under paragraph 8(k) of FRS101.