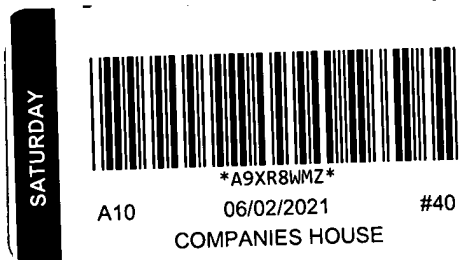


# Cargill Holdings

## Directors' report, strategic report and financial statements

31 May 2020

Registered number 00986532



## **Contents**

Directors' report	1
Strategic report	2
Statement of directors' responsibilities	3
Independent auditor's report to the members of Cargill Holdings	4
Profit and loss account	6
Statement of other comprehensive income	6
Balance sheet	7
Statement of changes in equity	8
Notes to the financial statements	9

## **Directors' report**

### **Introduction**

The directors present their annual report and the audited financial statements for the year ended 31 May 2020.

### **Principal activities**

The company is a holding company for the UK financial businesses.

### **Directors and directors' interests**

The directors who served during the year and at the report date were:

S J Hamilton  
M J Timewell

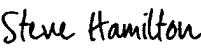
### **Disclosure of information to auditor**

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

### **Auditor**

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be re-appointed and KPMG LLP will therefore continue in office.

By order of the board

DocuSigned by:  
  
D372DF69317A4FA...

Velocity V1  
Brooklands Drive  
Weybridge  
Surrey  
KT13 0SL

**S J Hamilton**  
*Director*  
14 December 2020

## Strategic report

### Business review and summary results

Summarised results are given below:

	2020	2019
	\$m	\$m
Profit/(loss) for the financial year	316.8	(1.5)

### Covid-19

The on-going impact of Covid-19 is impossible to predict, both on society and the world economy, and therefore on the markets in which we operate. From mid-March, where possible the work force has operated in a full work from home capacity, without any significant disruption to operations. Where the work force is required to be present on site there is now a strict policy of social distancing, face masks, and temperature testing points. This policy is continually updated in line with government and company policy. This operating environment does not create any operational impediments to us and as a result, we will continue to take a conservative approach to returning to pre-COVID-19 working arrangements. The safety of our work force and service continuity for our customers is our priority.

### Financial risk

The company is exposed to movements in the level of interest rates. The deposit arrangement is managed through a centrally managed treasury function within a fellow subsidiary.

Brexit risk – The directors acknowledge the potential risk to the company which will arise in relation to the end of the transition period on 31 December 2020. The directors believe being part of a large multinational group will ensure the company's exposure to possible implications linked to this risk should be reduced to an acceptable level.

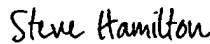
### Proposed dividend

The directors recommended the payment of a dividend of \$318,000,000 (2019: nil).

### Policy and practice on payment of creditors

The company aims to pay all its creditors promptly. It is the company's policy to agree the terms of payment with its suppliers, ensure that suppliers are aware of the terms of payment, and to pay in accordance with contractual and other obligations.

By order of the board

DocuSigned by:  
  
D372DF69317A4FA...

Velocity V1  
Brooklands Drive  
Weybridge  
Surrey  
KT13 0SL

**S J Hamilton**  
*Director*  
14 December 2020

## **Statement of directors' responsibilities in respect of the directors' report, strategic report and the financial statements**

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 they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 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 and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

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 responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and 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.



## Independent auditor's report to the members of Cargill Holdings

### Opinion

We have audited the financial statements of Cargill Holdings ("the company") for the year ended 31 May 2020 which comprise the Profit and Loss Account, Statement of Other Comprehensive Income, Balance Sheet and Statement of Changes in Equity and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 May 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland*; 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 are described below. We have fulfilled our ethical responsibilities under, and are independent of the company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

### The impact of uncertainties due to the UK exiting the European Union on our audit

Uncertainties related to the effects of Brexit are relevant to understanding our audit of the financial statements. All audits assess and challenge the reasonableness of estimates made by the directors, such as the valuation of assets and related disclosures and the appropriateness of the going concern basis of preparation of the financial statements. All of these depend on assessments of the future economic environment and the company's future prospects and performance.

Brexit is one of the most significant economic events for the UK, and at the date of this report its effects are subject to unprecedented levels of uncertainty of outcomes, with the full range of possible effects unknown. We applied a standardised firm-wide approach in response to that uncertainty when assessing the company's future prospects and performance. However, no audit should be expected to predict the unknowable factors or all possible future implications for a company and this is particularly the case in relation to Brexit.

### Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the company or to cease its operations, and as they have concluded that the company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

We are required to report to you if we have concluded that the use of the going concern basis of accounting is inappropriate or there is an undisclosed material uncertainty that may cast significant doubt over the use of that basis for a period of at least a year from the date of approval of the financial statements. In our evaluation of the directors' conclusions, we considered the inherent risks to the company's business model, including the impact of Brexit, and analysed how those risks might affect the company's financial resources or ability to continue operations over the going concern period. We have nothing to report in these respects.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of reference to a material uncertainty in this auditor's report is not a guarantee that the company will continue in operation.

### Strategic report and directors' report

The directors are responsible for the [strategic report and the] directors' report. Our opinion on the financial statements does not cover [those reports]/[that report] and we do not express an audit opinion thereon.

Our responsibility is to read the [strategic report and the] directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:



- we have not identified material misstatements in the strategic report and the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

**Matters on which we are required to report by exception**

Under the Companies Act 2006 we are required 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.

We have nothing to report in these respects.

**Directors' responsibilities**

As explained more fully in their statement set out on page 3, the directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; 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 they either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

**Auditor's responsibilities**

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).

**The purpose of our audit work and to whom we owe our responsibilities**

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

**Gareth Woods (Senior Statutory Auditor)**  
for and on behalf of KPMG LLP, Statutory Auditor  
Chartered Accountants  
St Nicholas House  
Park Row  
Nottingham  
NG1 6FQ  
18 December 2020

**Profit and loss account**  
*for the year ended 31 May 2020*

	Note	2020 \$000	2019 \$000
Administrative expense		(64)	(112)
Other operating expense		(11)	-
<b>Operating loss</b>		(75)	(112)
Income from shares in group undertakings		317,950	-
Interest payable and similar expense	2	(1,366)	(1,748)
Other interest receivable and similar income	3	51	66
<b>Profit before taxation</b>		316,560	(1,794)
Tax credit on profit/(loss)	5	260	338
<b>Profit/(loss) for the financial year</b>		316,820	(1,456)

All of the results are derived from continuing operations.

The notes on pages 9 to 14 form part of the financial statements.

**Statement of other comprehensive income**  
*for the year ended 31 May 2020*

	2020 \$000	2019 \$000
Profit/(loss) for the financial year	316,820	(1,456)
<b>Total comprehensive income</b>	316,820	(1,456)

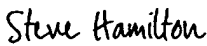


**Balance sheet**  
*at 31 May 2020*

		2020		2019	
	<i>Note</i>	\$000	\$000	\$000	\$000
<b>Fixed assets</b>					
Investments	6		148,566		148,566
<b>Current assets</b>					
Debtors	7	255		3,307	
		<u>255</u>		<u>3,307</u>	
<b>Creditors: amounts falling due within one year</b>	8		<u>(75,992)</u>		<u>(77,864)</u>
<b>Net current liabilities</b>			<u>(75,737)</u>		<u>(74,557)</u>
<b>Total assets</b>			72,829		74,009
<b>Net assets</b>			<u>72,829</u>		<u>74,009</u>
<b>Capital and reserves</b>					
Called up share capital	9		-		-
Profit and loss account			72,829		74,009
<b>Shareholder's funds</b>			<u>72,829</u>		<u>74,009</u>

The notes on pages 9 to 14 form part of the financial statements.

These financial statements were approved by the board of directors on 14 December 2020 and were signed on its behalf by:

DocuSigned by:  
  
 D372DF69317A4FA...

**S J Hamilton**  
*Director*

**Statement of changes in equity**  
*for the year ended 31 May 2020*

	Share Capital \$000	Profit and loss account \$000	Total \$000
At 1 June 2019	-	74,009	74,009
Total comprehensive income	-	316,820	316,820
Dividends	-	(318,000)	(318,000)
<b>At 31 May 2020</b>	<b>-</b>	<b>72,829</b>	<b>72,829</b>

**Statement of changes in equity**  
*for the year ended 31 May 2019*

	Share Capital \$000	Profit and loss account \$000	Total \$000
At 1 June 2018	-	75,465	75,465
Total comprehensive income	-	(1,456)	(1,456)
<b>At 31 May 2019</b>	<b>-</b>	<b>74,009</b>	<b>74,009</b>

The notes on pages 9 to 14 form part of the financial statements.

## **Notes**

*(forming part of the financial statements)*

### **1 Accounting policies**

#### ***Statement of compliance***

Cargill Holdings is a private unlimited liability company incorporated, domiciled and registered in England in the United Kingdom. The registered number is 00986532 and the registered office is Velocity 1, Brooklands Drive, Weybridge, Surrey KT13 0SL.

The company is exempt by virtue of s401 of the Companies Act 2006 from the requirement to prepare group financial statements. These financial statements present information about the company as an individual undertaking and not about its group.

These financial statements were prepared in accordance with Financial Reporting Standard 102 *The Financial Reporting Standard* applicable in the UK and Republic of Ireland ("*FRS 102*"). The presentation currency of these financial statements is US Dollars. All amounts in the financial statements have been rounded to the nearest US\$1,000.

The company's ultimate parent undertaking, Cargill, Incorporated includes the company in its consolidated financial statements. The consolidated financial statements of Cargill, Incorporated are prepared in accordance with US GAAP and are available to the public and may be obtained its registered office whose address is stated in note 11. In these financial statements, the company is considered to be a qualifying entity and has applied the exemptions available under FRS 102 in respect of the following disclosures:

- Reconciliation of the number of shares outstanding from the beginning to end of the period;
- Cash Flow Statement and related notes; and
- Key Management Personnel compensation.

As the consolidated financial statements of Cargill, Incorporated include the equivalent disclosures, the company has also taken the exemptions under FRS 102 available in respect of the following disclosures:

- Certain disclosures required by FRS 102.26 *Share Based Payments*; and,
- The disclosures required by FRS 102.11 *Basic Financial Instruments* and FRS 102.12 *Other Financial Instrument Issues* in respect of financial instruments not falling within the fair value accounting rules of Paragraph 36(4) of Schedule 1.

The accounting policies set out below have, unless otherwise stated, been applied consistently to all periods presented in these financial statements.

There are no judgements, made by the directors, in the application of these accounting policies that have a significant effect on the financial statements and estimates with a significant risk of material adjustment in the next year.

#### ***Basis of preparation***

The financial statements have been prepared in accordance with applicable accounting standards and under the historical cost convention and on a going concern basis.

#### ***Functional currency and presentation currency***

The functional currency of the company is US dollars since the interest income and assets are denominated in US dollars. The reporting currency of these financial statements is US dollars.

#### ***Going Concern***

Notwithstanding net current liabilities of \$75,737,000 as at 31 May 2020, and a profit for the year then ended of \$316,820,000 the financial statements have been prepared on a going concern basis which the directors consider to be appropriate for the following reasons.

The directors have prepared cash flow forecasts for a period of 12 months from the date of approval of these financial statements which indicate that, taking account of reasonably possible downsides and the anticipated impact of Covid-19, the company will have sufficient funds, through the group cash pooling facility, to meet its liabilities as they fall due for that period.

**Notes** *(continued)*

**1 Accounting policies** *(continued)*

***Going Concern*** *(continued)*

Those forecasts are dependent on the company's ultimate parent, Cargill, Inc not seeking repayment of the amounts currently due to the group, which at 31 May 2020 amounted to \$75,939,000. Cargill, Inc has indicated that it does not intend to seek repayment of these amounts for the period covered by the forecasts. As with any company placing reliance on other group entities for financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

Consequently, the directors are confident that the company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

***Foreign currency transactions***

Transactions in foreign currencies are translated at the foreign exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated to dollars at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translation are recognised in the profit and loss account. Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated to dollars at foreign exchange rates ruling at the dates the fair value was determined.

***Taxation***

The charge for taxation is based on the result for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes. Provision is made for deferred taxation, without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date.

A deferred tax asset is recognised to the extent it is regarded as recoverable. Provision is made at rates of taxation anticipated to be in force when the timing differences are expected to reverse.

***Fixed asset investments***

Investments in subsidiary undertakings are recorded at cost less provision for any permanent diminution in value.

***Basic financial instruments***

***Trade and other debtors / creditors***

Trade and other creditors are recognised initially at transaction price plus attributable transaction costs. Subsequent to initial recognition they are measured at amortised cost using the effective interest method, less any impairment losses in the case of trade debtors. If the arrangement constitutes a financing transaction, for example if payment is deferred beyond normal business terms, then it is measured at the present value of future payments discounted at a market rate of instrument for a similar debt instrument.

***Interest-bearing borrowings classified as basic financial instruments***

Interest-bearing borrowings are recognised initially at the present value of future payments discounted at a market rate of interest. Subsequent to initial recognition, interest-bearing borrowings are stated at amortised cost using the effective interest method, less any impairment losses.

***Expenses***

***Interest receivable and Interest payable***

Interest payable and similar charges include interest payable, finance charges on shares classified as liabilities and finance leases recognised in profit or loss using the effective interest method, unwinding of the discount on provisions, and net foreign exchange losses that are recognised in the profit and loss account (see foreign currency accounting policy).

Other interest receivable and similar income include interest receivable on funds invested and net foreign exchange gains.

Interest income and interest payable are recognised in profit or loss as they accrue, using the effective interest method. Foreign currency gains and losses are reported on a net basis.

**Notes** (continued)

**2 Interest payable and similar expenses**

	2020	2019
	\$000	\$000
<i>Payable to group undertaking</i>		
Other interest	(14)	-
Interest on long term debt	<u>(1,352)</u>	<u>(1,748)</u>
	<u><u>(1,366)</u></u>	<u><u>(1,748)</u></u>

**3 Other interest receivable and similar income**

	2020	2019
	\$000	\$000
Receivable from group undertakings	<u>51</u>	<u>66</u>
	<u><u>51</u></u>	<u><u>66</u></u>

**4 Expenses and auditor's remuneration**

The following amounts in respect of auditor's remuneration were borne by other group undertakings:

	2020	2019
	\$000	\$000
<i>Auditor's remuneration:</i>		
Audit of these financial statements	<u>3</u>	<u>3</u>

There were no employees during the year (2019: none). The directors' emoluments were borne by other group undertakings. The qualifying services that they provide to the company are incidental and it is not practicable to allocate any of their remuneration to the company.

**Notes (continued)**

**5 Taxation**

**Total tax expense recognised in the profit and loss account, other comprehensive income and equity**

	2020	2019
	\$000	\$000
<b>Total tax expense in the profit and loss account</b>		
<i>Current tax</i>		
UK corporation tax at 19.00% (2019: 19.00%)	(261)	(339)
Adjustment in respect of prior year	1	1
Tax credit on loss	(260)	(338)
<b>Factors affecting the total tax expense in the year</b>		
Profit/loss for the financial year	316,820	(1,456)
Total tax credit	(260)	(338)
Profit/loss before taxation	316,560	(1,794)
Profit/loss multiplied by standard rate of corporation tax in the UK of 19.00% (2019: 19.00%)	60,146	(341)
Effects of:		
Exchange rate differences	4	2
UK dividend income not taxable	(60,411)	-
Adjustments in respect of prior years	1	1
Total tax credit for the year	(260)	(338)

**Factors that may affect future current and total tax charges**

A change to the main UK corporation tax rate, announced in the Budget on 11 March 2020, was substantively enacted on 17 March 2020. The rate applicable from 1 April 2020 now remains at 19%, rather than the previously enacted reduction to 17%.

**Notes** (continued)

**6 Fixed asset investments**

	<b>\$000</b>
Cost at 31 May 2020 and at 31 May 2019	<b><u>148,566</u></b>

**Shares in group companies**

<i>Company name</i>	<i>Registered Office Address</i>	<i>Place of incorporation</i>	<i>Class of Shares</i>	<i>Percentage ownership 2020</i>	<i>Percentage ownership 2019</i>
Cargill Financial Markets Ltd	VelocityV1, Brooklands Drive, Weybridge, Surrey, KT13 0SL	UK	Ordinary	100%	100%
Cargill Global Funding PLC	VelocityV1, Brooklands Drive, Weybridge, Surrey, KT13 0SL	UK	Ordinary	100%	100%
Cargill Investment Holdings Limited	VelocityV1, Brooklands Drive, Weybridge, Surrey, KT13 0SL	UK	Ordinary	100%	100%
Green Hercules Trading Limited	VelocityV1, Brooklands Drive, Weybridge, Surrey, KT13 0SL	UK	Ordinary	100%	100%

**7 Debtors**

	2020	2019
	<b>\$000</b>	<b>\$000</b>
<i>Due within one year</i>		
Amounts owed by group undertakings - short term deposits	-	2,978
Corporation tax receivable	255	329
	<b><u>255</u></b>	<b><u>3,307</u></b>

**8 Creditors: amounts falling due within one year**

	2020	2019
	<b>\$000</b>	<b>\$000</b>
Amounts owed to group undertakings	75,992	77,864
Corporation tax	-	-
	<b><u>75,992</u></b>	<b><u>77,864</u></b>
<i>Amounts owed to group undertakings comprise:</i>		
Loan	75,939	77,800
Trade creditors	53	64
	<b><u>75,992</u></b>	<b><u>77,864</u></b>

Loan of \$78,000,000 was repaid on 20 May 2020. The interest rate charged was 2.4406300%.

**Notes** *(continued)*

**9 Called up share capital**

	2020	2019
	£	£
<i>Allotted, called up and fully paid</i>		
1 Ordinary share of £1 each	<u>1</u>	<u>1</u>
	\$	\$
In reporting currency of US dollars	<u>2</u>	<u>2</u>

**10 Related party transactions**

The company is exempt from disclosing transactions with other wholly owned group companies under Section 33.1A of FRS 102.

**11 Ultimate holding company and parent undertaking**

The company is a wholly owned subsidiary of Cargill, Incorporated a company incorporated in USA. Cargill, Incorporated is the ultimate parent undertaking of Cargill Holdings, and is regarded by the directors as being the company's ultimate controlling party.

The smallest and largest group into which the accounts of the company are consolidated is Cargill, Incorporated, a company incorporated in the USA and registered office is Corporation Trust, 1209 Orange Street, Wilmington, Delaware 19801, USA. The consolidated financial statements of this group are lodged at Companies House, Crown Way, Cardiff, CF4 3UZ.

**12 Post balance sheet event**

We are continuing to monitor the ongoing restrictions and potential impacts of Covid 19 on our employees, customers and the markets in which we operate. As of the date the accounts are signed there are no indications of any impact which would lead to an adjustment in the financial statements.