

Registered number: 03020786

Cargill Investments
Report And Financial Statements
31 May 2018



Rees Pollock
Chartered Accountants

Cargill Investments

COMPANY INFORMATION

Directors	P Bothamley C A Bottomley
Company secretary	D M Lo'Bue
Registered number	03020786
Registered office	Velocity V1 Brooklands Drive Weybridge Surrey KT13 0SL
Independent auditors	Rees Pollock 35 New Bridge Street London EC4V 6BW

Cargill Investments

DIRECTORS' REPORT For the Year Ended 31 May 2018

The directors present their report and the financial statements for the year ended 31 May 2018.

Results and dividends

The profit for the year, after taxation, amounted to \$3,316,000 (2017 - \$10,807,000).

The directors have not recommended a dividend (2017 - \$nil).

Directors

The directors who served during the year were:

P Bothamley
C A Bottomley

Directors' responsibilities statement

The directors are responsible for preparing the strategic report, 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 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. 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 for the Company's financial statements and then apply them consistently;
- make judgments and accounting 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 to 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.

Cargill Investments

DIRECTORS' REPORT (CONTINUED)
For the Year Ended 31 May 2018

Disclosure of information to auditors


Each of the persons who are directors at the time when this directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Auditors

The auditors, Rees Pollock, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 29 October 2018 and signed on its behalf.



C A Bottomley
Director

Cargill Investments

STRATEGIC REPORT For the Year Ended 31 May 2018

Introduction

The company's principal activity is to act as a holding company for various European joint ventures and subsidiaries involved in the business of real estate.

Business review

There has been no significant change in the company's principal activity compared to the previous year and no changes are expected in the coming year. The company has no external debt, and group companies meet all funding requirements.

Principal risks and uncertainties

The principal uncertainties facing the company and its subsidiaries in the coming year include the valuation and recoverability of investments in real estate and their effect on the overall returns of the company. These risks are managed by close monitoring of the positions together with the use of third party professional asset managers.

Financial key performance indicators

Due to the company's principal activities and the nature of its operations, the directors do not separately monitor key performance indicators for the company, as there are no such appropriate key performance indicators.

This report was approved by the board on 29 October 2018 and signed on its behalf.



C A Bottomley
Director

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF CARGILL INVESTMENTS

Opinion

We have audited the financial statements of Cargill Investments (the 'Company') for the year ended 31 May 2018, which comprise the statement of income and retained earnings, the balance sheet and the related notes, 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 Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 May 2018 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our auditors' report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our 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 this other information, we are required to report that fact.

We have nothing to report in this regard.

INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF CARGILL INVESTMENTS (CONTINUED)

Opinion 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 year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the 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 the 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 directors' responsibilities statement on page , 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.

Auditors' 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 auditors' 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.

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

Use of our report

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 auditors' 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.

Catherine Kimberlin (Senior Statutory Auditor)
for and on behalf of
Rees Pollock, Statutory Auditor

30 October 2018

Cargill Investments

STATEMENT OF INCOME AND RETAINED EARNINGS For the Year Ended 31 May 2018

	Note	2018 \$000	2017 \$000
Net trading income	2	4,109	2,618
Administrative expenses		(20)	19
Operating profit	3	4,089	2,637
Tax on profit	5	(773)	8,170
Profit after tax		3,316	10,807
Retained earnings at the beginning of the year		270,793	259,986
		270,793	259,986
Profit for the year		3,316	10,807
Retained earnings at the end of the year		274,109	270,793


There were no recognised gains and losses for 2018 or 2017 other than those included in the statement of income and retained earnings.

The notes on pages 6 to 12 form part of these financial statements.

BALANCE SHEET
As at 31 May 2018

	Note	2018 \$000	2017 \$000
Fixed assets			
Investments	6	41,203	41,203
Current assets			
Cash and cash equivalents		348,639	344,276
Creditors: amounts falling due within one year	7	<u>(82,138)</u>	<u>(81,091)</u>
Net current assets		266,501	263,185
Net assets		<u>307,704</u>	<u>304,388</u>
Capital and reserves			
Called up share capital	8	26,595	26,595
Other reserves		7,000	7,000
Profit and loss account		274,109	270,793
		<u>307,704</u>	<u>304,388</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 29 October 2018.


C A Bottomley
Director

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31 May 2018

1. Accounting policies

1.1 Basis of preparation of financial statements

Cargill Investments is a private unlimited company incorporated in the UK.

The company's registered address is Velocity V1, Brooklands Drive, Weybridge, Surrey, England, KT13 0SL.

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. Management do not consider there are any key accounting estimates or assumptions made that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year.

Management are also required to exercise judgement in applying the company's accounting policies. Due to the straightforward nature of the business management consider that no critical judgements have been made in applying the company's accounting policies.

The following principal accounting policies have been applied:

1.2 Going concern

The directors have considered the financial position of the company, including the recoverability of investments both in fellow group subsidiaries and joint ventures and conclude that the company will have sufficient resources to meet all financial obligations as they fall due. Therefore they adopt the going concern basis in preparation of these accounts.

1.3 Income recognition

Turnover, cost of sales and gross profit (as prescribed in the Companies Act 2006) do not have any meaningful equivalents in a financial markets business and are therefore not included.

Trading income comprises profits arising from realisation of positions in financial assets and liabilities net of any provisions required to write assets down to their realisable value, trading expenses, foreign exchange gains or losses and net interest earned by those investments.

Interest income and expense are recognised on an accruals basis.

1.4 Fixed asset investments

Investments in subsidiary undertakings are shown as cost less provision for impairment.

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31 May 2018

1. Accounting policies (continued)

1.5 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is USD.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

1.6 Financial instruments

The company does not trade in financial instruments and all such instruments arise directly from operations. All trade and other debtors are initially recognised at transaction value, as none contain in substance a financing transaction. Thereafter trade and other debtors are reviewed for impairment where there is objective evidence based on observable data that the balance may be impaired. The company does not hold collateral against its trade and other receivables so its exposure to credit risk is the net balance of trade and other debtors after allowance for impairment. The company's cash holdings comprise on demand balances. All cash is held with banks with strong external credit ratings. Trade and other creditors and accruals are initially recognised at transaction value as none represent a financing transaction. They are only derecognised when they are extinguished. As the company only has short term receivables and payables, its net current asset position is a reasonable measure of its liquidity at any given time.

1.7 Taxation

Tax is recognised in the statement of income and retained earnings, except that a charge 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.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

1.8 Cash flow statement

Under FRS 102 the company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the company in its own published consolidated financial statements.

1.9 Related party transactions

As the company is a wholly owned subsidiary of Cargill Inc, the company has taken advantage of the exemption contained in FRS 102 and has therefore not disclosed transactions or balances with entities which form part of the group (or investees of the group qualifying as related parties). The consolidated financial statements of Cargill Inc, within which this company is included, are available to the public.

Cargill Investments

NOTES TO THE FINANCIAL STATEMENTS For the Year Ended 31 May 2018

2. Net trading income

	2018 \$000	2017 \$000
Trading profits / (losses)	1	(62)
Interest receivable and similar income	5,194	3,126
Interest payable and similar charges	(1,086)	(456)
Other trading income	-	10
	<u>4,109</u>	<u>2,618</u>

Interest receivable and interest payable comprise amounts from / to group undertakings.

3. Operating profit

The operating profit is stated after charging:

	2018 \$000	2017 \$000
Auditors' remuneration	<u>12</u>	<u>12</u>

4. Staff costs

The Company has no employees other than the directors, who did not receive any remuneration (2017 - \$NIL).

5. Taxation

	2018 \$000	2017 \$000
Current tax		
UK corporation tax on profits for the year	780	816
Adjustments in respect of previous periods	(7)	(8,986)
	<u>773</u>	<u>(8,170)</u>
Total current tax	<u>773</u>	<u>(8,170)</u>
Taxation on profit on ordinary activities	<u>773</u>	<u>(8,170)</u>

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31 May 2018

5. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year differs from the standard rate of corporation tax in the UK of 19% (2017 - 19.83%). The differences are explained below:

	2018 \$000	2017 \$000
Profit on ordinary activities before tax	4,089	2,637
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2017 - 19.83%)	777	523
Effects of:		
Expenses not deductible for tax purposes	(3)	299
Adjustments to tax charge in respect of prior periods	(7)	(8,986)
Revaluation of tax liability due to foreign exchange differences	6	(6)
Total tax charge for the year	773	(8,170)

During the year ended 31 May 2017, the company agreed with HMRC the amount of corporation tax payable in connection with certain dividends received in prior years. The amount agreed was lower than the amount for which the company had previously provided. The difference is shown as 'adjustments to tax charge in respect of prior periods' above.

NOTES TO THE FINANCIAL STATEMENTS
For the Year Ended 31 May 2018

6. Fixed asset investments

	Investments in subsidiary companies \$000
Cost or valuation	
At 1 June 2017	72,252
At 31 May 2018	<u>72,252</u>
Impairment	
At 1 June 2017	31,049
At 31 May 2018	<u>31,049</u>
Net book value	
At 31 May 2018	<u><u>41,203</u></u>
At 31 May 2017	<u><u>41,203</u></u>

Cargill Investments

NOTES TO THE FINANCIAL STATEMENTS For the Year Ended 31 May 2018

6. Fixed asset investments (continued)

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Class of shares	Holding	Principal activity
Cargill Property Investments	Ordinary	100 %	Investment company
Cargill Marches Financiers SAS	Ordinary	100 %	Investment company
Cargill Scandinavia ApS	Ordinary	100 %	Investment company
Cargill Valogistique Sarl	Ordinary	100 %	Investment company
CFM II Limited	Ordinary	100 %	Investment company
Fairmile Portfolio Management Limited	Ordinary	100 %	Investment company
Hydra SAS	Ordinary	100 %	Investment company
Cargill Investments France SAS	Ordinary	100 %	Investment company
Pavillotel Saint Norm Sarl	Ordinary	100 %	Investment company

The principal activities of the subsidiaries were to invest, directly or indirectly, in Real Estate and Loan portfolios. The subsidiaries are no longer making new investments.

The registered office address of Cargill Scandinavia ApS is c/o Cargill Nordic A/S, Vandtårnsvej 62B, DK-2860, Søborg, Denmark.

The registered office address of Cargill Marches Financiers SAS, Cargill Valogistique Sarl, Hydra SAS and CarHudgill Investments France SAS and Pavillotel Saint Norm Sarl is 35 Avenue Victor Hugo, 75016 Paris, France.

The registered office address of Cargill Property Investments, CFM II Ltd and Fairmile Portfolio Management Ltd is Velocity V1 Brooklands Drive, Weybridge, Surrey, England, KT13 0SL.

7. Creditors: Amounts falling due within one year

	2018 \$000	2017 \$000
Amounts owed to group undertakings	81,364	80,275
Corporation tax	774	816
	<u>82,138</u>	<u>81,091</u>

Cargill Investments

NOTES TO THE FINANCIAL STATEMENTS For the Year Ended 31 May 2018

8. Share capital

	2018 \$000	2017 \$000
Allotted, called up and fully paid		
10 Ordinary GBP shares of \$1 each	-	-
26,594,641 (2017 - 26,594,641) Ordinary US\$ shares of \$1 each	26,595	26,595
	<u>26,595</u>	<u>26,595</u>

9. Ultimate parent undertaking and controlling party

The company is a wholly owned subsidiary of Cargill Investments Holdings Limited, a company incorporated in Great Britain and registered in England & Wales. Cargill, Incorporated is the ultimate parent undertaking of Cargill Investments, and is regarded by the directors as being the company's ultimate controlling party.

The parent undertaking of the smallest and largest group into which the accounts of the company are consolidated is Cargill, Incorporated. The consolidated financial statements of this group are lodged at Companies House, Crown Way, Cardiff, CF4 3UZ.