

Company Registration No. 03679738

G. COSTA (HOLDINGS) LIMITED

Strategic Report, Directors' Report and Financial Statements

For the period of 55 weeks ended 17 September 2022

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G.Costa (Holdings) Limited

STRATEGIC REPORT, DIRECTORS' REPORT AND FINANCIAL STATEMENTS

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G.Costa (Holdings) Limited

OFFICERS AND PROFESSIONAL ADVISERS

DIRECTORS

A Mayhew
A Kee (appointed 31st August 2022)
S Henderson
P Wildman (resigned 31st August 2022)

SECRETARY

R Cahill

REGISTERED OFFICE

Weston Centre
10 Grosvenor Street
London
United Kingdom
W1K 4QY

G.Costa (Holdings) Limited

STRATEGIC REPORT

The directors present their Strategic report for the period of 55 weeks ended 17 September 2022. Comparative information is presented for the 52 week period ended 28 August 2021.

PRINCIPAL ACTIVITY AND FUTURE DEVELOPMENTS

The principal activity of the Company is the holding of investments in a group of companies in the UK and Asia. There are no plans to change the Company's activity in the foreseeable future. The external commercial environment is expected to remain competitive. However, this will have minimal impact on the Company's principal activity.

REVIEW OF THE BUSINESS

The results and financial position of the Company are set out on pages 10 to 12.

Loss on ordinary activities after taxation for the period amounted to £0.3m (2021: £(0.1m))

During the period the Company did not pay a dividend (2021: £nil). The carrying value of investments was £107.3m (2021: £107.3m) and net assets were £1.1m (2021: £1.5m).

PRINCIPAL RISKS AND UNCERTAINTIES

The Company's principal risks and uncertainties relate to the value of its investments and its ability to finance those investments, if necessary, through the recovery of outstanding balances with other group companies.

A full description of the principal risks and uncertainties applicable to the Associated British Foods plc group, of which this company is a subsidiary, are disclosed on pages 94 to 101 of the 2022 Annual Report, which is available at www.abf.co.uk. The principal risks and uncertainties of this group arise in its trading subsidiaries and are assessed within the operating companies where they are identified, evaluated and managed by the directors.

- **Margin risk**

Competitive pressure in the UK and international markets is a continuing risk for the group. The group manages this risk by providing value added products and services to its customers at competitive prices and by providing a high level of service and quality.

- **Credit risk**

The group is exposed to credit risk on its sales. However, internal control systems are in place to minimise this risk by ensuring that sales of products are made to customers with an appropriate credit history and by monitoring adherence to credit terms.

- **Currency exchange rate risk**

The group transacts in a variety of foreign currencies, which are subject to volatility. This risk is managed by the use of hedging instruments for major currencies for up to twelve months in advance.

- **Extended Producer Responsibility**

Extended producer responsibility regarding packaging and plastics will most certainly impact on the company. The current uncertainty surrounding the rollout of this scheme by the UK Government means that the full impact of this in coming years is unknown. Initiatives are however well advanced to meet the requirements when they are known.

- **Conflict in Ukraine**

The conflict in the Ukraine has had a significant impact on the Global Economy. The group has no offices or employees based within the Ukraine or Russia and do not have any material direct exposure due to trading within these regions. Despite minimal direct impact, the business continues to monitor the situation and the indirect impact to the group.

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.

G.Costa (Holdings) Limited

STRATEGIC REPORT

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.

The following section serves as AB World Food's section 172 statement and describes how the directors take into account such stakeholder and other matters in carrying out their duties and the impact on decision-making. Regardless of the legal duties, the directors consider regular engagement with stakeholders to be part and parcel of our value of progressing through collaboration and to be fundamental to the success of the Company.

Board structure and engagement with stakeholders

The statutory board comprises the Managing Director, the Finance Director, and the UK Grocery Finance Director. The board regularly reviews the business' principal stakeholders and how we engage with them.

The Directors aim to take the needs and priorities of each stakeholder group into account as part of their decision-making processes, recognising that the appropriateness of a stakeholder group may vary depending upon the matter under discussion.

Key Stakeholders

The Board has identified the following stakeholder groups with whom engagement is fundamental to the group's ongoing success:

- Subsidiaries of the company
- its shareholder

Subsidiaries of the company

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. The Company is kept up to date on key businesses activities and decisions of its subsidiaries and provides all necessary support.

Shareholder

The company takes appropriate steps to ensure that its shareholder is kept up to date on key business activities and decisions.

Energy Usage

The directors consider the company to be a low energy user. For further information please refer to full disclosures made in the Associated British Foods plc 2022 annual report.

Approved by the board of directors and signed on its behalf.



A Kee
Director
15 December 2022

REGISTERED OFFICE

Weston Centre
10 Grosvenor Street
London
W1K 4QY

G.Costa (Holdings) Limited

DIRECTORS' REPORT

The directors present their report and the financial statements for the period of 55 weeks ending 17 September 2022. Comparative information is provided for the period of 52 weeks ended 28 August 2021.

REPORTING PERIOD

These financial statements are prepared for the 55 week period ending 17 September 2022. The reason for this is to bring the reporting date in line with the wider Associated British Foods group.

RESULTS AND DIVIDENDS

Dividends of £0.3m (2021 - £0.2m) were received in the period. Dividends of £nil (2021 – £nil) were paid during the period.

Loss for the period of £0.3m (2021– (£0.1m)) has been transferred to reserves.

DIRECTORS

The directors who held office during the period, and thereafter were:

A Mayhew

A Kee (appointed 31st August 2022)

S Henderson

P Wildman (resigned 31st August 2022)

At 17 September 2022 the directors had no beneficial interests in the share capital of the Company (2021 – £nil) and thereafter.

GOING CONCERN

The Company's business activities together with its financial performance and position are set out in the Strategic report. The Strategic report also describes the Company's financial risk management.

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.

DIRECTORS' INDEMNITIES

The directors have benefited from the ABF Group's Directors and Officers Insurance policy.

ANTI-BRIBERY AND CORRUPTION

The Company is committed to acting professionally, fairly and with integrity in all its business dealings. As part of its commitment to ethical business practices, G. Costa (Holdings) Limited will not tolerate any form of bribery or corruption. The Company maintains a comprehensive Anti-Bribery and Corruption policy which outlines the behaviour and principles required to support this commitment.

AUDITOR

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.

G.Costa (Holdings) Limited

DIRECTORS' REPORT

HEALTH, SAFETY AND ENVIRONMENTAL REPORTING

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.

The Company operates a comprehensive environmental policy, complying with legislation, standards and best practice.

CHARITABLE DONATIONS

The Company made no charitable donations during the current or previous period.

ENGAGEMENT WITH EMPLOYEES

Although the company does not have any employees, its subsidiary AB World Foods Limited, employed on average 463 persons within the period. As noted in the AB World Foods Limited accounts, during the reporting period there were regular Leadership catch-ups, monthly company briefings and workshops.

Approved by the board of directors and signed on its behalf



A Kee
Director
15 December 2022

REGISTERED OFFICE

Weston Centre
10 Grosvenor Street
London
United Kingdom
W1K 4QY

G.Costa (Holdings) Limited

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE STRATEGIC REPORT, DIRECTORS' REPORT AND THE FINANCIAL STATEMENTS

The directors are responsible for preparing the Strategic report, 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 they have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom 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 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue its 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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

G.Costa (Holdings) Limited

INCOME STATEMENT

For the period of 55 weeks ended 17 September 2022

		55 weeks ended 17 September 2022 £	52 weeks ended 28 August 2021 £
	Notes		
Dividends received		260,515	193,247
Interest payable and similar charges	4	(747,594)	(359,709)
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(487,079)	(166,462)
Tax credit on loss on ordinary activities	5	140,080	67,847
LOSS ON ORDINARY ACTIVITIES AFTER TAXATION		(346,999)	(98,615)

There were no items of comprehensive income or expense other than those recognised in the income statement for either period.

The loss on ordinary activities before taxation relates entirely to the continuing activities in the period.

The notes on pages 10 to 14 form part of these financial statements

G.Costa (Holdings) Limited
STATEMENT OF FINANCIAL POSITION
as at 17 September 2022

		As at 17 September 2022 £	As at 28 August 2021 £
	Notes		
FIXED ASSETS			
Investments in subsidiary undertakings	6	<u>107,269,565</u>	<u>107,269,565</u>
CURRENT ASSETS			
Debtors	7	<u>210,388</u>	<u>266,307</u>
		210,388	266,307
CREDITORS: amounts falling due within one year	8	<u>(106,360,694)</u>	<u>(106,069,614)</u>
NET CURRENT LIABILITIES		(106,150,306)	(105,803,307)
NET ASSETS		<u>1,119,259</u>	<u>1,466,258</u>
CAPITAL AND RESERVES			
Equity share capital	9	757,458	757,458
Share premium account		266,333	266,333
Capital redemption reserve		2,400	2,400
Profit and loss account		<u>93,068</u>	<u>440,067</u>
SHAREHOLDER'S FUNDS		<u>1,119,259</u>	<u>1,466,258</u>

For the year ending 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 and authorised for issue on 15 December 2022 and are signed on its behalf by:



A Kee

Director

Registered Company number: 03679738

The notes on pages 10 to 14 form part of these financial statements

G.Costa (Holdings) Limited

STATEMENT OF CHANGES IN EQUITY

For the period of 55 weeks ended 17 September 2022

	Share Capital	Share Premium	Capital Redemption reserve	Retained Earnings	Total Equity
	£	£	£	£	£
At 29 August 2020	757,458	266,333	2,400	538,682	1,564,873
Loss for the period	-	-	-	(98,615)	(98,615)
At 28 August 2021	757,458	266,333	2,400	440,067	1,466,258
Loss for the period	-	-	-	(346,999)	(349,999)
At 17 September 2022	757,458	266,333	2,400	93,068	1,119,259

G.Costa (Holdings) Limited

NOTES TO THE FINANCIAL STATEMENTS

For the period of 55 weeks ended 17 September 2022

1. AUTHORISATION OF FINANCIAL STATEMENTS AND STATEMENT OF COMPLIANCE WITH FRS 101

The financial statements of G. Costa (Holdings) Limited (the "Company") for the 55 weeks ended 17 September 2022 were authorised for issue by the board of directors on 15 December 2022 and the statement of financial position was signed on the board's behalf by Adrian Kee. Comparative information is provided for the 52 weeks ended 28 August 2021. G. Costa (Holdings) Limited is a private company limited by shares that is incorporated and domiciled in England and Wales.

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) and in accordance with applicable accounting standards.

The Company's financial statements are presented in Sterling.

The results of G. Costa (Holdings) Limited are included in the consolidated financial statements of Associated British Foods plc, which are available from Weston Centre, 10 Grosvenor Street, London W1K 4QY, United Kingdom.

The principal accounting policies adopted by the Company are set in Note 2.

2. ACCOUNTING POLICIES

BASIS OF PREPARATION

The financial statements have been prepared under FRS 101 'Reduced Disclosure Framework'. FRS 101 sets out a reduced disclosure framework which addresses the financial reporting requirements and disclosure exemptions for the individual financial statements of subsidiaries and ultimate parents that otherwise apply the recognition, measurement and disclosure requirements of Adopted IFRS. The Company has taken advantage of the disclosure exemptions allowed under this standard. The Company's parent undertaking has been notified of and did not object to the use of the Adopted IFRS disclosure exemptions.

The Company has taken advantage of the following disclosure exemptions under FRS 101 as the equivalent disclosures are included in the consolidated financial statements of Associated British Foods plc:

- a) the requirements of IFRS 7 Financial Instruments;
- b) the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement;
- c) the requirement in paragraph 38 of IAS 1 Presentation of Financial Statements to present comparative information
- d) in respect of paragraph 79(a)(iv) of IAS 1; (d) The requirements of paragraphs 10(d), 10(f), 39(c) and 134-136 of IAS 1 Presentation of Financial Statements;
- e) the requirements of IAS 7 Statement of Cash Flows;
- f) the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;
- g) the requirements of paragraph 17 of IAS 24 Related Party Disclosures;
- h) 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; and
- i) 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.

G.Costa (Holdings) Limited

NOTES TO THE FINANCIAL STATEMENTS

For the period of 55 weeks ended 17 September 2022

2. ACCOUNTING POLICIES (CONTINUED)

GOING CONCERN

The financial statements have been prepared on a going concern basis.

As set out in note 10, 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.

These financial statements contain information about G.Costa (Holdings) Limited as an individual company and do not contain consolidated financial information as the parent of a group. The Company has taken the exemption from preparing consolidated financial statements afforded by Section 400 of the Companies Act 2006 because it is a wholly owned subsidiary of Associated British Foods plc, which prepares publicly available consolidated financial statements.

TAXATION

Corporation tax payable is provided on taxable profits at the current rate. Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted by the statement of financial position date.

INVESTMENTS

Fixed asset investments are shown at cost less provision for impairment.

DIVIDENDS

Revenue is recognised when the Company's right to receive payment is established.

3. DIRECTORS' REMUNERATION

No directors received any emoluments from the Company during the current or prior period as they are inconsequential to their services provided to other companies in the group. The Company had no employees in the current or prior period.

4. INTEREST PAYABLE AND SIMILAR CHARGES

	55 weeks ended 17 September 2022 £	52 weeks ended 28 August 2021 £
Interest payable to group undertakings	<u>747,594</u>	<u>359,709</u>

G.Costa (Holdings) Limited
NOTES TO THE FINANCIAL STATEMENTS
For the period of 55 weeks ended 17 September 2022

5. TAX ON LOSS IN INCOME STATEMENT

(a) Analysis of tax credit in Income Statement

	55 weeks ended 17 September 2022 £	52 weeks ended 28 August 2021 £
Current tax:		
Current tax credit on loss for the period:	(142,043)	(68,345)
Adjustment in relation to prior periods:	1,963	498
Total current tax credit	(140,080)	(67,847)

(b) Factors affecting the tax credit for the period

The difference between the total current tax shown above and the amount calculated by applying the standard rate of UK Corporation tax to the loss before tax is analysed as follows:

	55 weeks ended 17 September 2022 £	52 weeks ended 28 August 2021 £
Loss on ordinary activities before tax	(487,079)	(166,462)
Tax at 19.00% (2021: 19.00%) thereon	(92,545)	(31,628)
Effect of:		
Income not taxable	(49,498)	(36,717)
Adjustments to tax charge in respect of previous years	1,963	498
Total current tax credit	(140,080)	(67,847)

(c) Factors affecting future tax charge:

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

G.Costa (Holdings) Limited

NOTES TO THE FINANCIAL STATEMENTS

For the period of 55 weeks ended 17 September 2022

6. INVESTMENTS

Cost and net book value

At 28 August 2021 and at 17 September 2022

£107,269,565

Subsidiary companies	Holding	Class of Shares	Country of Incorporation
AB World Foods Asia Limited ^{Note 1}	100% holding	Ordinary Shares	Incorporated in Thailand
The Natural Sweetness Company Limited ^{Note 2}	100% holding	Ordinary Shares	Incorporated in Great Britain
G. Costa and Company Limited ^{Note 2}	100% holding	Ordinary Shares	Incorporated in Great Britain
Worldwing Investments Limited ^{Note 2}	100% holding	Ordinary Shares	Incorporated in Great Britain
Elsenham Quality Foods Limited* ^{Note 2}	100% holding	Ordinary Shares	Incorporated in Great Britain
Patak's Foods 2008 Limited ^{Note 2}	100% holding	Ordinary Shares	Incorporated in Great Britain
Patak (Spices) Limited* ^{Note 2}	100% holding	Ordinary Shares	Incorporated in Great Britain
AB World Foods Limited* ^{Note 2}	100% holding	Ordinary Shares	Incorporated in Great Britain
Patak's Breads Limited* ^{Note 2}	100% holding	Ordinary Shares	Incorporated in Great Britain
Korway Holdings Limited* ^{Note 3}	100% holding	Ordinary Shares	Incorporated in Great Britain
Korway Foods Limited* ^{Note 3}	100% holding	Ordinary Shares	Incorporated in Great Britain
Patak's Frozen Foods Limited* ^{Note 3}	100% holding	Ordinary Shares	Incorporated in Great Britain
Patak's Chilled Foods Limited* ^{Note 3}	100% holding	Ordinary Shares	Incorporated in Great Britain
Patak Food Limited ^{Note 2}	100% holding	Ordinary Shares	Incorporated in Great Britain
The Roadmap Company Limited ^{Note 2}	100% holding	Ordinary Shares	Incorporated in Great Britain

^{Note 1} Registered office address is 1 Empire Tower, 24th Floor, Unit 2412-2413, South Sathorn Road, Yannawa, Sathorn, Bangkok, 10120, Thailand

^{Note 2} Registered office address is Weston Centre, 10 Grosvenor Street, London, W1K 4QY

^{Note 3} Registered office address is Miller Samuel LLP, RWF House, 5 Renfield Street, Glasgow, G2 5EZ

Shareholdings marked '*' are held through subsidiary undertakings, the rest are owned directly by 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 statement of financial position.

7. DEBTORS

	As at 17 September 2022 £	As at 28 August 2021 £
Tax recoverable losses due from group undertakings	210,388	266,307
	210,388	266,307

G.Costa (Holdings) Limited

NOTES TO THE FINANCIAL STATEMENTS

For the period of 55 weeks ended 17 September 2022

8. CREDITORS: Amounts falling due within one year

	As at 17 September 2022 £	As at 28 August 2021 £
Accruals	24,900	11,297
Amounts owed to intermediate parent undertaking Associated British Foods plc	106,335,794	106,058,317
	106,360,694	106,069,614

Amounts owed to intermediate parent undertaking are presented with intercompany loans received from other entities within the ABF Group, which bear interest of LIBOR plus 0.25% and reviewed every six months.

9. SHARE CAPITAL AND RESERVES

	As at 17 September 2022 £	As at 28 August 2021 £
Called up, allotted and fully paid 757,458 ordinary shares of £1 each	757,458	757,458
	757,458	757,458

The ordinary shares have attached to them full voting dividend and capital distribution (including on winding up) rights; they do not confer any rights of redemption.

On 17 July 2012, the directors resolved that all of the 'A' Ordinary shares be re-designated as Ordinary shares of £1 each.

Share premium

The share premium reserve comprises all amounts shareholders paid for their issued shares in excess of the par value of those shares.

Capital redemption reserve

The capital redemption reserve comprises of all amounts paid for the repurchase of the company's own shares.

10. HOLDING COMPANY

The immediate holding company is AB World Foods (Holdings) Limited, which is incorporated in Great Britain and registered in England and Wales. The ultimate holding company is Wittington Investments Limited, which is incorporated in Great Britain and registered in England.

The largest group in which the results of the Company are consolidated is that headed by Wittington Investments Limited. The smallest group in which they are consolidated is that 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.