



ADM Wild UK Limited
(formerly Rudolf Wild UK Limited)

FINANCIAL STATEMENTS

for the year ended

31 December 2019

ADM Wild UK Limited

COMPANY INFORMATION

DIRECTORS	H Freudenstein C M Poole D E Aisthorpe
COMPANY NUMBER	02672448
REGISTERED OFFICE	ADM Wild UK Limited Think Park Trafford Park Mosley Road Stretford Manchester M17 1FQ
AUDITOR	RSM UK Audit LLP 25 Farringdon Street London EC4A 4AB

ADM Wild UK Limited

STRATEGIC REPORT

For the year ended 31 December 2019

The Directors present their Strategic Report of ADM Wild UK Limited (Company Registration No. 02672448) for the year ended 31 December 2019. On 11 January 2019 the Company changed its name from Rudolf Wild Limited to ADM Wild UK Limited.

PRINCIPAL ACTIVITIES

The principal activity of the Company during the year was that of the sale of fruit preparations, flavours, essences and compounds to the beverage and food industry.

REVIEW OF THE BUSINESS

As shown in the Company's income statement on page 7, the Company's turnover has decreased by 8% compared to the prior year due to the lower sales volumes and gross profit increased by 22% due to the stronger focus on higher margin products compared to the previous year.

Net current assets decreased from £9.7m in 2018 to £1.6m in 2019 due to the payment of a £9m dividend in 2019 and due to the lower creditors' balance with the Group companies. Net assets at the balance sheet date amounted to £1.4m (2018: £9.7m).

The Directors are not, at the date of this report, aware of any likely changes in the Company's activities in the next year.

COVID-19

The Directors have monitored and continue, at the time of approving these financial statements, to monitor the Coronavirus pandemic as it rapidly unfolds to ensure that appropriate action is taken, if required. While the Directors observed an adverse impact on revenue streams arising from Coronavirus outbreak, this is not expected to change the profitability of the Company and 2020 results are expected to be similar to that of 2019. The Directors do not expect any changes to the distribution agreement with its parent Company and have obtained a signed confirmation from ADM Wild Europe GmbH & Co KG to confirm there is no intention to cease the agreement in place for at least 12 months from the date of signing of the accounts (to at least 30 September 2021). The directors consider that the cash balance held by the Company would be sufficient to support the Company through any further reduction in sales as a result of Covid-19. In the event that a significant further lockdown were to occur which negatively impacted sales further, the directors expect that the wider ADM group would support the Company, although there is no formal agreement to this regard covering the full period to 30 September 2021 in place.

PRINCIPAL RISKS AND UNCERTAINTIES

The Directors have considered and reviewed the provisions included within the Companies Act 2006 relating to financial risk management objectives and policies, including any associated use of financial instruments. As part of the review, the Directors have also considered the exposure of the Company to liquidity risk, credit risk and foreign currency in order that an overall assessment can be made of the Company's assets, liabilities, its financial position and its result for the year.

Given the size of the Company, the Directors have not delegated the responsibility of monitoring financial risk management to a sub-committee of the board. The policies set by the ADM Group are implemented by the Company's finance department. The department has a policy and procedures manual that sets out specific guidelines on how to manage risk and the circumstances where it would be appropriate to use financial instruments.

The main risks arising from the Company's financial instruments are liquidity risk, credit risk and foreign currency risk.

Liquidity risk

The Company's only funding requirement is for short-term finance for its operations and planned expansions. This is provided by another ADM Group undertaking which charges interest on a floating rate basis calculated monthly. There is no fixed repayment date.

Credit risk

There are no significant concentrations of credit risk within the Company. The Company has implemented policies that require appropriate credit checks on potential customers prior to sales being made. The amount of exposure to any individual counterparty is subject to a limit, which is reassessed continuously by the Executive Management team and credit control department.

Foreign currency risk

Exchange rate risk is faced by the Company as a result of significant dealings in foreign currencies (Euro) with the suppliers. The Company have mitigated these risks as far as possible through the use of natural hedging methods such as buying and selling in Euro currency next to the business in GBP. Net position in Euro is hedged with the short-term spot and long-term forward currency hedges to mitigate its currency risk related to transactions denominated in currency other than its functional currency.

ADM Wild UK Limited

STRATEGIC REPORT (CONTINUED)

For the year ended 31 December 2019

FINANCIAL KEY PERFORMANCE INDICATORS

The Directors consider the key performance indicators for the business to be sales, margins and profit before tax. Turnover was £16,405,923 (2018 - £17,793,718), a decrease of 8%. Gross profit was £4,146,348 (2018 - £3,411,707) an increase of 22%. Profit before tax was £887,933 (2018 - £584,557) an increase of 52%. The Directors are satisfied with the performance in each of these areas given the economic conditions.

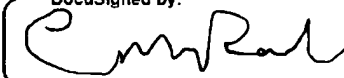
In addition to financial measures the Board also monitors and proactively reviews health and safety in all areas. This is, and will remain, a key management priority and the objective of all involved in the business is to continually improve the working environment to avoid or minimise any threats to the safety and wellbeing of our employees.

FUTURE DEVELOPMENTS

The Company continues to face strong competition; however, the Directors believe that the existing management policies will ensure that the Company is in a good position to take advantage of any opportunities which may arise.

This report was approved by the board of Directors on 30 September 2020

Signed on behalf of the board:

DocuSigned by:

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C M Poole
DIRECTOR

Dated: 30 September 2020

ADM Wild UK Limited

DIRECTORS' REPORT

For the year ended 31 December 2019

The Directors present their report and financial statements of ADM Wild UK Limited (Company Registration No. 02672448) for the year ended 31 December 2019.

RESULTS AND DIVIDENDS

The results for the year are set out on page 7.

The Directors do not recommend payment of an ordinary dividend. In 2019, the Directors declared and paid ordinary dividends amounting to £9,000,000 (2018: £Nil).

DIRECTORS

The following Directors have held office since 1 January 2019:

M Lotsch	(resigned 1 April 2020)
C M Poole	
D E Aisthorpe	
H Freudenstein	(appointed 1 April 2020)

AUDITORS

The auditor, RSM UK Audit LLP, has indicated willingness to continue in office.

POST BALANCE SHEET EVENTS

Impact of COVID-19 was discussed on page 1 of the Strategic report.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO THE AUDITOR

The Directors at the date of approval of this Directors' Report confirm that so far as each of them is aware, there is no relevant audit information of which the Company's auditor is unaware. Having made enquiries of fellow Directors and the Company's auditor, all the Directors have taken all steps that they ought to have taken as Directors to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

THIRD PARTY INDEMNITY PROVISION FOR DIRECTORS

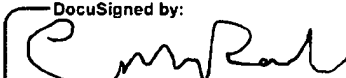
The Company has granted an indemnity to one or more Directors against liability in respect of proceedings brought by third parties, subject to the conditions set out in section 234 of the Companies Act 2006. Such qualifying third party indemnity provision remains in force as at the date of approving the Directors' Report.

STRATEGIC REPORT

Information, including future plans, is not shown within the Directors' Report as it is instead included within the Strategic Report on page 1 under S414c(11) of the Companies Act 2006.

This report was approved by the board of Directors on 30 September 2020.

Signed on behalf of the board:

DocuSigned by:

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C M Poole
DIRECTOR

Dated: 30 September 2020

ADM Wild UK Limited

STATEMENT OF DIRECTORS RESPONSIBILITIES

For the year ended 31 December 2019

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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 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 those financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards comprising FRS101 'reduced disclosure framework' 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 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.

INDEPENDENT AUDITOR'S REPORT

To The Members of ADM Wild UK Limited

Opinion

We have audited the financial statements of ADM Wild UK Limited (the 'company') for the year ended 31 December 2019 which comprise income statement, statement of comprehensive income, statement of financial position, statement of changes in equity and notes to the financial statements, 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 FRS 101 "Reduced Disclosure Framework" (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 December 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice;
- 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 Auditor's 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 UK, including the FRC'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 other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information. 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.

Opinions 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.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

To The Members of ADM Wild UK Limited

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 set out on page 5, 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.

Auditor's 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 auditor's 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: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's 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 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.

RSM UK Audit LLP

RICHARD COATES (Senior Statutory Auditor)
For and on behalf of RSM UK AUDIT LLP, Statutory Auditor
Chartered Accountants
25 Farringdon Street
London
EC4 4AB

Date: 30 September 2020

ADM Wild UK Limited
INCOME STATEMENT
For the year ended 31 December 2019

	Notes	2019	2018
		£	£
TURNOVER	6	16,405,923	17,793,718
Cost of sales		<u>(12,259,575)</u>	<u>(14,382,011)</u>
GROSS PROFIT		4,146,348	3,411,707
Other operating income		231,240	52,664
Other operating expenses	7	<u>(3,426,707)</u>	<u>(2,964,489)</u>
OPERATING PROFIT		950,881	499,882
Interest receivable similar income	8	34,737	89,436
Interest payable and similar charges	9	<u>(97,685)</u>	<u>(4,761)</u>
PROFIT BEFORE TAX		887,933	584,557
Tax on profit	13	<u>(172,511)</u>	<u>(160,307)</u>
PROFIT FOR THE FINANCIAL YEAR		<u>715,422</u>	<u>424,250</u>

ADM Wild UK Limited
STATEMENT OF COMPREHENSIVE INCOME
For the year ended 31 December 2019

	Notes	2019 £	2018 £
Profit for the financial year		<u>715,422</u>	<u>424,250</u>
OTHER COMPREHENSIVE INCOME FOR THE YEAR		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u><u>715,422</u></u>	<u><u>424,250</u></u>

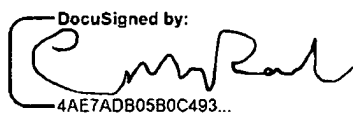
ADM Wild UK Limited
STATEMENT OF FINANCIAL POSITION
As at 31 December 2019

Company Registration No. 02672448

	Notes	2019 £	2018 £
FIXED ASSETS			
Tangible assets	14	<u>1,068,850</u>	<u>51,932</u>
		1,068,850	51,932
CURRENT ASSETS			
Stocks	15	-	60,000
Debtors	16	2,912,098	12,499,262
Cash at bank and in hand		<u>1,126,569</u>	<u>810,539</u>
		4,038,667	13,369,801
CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR	17	<u>(2,413,307)</u>	<u>(3,689,759)</u>
NET CURRENT ASSETS		<u>1,625,360</u>	<u>9,680,042</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>2,694,210</u>	<u>9,731,974</u>
CREDITORS: AMOUNTS FALLING DUE IN MORE THAN ONE YEAR	22	(1,253,123)	-
PROVISIONS FOR LIABILITIES	18	-	-
NET ASSETS		<u><u>1,441,087</u></u>	<u><u>9,731,974</u></u>
CAPITAL AND RESERVES			
Called up share capital	20	160,002	160,002
Share-based payment reserves	21	63,786	28,997
Profit and loss account		<u>1,217,299</u>	<u>9,542,975</u>
SHAREHOLDERS' FUNDS		<u><u>1,441,087</u></u>	<u><u>9,731,974</u></u>

The financial statements on page 7 to 28 were approved by the board of Directors on 30 September 2020.

Signed on its behalf by:

DocuSigned by:

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 C M Poole
 DIRECTOR

ADM Wild UK Limited

STATEMENT OF CHANGES IN EQUITY

For the year ended 31 December 2019

	Called up share capital	Share-based payment reserves	Profit and loss Account	Total
	£	£	£	£
1 January 2018	160,002	59,465	9,067,147	9,286,614
Profit for the financial year	-	-	424,250	424,250
Total comprehensive income for the year	-	-	424,250	424,250
Charge for share-based payment for the year	-	26,062	-	26,062
Transfer between reserves	-	(51,578)	51,578	-
Current tax on share-based payments	-	(4,952)	-	(4,952)
31 December 2018	160,002	28,997	9,542,975	9,731,974
IFRS 16 adoption adjustment	-	-	(41,098)	(41,098)
1 January 2019 (restated)	160,002	28,997	9,501,877	9,690,876
Profit for the financial year	-	-	715,422	715,422
Total comprehensive income for the year	-	-	715,422	715,422
Charge for share-based payment for the year	-	42,418	-	42,418
Current tax on share-based payments	-	(8,059)	-	(8,059)
Deferred tax on share-based payments	-	430	-	430
Dividends paid	-	-	(9,000,000)	(9,000,000)
31 December 2019	160,002	63,786	1,217,299	1,441,087

ADM Wild UK Limited

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2019

1 GENERAL INFORMATION

ADM Wild UK Limited is a private company (the 'Company') incorporated by shares in the United Kingdom, Company registration number is 02672448. The Company is domiciled in the United Kingdom and its registered address is Think Park Trafford Park, Mosley Road, Stretford, Manchester, M17 1FQ. The principal activities and nature of the business are included within the Strategic Report on page 1.

2 BASIS OF PREPARATION AND STATEMENT OF COMPLIANCE WITH FRS 101

These financial statements have been prepared in accordance with Financial Reporting Standard 101 – 'Reduced Disclosure Framework' ('FRS 101') and with the Companies Act 2006. They have been prepared under the historical cost convention.

In preparing these financial statements, the Company applies the recognition and measurement requirements of International Financial Reporting Standards as adopted by the EU ("IFRS"), amended where necessary in order to comply with Companies Act 2006.

The preparation of financial statements in conformity with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are critical to the financial statements are disclosed in Note 5.

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

(a) the requirements of paragraphs 45(b) and 46-52 of IFRS 2 Share-Based Payment, because the share-based payment arrangement concerns the instruments of another group entity; on the grounds that equivalent disclosures are included in the consolidated financial statements of its ultimate parent undertaking, Archer-Daniels-Midland Company;

(b) the requirements of IFRS 7 Financial Instruments: Disclosures on the grounds that equivalent disclosures are included in the consolidated financial statements of its ultimate parent undertaking, Archer-Daniels-Midland Company;

(c) the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement; on the grounds that equivalent disclosures are included in the consolidated financial statements of its ultimate parent undertaking, Archer-Daniels-Midland Company;

(d) the requirement in paragraph 38 of IAS 1 Presentation of Financial Statements to present comparative information in respect of paragraph 79(a)(iv) of IAS 1 and paragraph 73(e) of IAS 16 Property, Plant and Equipment;

(e) the requirements of paragraphs 10(d), 16, 38, 39(c), 111 and 134-136 of IAS 1 Presentation of Financial Statements;

(g) the requirements of IAS 7 Statement of Cash Flows;

(h) the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;

(i) the requirements of the second sentence of paragraph 110 and paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129 of IFRS 15 Revenue from Contracts with Customers;

ADM Wild UK Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2019

2 BASIS OF PREPARATION AND STATEMENT OF COMPLIANCE WITH FRS 101 (CONTINUED)

(j) the requirements of paragraph 17 of IAS 24 Related Party Disclosures; and the requirements in IAS 24 to disclose related party transaction entered into between two or more members of a group, provided that any subsidiary which is a party to the transactions entered into is wholly owned by such a member; and

(k) 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, on the grounds that equivalent disclosures are included in the consolidated financial statements of its ultimate parent undertaking, Archer-Daniels-Midland Company.

3 CHANGES IN ACCOUNTING POLICY AND DISCLOSURES

New and amended standards and interpretations

Effective 1 January 2019, the company adopted IFRS 16 Leases which replaces IAS 17 Leases.

IFRS 16 introduces new or amended requirements with respect to lease accounting. It introduces significant changes to lessee accounting by removing the distinction between operating and finance leases and requiring the recognition of a right-of-use assets and a lease liability at the lease commencement for all leases, except for short-term leases and leases of low value assets.

The company has adopted IFRS 16 retrospectively from 1 January 2019, but has not restated comparatives for 2018 reporting period, as permitted under the modified retrospective approach. The reclassifications and the adjustments arising from the new leasing rules are therefore recognised in the opening balance sheet on 1 January 2019. The impact of the adoption of the leasing standard and the new accounting policies are disclosed below.

The company has not adopted early any other standard, interpretation or amendment that has been issued but is not yet effective.

Impact on lessee accounting

IFRS 16 changes how the company accounts for leases previously classified as operating leases under IAS 17 which were off-balance sheet.

IFRS 16 requires a lessee to present right-of-use assets separately from other assets and lease liabilities separately from other liabilities. The separate presentation is required either in the statement of financial position or as disclosure in the notes to the financial statements. In these financial statements, the 'Rights-of-use assets' are included within the 'Tangible assets' line and are disclosed separately in the Tangible assets (note 14). The related lease liabilities are presented in 'Amount falling due within one year' and 'Amounts falling due in more than one year' in the statement of financial position and are disclosed separately in the notes 17 and 22.

IFRS 16 requires that the interest expense on lease liabilities and the depreciation charge for the right-of-use asset are presented separately in the statement of profit or loss. The interest expense on lease liabilities is a component of interest payable and depreciation charge for the right-of-use is a component of administrative expenses in the statement of profit or loss and are disclosed separately in the notes 9, 10 and 22.

Lease incentives are recognised as part of the measurement of the right-of-use assets and lease liabilities whereas under IAS 17 they resulted in the recognition of a lease incentive liability, amortised as a reduction of rental expense on a straight-line basis.

Under IFRS 16, right-of-use assets are tested for impairment in accordance with IAS 36 Impairment of Assets. This replaces the previous requirement to recognise a provision for onerous lease contracts.

ADM Wild UK Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2019

3 CHANGES IN ACCOUNTING POLICY AND DISCLOSURES (CONTINUED)

For a short-term leases (lease term of 12 months or less) and leases of low-value assets (such as personal computers or office furniture), the company has opted to recognise a lease expense on a straight-line basis as permitted by IFRS 16. This expense is presented within other expenses in the profit or loss.

The company did not have any lease contracts in the previous year that were classified as finance lease under IAS 17.

Financial impact of IFRS 16 adoption

Impact on assets, liabilities and equity as at 1 January 2019 was the following:

ASSETS	IFRS 16 adoption adjustment
Tangible assets	
Right-of-use-assets	1,408,015
Deferred tax asset – IFRS 16 adjustment	8,418
Total assets	<u>1,416,433</u>
CREDITORS	
Lease liability	<u>1,457,531</u>
Total creditors:	<u>1,457,531</u>
EQUITY:	
Retained earnings	(49,516)
Retained earnings – deferred tax	8,418
Total equity:	<u><u>(41,098)</u></u>

ADM Wild UK Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2019

4 SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted by the Company are set out below and have been consistently applied to all the years presented unless otherwise stated.

GOING CONCERN

The Directors have prepared forecasts up to the year ending 31 December 2021 which take into account reasonably possible changes in trading performance and believe the Company will continue to trade profitably. While the Directors observed an adverse impact on revenue streams arising from Coronavirus outbreak, this is not expected to change the profitability of the Company and 2020 results are expected to be similar to that of 2019 (see also Note 25 Post Balance Sheet Event). The Directors have obtained a confirmation from ADM Wild Europe GmbH & Co KG that there is no intention to cease the distribution agreement in place for at least 12 months from the date of signing of the accounts (to at least 30 September 2021). Confirmations have also been obtained from the significant group creditors to confirm that the balances will not be withdrawn for the period at least to 30 September 2021. The Directors do not expect the Company to require any additional support and are satisfied that the Company is in a position to meet its liabilities as they fall due over the period to 30 September 2021 and on this basis, the Directors consider it appropriate to prepare the financial statements on a going concern basis.

FOREIGN CURRENCY TRANSLATION

The presentational currency of the Company is British Pounds Sterling which is also the Company's functional currency. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. All differences are taken to the income statement.

TURNOVER

Turnover represents amounts receivable, net of trade discounts, rebates, Value Added Tax, and other taxes or duty, for goods sold and services provided to customers.

For each contract with a customer, the company: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration; allocates the transaction price to the separate performance obligations; and recognises turnover when or as each performance obligation is satisfied.

Customer contracts contain a single performance obligation being the provision of food ingredients. Revenue from the satisfaction of this performance obligation is recognised upon delivery, as this is the point at which control of the goods has transferred to the customer. In general, the payment terms agreed in the contract with the customer amount to 60 days.

At contract inception, the transaction price is determined, being the amount that the company expects to receive for transferring the promised goods. The transaction price is allocated to the performance obligations in the contract based on their relative stand alone selling prices. The company uses the contractually stated price as the stand-alone selling price for each performance obligation. The transaction price for some contracts includes variable consideration in the form of a rebate. The variable consideration is estimated using the expected value method and the total transaction price adjusted for the variable consideration. There is no constraint on variable consideration. Variable consideration included in the transaction price is updated at the end of each reporting period to reflect changes during the period and circumstances at the period end.

Using the practical expedient in IFRS 15, the Company does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised good to the customer and the date of payment is one year or less. The Company does not receive any long-term advances from its customers.

ADM Wild UK Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2019

4 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

TANGIBLE FIXED ASSETS AND DEPRECIATION

Fixed assets are stated at historical cost less depreciation.

Depreciation is provided by the Company to write off the cost less the estimated residual value by equal instalment over their estimated useful economic lives as follows

Leasehold: Buildings (Right-of-use)	14 years
Plant and machinery	5 years
Plant and machinery (Right-of-use)	2 years
Fixtures and fittings	4 years

The carrying values of tangible fixed assets are reviewed for impairment in periods when events or changes in circumstances indicate that the carrying value may not be recoverable, and if appropriate, an impairment provision will be made.

The Company includes directly attributable costs incurred in bringing an asset into working condition for its intended use in its measurement of carrying values of the asset.

Borrowing costs that are directly attributable to the construction of tangible fixed assets to bring them up to a condition for their intended use are capitalised as part of the cost of those assets.

All other costs are expensed in the period in which they are incurred.

LEASES

Policy applicable from 1 January 2019

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases for low-value assets. The Company recognises lease liabilities to make lease payments and right-of use assets representing the right to use the underlying assets.

Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying assets is available for use). Right-of use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received.

Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets. The depreciation starts at the commencement date of the lease.

The company applies IAS 36 Impairment of Assets to determine whether a right-of-use asset is impaired.

The right-of-use assets are presented within 'Tangible assets' in the statement of financial position and are disclosed separately in the note 22.

ADM Wild UK Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2019

4 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

LEASES (CONTINUED)

Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

The lease liability is presented under “Amounts falling due within one year” and “Amounts falling due in more than one year” in the statement of financial position and is disclosed separately in the notes 17 and 22.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the incremental borrowing rate) and by reducing the carrying amount to reflect the lease payments made.

Lease expenses

The company presents interest expense on the lease liability separately from the depreciation charge for the right-of-use asset. Interest expense on the lease liability is a component of finance costs, which is presented separately in the income statement.

Policy applicable before 1 January 2019 under IAS 17

In the comparative period, leases were classified as operating leases and were not recognised in the company's statement of financial position. Payments made under operating leases were recognised in the income statement on a straight-line basis over the term of the lease.

STOCKS

Stocks are stated at the lower of cost and net realisable value. Net realisable value is based on estimated selling price in the ordinary course of business, less the estimated cost of completion and the estimated costs necessary to make the sale.

EMPLOYEE BENEFITS

The Company participates in a defined contribution pension scheme known as the ADM UK Pension Plan, which requires contributions to be made to separately administered funds.

Defined contribution

The amount charged to the income statement in respect of pension costs and other post-retirement benefits is the contributions payable in the year. Differences between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

Prior to joining the ADM UK Pension Plan on 1 April 2015, the Company made contributions, in addition to that of the employee, towards a unitised with-profits and investment linked retirement benefit policy. The assets of the scheme were held separately from those of the Company in an independently administered fund.

ADM Wild UK Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2019

4 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

DEFERRED TAXATION

Deferred tax is recognised on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements, with the following exceptions:

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

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

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

Deferred tax is charged or credited to other comprehensive income if it relates to items that are charged or credited to other comprehensive income. Similarly, deferred tax is charged or credited directly to equity if it relates to items that are credited or charged directly to equity. Otherwise deferred tax is recognised in the income statement.

SHARE-BASED PAYMENTS

The fair value of the services received in respect of equity-settled share-based payments is determined by reference to the fair value of the shares or share options on the date of grant to the employee. The cost of the share-based payment, together with a corresponding increase in equity, is recognised in the income statement over the period the service conditions of the grant are met with the amount changing according to the number of awards expected to vest.

The cumulative expense recognised for equity-settled transactions at each balance sheet date until the vesting date reflects the extent to which the vesting period has expired and management's best estimate of the number of equity instruments that will ultimately vest.

Where an equity-settled award is cancelled, it is treated as if it had vested on the date of cancellation, and any expense not recognised for the award is recognised immediately. Any compensation paid up to the fair value of the award at the cancellation or settlement date is deducted from equity, with any excess over fair value expensed in the income statement.

PROVISIONS

A provision is recognised when the Company has a legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefit will be required to settle the obligation. Provisions are measured at the present value of the expenditures expected to be required to settle the obligations.

RESERVES

Profit and loss reserve. This reserve contains cumulative profit and loss net of any distributions.

OTHER OPERATING INCOME

Other income consists of commissions received from associated companies and research and development expenditure credits. Commissions and credits are recognised in the income statement on an accrual basis.

ADM Wild UK Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2019

4 SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

TRADE DEBTORS AND OTHER RECEIVABLES

Trade and other receivables are amounts due from customers for merchandise sold in the ordinary course of business. Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

TRADE AND OTHER PAYABLES

Trade and other payables are obligations to pay for goods and services that have been acquired in the ordinary course of business from suppliers. Trade and other payables are recognised initially at fair value and subsequently at amortised cost using the effective interest method.

ADM Wild UK Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2019

5 CRITICAL JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of financial statements requires Directors to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The items in the financial statements where these judgements and estimates have been made include:

TAXATION

Uncertainties exist with respect to the amounts of current tax expected to be paid or recovered due to the interpretation of tax legislation, changes in tax regulations, and the amount and timing of future taxable income, resulting in the establishment of provisions by the Company depending upon reasonable estimate of the outcome to treatment of certain transactions by the responsible tax authority. The amount of current tax provisions is based on factors, such as experience of previous tax assessments and differing interpretations of tax laws by the Company and the tax authority in the country of operation.

The Directors exercise judgement in determining the amount of deferred tax assets that can be recognised for all unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised, based upon the likely timing and level of future taxable profits together with an assessment of the effect of future tax planning strategies.

SHARE-BASED PAYMENTS

The cost of equity-settled transactions with employees are measured by reference to the fair value of the equity instruments at the date at which they are granted. Estimating fair value for share-based payment transactions requires determining the most appropriate valuation model, which is dependent on the terms and conditions of the grant. This estimate also requires the determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them.

Disclosure requirements under IFRS 2 Paragraph 45 c) and d) have not been met on the grounds of materiality.

DILAPIDATIONS

No provision for dilapidations has been included within the financial statements as the Directors consider that any dilapidations liability in the future would not be material to the company.

LEASES

Application of IFRS 16 requires significant judgements and certain key estimations which, among others, include identifying whether a contract includes a lease, determining whether it is reasonably certain that an extension or termination option will be exercised, determination of the appropriate rate to discount the lease payments, assessment of whether a right-of-use asset is impaired.

ADM Wild UK Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2019

6 TURNOVER

The Company generates turnover from a single class of business and from the following:

	2019 £	2018 £
TURNOVER BY GEOGRAPHICAL MARKET		
United Kingdom	14,027,950	14,955,739
Rest of Europe	2,377,973	2,837,979
	<u>16,405,923</u>	<u>17,793,718</u>

7 OTHER OPERATING EXPENSES

	2019 £	2018 £
Distribution costs	741,005	696,002
Administrative expenses	2,685,702	2,268,487
	<u>3,426,707</u>	<u>2,964,489</u>

8 INTEREST RECEIVABLE AND SIMILAR INCOME

	2019 £	2018 £
Income from Group undertakings	33,514	89,436
Other interest	1,223	-
	<u>34,737</u>	<u>89,436</u>

9 INTEREST PAYABLE AND SIMILAR CHARGES

	2018 £	2018 £
Interest expense on operating leases	64,347	-
On amounts payable to Group undertakings	33,338	4,761
	<u>97,685</u>	<u>4,761</u>

ADM Wild UK Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2019

10 PROFIT BEFORE TAX

This is states after charging/ (crediting):	2019	2018
	£	£
Depreciation of tangible assets:		
- Owned assets	10,895	12,426
- Right-of-use assets	145,570	-
Right-of-use assets impairment	266,778	-
Operating lease rentals (2018):		
- Land and buildings	-	308,984
- Plant and machinery	-	80,649
Short-term operating leases (IFRS 16)	116,031	-
Auditor's remuneration	21,300	19,200
Loss/(gain) on foreign exchange transactions	20,203	(32,093)
Cost of stock recognised as an expense (included in cost of sales)	12,092,871	14,313,582

11 DIRECTORS' EMOLUMENTS

	2019	2018
	£	£
Emoluments	144,017	269,577
Company pension contributions to defined contribution schemes	12,721	20,674
	<u>156,738</u>	<u>290,251</u>

The emoluments and pension contributions disclosed relate to one (2018: two) directors. The other directors did not receive any remuneration from this company in respect of services rendered.

	2019	2018
	Number	Number
The number of directors for whom retirement benefits are accruing under defined contribution pension schemes was:	1	2
The number of directors to whom restricted shares were granted under long-term incentive schemes was:	1	2
The number of directors who exercised share options during the year was:	-	-

Emoluments disclosed above include the following amounts paid to the highest paid Director:

	2019	2018
	£	£
Emoluments	144,017	136,313
Company pension contributions to defined contribution schemes	12,721	8,041
	<u>156,738</u>	<u>144,354</u>

ADM Wild UK Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2019

12 EMPLOYEES

NUMBER OF EMPLOYEES	2019 Number	2018 Number
The average monthly number of employees (including Directors) during the year was:		
Management	2	2
Operating activities	12	13
	<u>14</u>	<u>15</u>
EMPLOYMENT COSTS	2019 £	2018 £
Wages and salaries	1,013,778	922,748
Social security costs	122,787	92,174
Pension costs – defined contribution scheme (Note 19)	138,914	130,940
Share based payments expense (Note 21)	42,418	26,062
	<u>1,317,897</u>	<u>1,171,924</u>

ADM Wild UK Limited
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
For the year ended 31 December 2019

13 TAXATION

	2019	2018
	£	£
UK corporation tax	163,939	104,851
Adjustments in respect of prior years	19,619	52,563
CURRENT TAX CHARGE	<u>183,558</u>	<u>157,414</u>
Origination/reversal of temporary differences	(6,339)	3,234
Adjustments in respect of prior periods	(5,375)	-
Effect of tax rate change on opening balance	667	(341)
DEFERRED TAX (CREDIT)/CHARGE	<u>(11,047)</u>	<u>2,893</u>
TOTAL TAX CHARGE	<u>172,511</u>	<u>160,307</u>
Tax presented in Statement of Changes in Equity (SOCE):		
Current tax on share-based payments	8,059	4,952
Deferred tax on share-based payments	(430)	-
TOTAL TAX PRESENTED IN SOCE	<u>7,629</u>	<u>4,952</u>
FACTORS AFFECTING THE TAX CHARGE FOR THE YEAR		
Profit before tax	<u>887,933</u>	<u>584,557</u>
Profit before tax multiplied by the effective rate of UK corporation tax of 19.00% (2018 – 19%)	<u>168,707</u>	<u>111,066</u>
Effects of:		
Expense not deductible for tax purposes	(2,463)	3,811
Income not taxable for tax purposes	(8,644)	(6,792)
Adjustments in respect of prior periods – current tax	19,619	52,563
Adjustments in respect of prior periods – deferred tax	(5,375)	-
Effects of tax change rate	667	(341)
	<u>3,804</u>	<u>49,241</u>
TOTAL TAX CHARGE	<u>172,511</u>	<u>160,307</u>

ADM Wild UK Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2019

14 TANGIBLE FIXED ASSETS

	Leasehold: Buildings (Right-of-use)	Plant and Machinery	Fixtures and Fittings	Total
		£	£	£
COST				
1 January 2019	-	40,168	160,688	200,856
IFRS 16 adoption – right-of-use	1,372,618	33,190	2,207	1,408,015
Additions	-	18,210	13,936	32,146
Disposals	-	(7,242)	(2,207)	(9,449)
31 December 2018	<u>1,372,618</u>	<u>84,326</u>	<u>174,624</u>	<u>1,631,568</u>
DEPRECIATION				
1 January 2019	-	3,502	145,422	148,924
Charge in the year	122,116	24,025	10,324	156,465
Impairment	266,778	-	-	266,778
Disposals	-	(7,242)	(2,207)	(9,449)
31 December 2019	<u>388,894</u>	<u>20,285</u>	<u>153,539</u>	<u>562,718</u>
NET BOOK VALUE				
31 December 2019	<u>983,724</u>	<u>64,041</u>	<u>21,085</u>	<u>1,068,850</u>
31 December 2018	<u>-</u>	<u>36,666</u>	<u>15,266</u>	<u>51,932</u>

Net book value of right-of-use assets presented in Buildings Leasehold at 31 December 2019 amounts to £983,724 (cost £1,372,618, accumulated depreciation £122,116, impairment £266,778). Net book value of right-of-use assets in Plant and Machinery and Fixtures and Fittings at 31 December 2019 amounts to £30,153 (cost £44,158, accumulated depreciation £14,005). Total net book value of right-of-use assets at 31 December 2019 amounts to £1,013,877 (2018: £Nil) and depreciation charged in 2019 was £145,570 (2018: £Nil). Movements on right-of-use assets are presented in note 22.

15 STOCKS

	2019 £	2018 £
Finished goods and goods for resale	<u>-</u>	<u>60,000</u>

16 DEBTORS

	2019 £	2018 £
Trade debtors	2,650,969	3,113,144
Amounts owed by Group undertakings	9,179	9,325,617
Other debtors	190,082	558
Prepayments and accrued income	37,031	55,001
	<u>2,887,261</u>	<u>12,494,320</u>
Debtors due in more than one year		
Deferred tax asset (note 18)	<u>24,837</u>	<u>4,942</u>
	<u>2,912,098</u>	<u>12,499,262</u>

ADM Wild UK Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2019

17 CREDITORS: AMOUNT FALLING DUE WITHIN ONE YEAR

	2019	2018
	£	£
Trade creditors	5,298	438
Corporation Tax	171,998	109,803
Amounts owed to Group undertakings	1,893,088	2,680,191
Other taxation and social security	-	426,265
Accruals	210,742	457,799
Lease liabilities (Note 22)	126,080	-
Other creditors	6,101	15,263
	<u>2,413,307</u>	<u>3,689,759</u>

18 DEFERRED TAX ASSET

	Deferred tax asset
	£
Balance at 1 January 2019	4,942
Credited to profit and loss	11,047
Credited to equity – income tax on share-based payments	430
Credited to equity – IFRS 16 adjustment	8,418
Balance at 31 December 2019 (Note 16)	<u>24,837</u>

THE DEFERRED TAX LIABILITY IS MADE UP AS FOLLOWS:

	2019	2018
	£	£
Capital allowances	4,062	(617)
IFRS 16 adoption adjustment (Note 3)	7,362	-
Others	13,413	5,559
	<u>24,837</u>	<u>4,942</u>

The enactment of Finance Act 2016 contained legislation to reduce the main rate of corporation tax to 17% (2018:17%) with effect from 1 April 2020. As this change was substantively enacted at the balance sheet date, deferred tax is recognised at 17% (2018:17%) in the current period.

19 PENSION COSTS

The Company operates in a pension scheme known as the ADM UK Pension Plan.

Defined contribution

The assets of the defined contribution pension scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company and amounted to £138,914 (2018: £130,940). Contributions totalling £Nil (2018: £Nil) were payable to the fund at the year end and are included in creditors.

ADM Wild UK Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2019

20 SHARE CAPITAL AND OTHER RESERVES

Share capital

	2019 £	2018 £
ALLOTTED, CALLED UP AND FULLY PAID 160,002 Ordinary shares of £1 each	<u>160,002</u>	<u>160,002</u>

Profit and loss account

This reserve records the accumulated distributable profits less dividends paid since the inception of the company. Movements in the profit and loss reserve are detailed in the Statement of Changes in Equity.

21 SHARE-BASED PAYMENTS

INCENTIVE COMPENSATION PLAN

Certain officers and key employees of the Company are entitled to participate in the Archer Daniels Midland Company 2002 Incentive Compensation Plan. Awards of options and restricted shares are made under this scheme and are settled with the equity of the ultimate parent Archer-Daniels-Midland Company. Options are granted at market value on the date of grant, and vest over five years in equal annual tranches and expire ten years after the date of grant. Restricted shares are granted at no cost to the employee and vest after a three year restriction period.

The vesting period for the options is 5 years with vesting occurring in equal tranches over years 1 to 5. The vesting period for the restricted shares is 3 years. Accelerated vesting terms apply to employees over the age of 53 at the date of grant.

The expense recognisable under IFRS 2 for equity share-based payments in respect of employee services received during the year to 31 December 2019 is £42,418 (2018: £26,062). At the balance sheet date, the IFRS 2 value of outstanding restricted shares amounted to £76,367 (2018: £33,949). At 31 December 2019, the share-based payment reserve net of tax amounted to £63,786 (2018: 28,997).

22 LEASES

The Company has entered into commercial lease on land and buildings and also on plant and machinery. These leases have an average duration of 9 years (buildings) and 3 years (other).

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:

	Leasehold: Buildings £	Plant and Machinery £	Fixtures and fittings £	Total £
As at 31 December 2018	-	-	-	-
Effect of IFRS 16 adoption:	<u>1,372,618</u>	<u>33,190</u>	<u>2,207</u>	<u>1,408,015</u>
As at 1 January 2019 (restated)	<u>1,372,618</u>	<u>33,190</u>	<u>2,207</u>	<u>1,408,015</u>
Additions	-	18,210	-	18,210
Disposals – right-of-use asset	-	(7,242)	(2,207)	(9,449)
Depreciation expense	(122,116)	(21,247)	(2,207)	(145,570)
Disposals - depreciation	-	7,242	2,207	9,449
Impairment of right-of-use asset	<u>(266,778)</u>	<u>-</u>	<u>-</u>	<u>(266,778)</u>
As at 31 December 2019	<u>983,724</u>	<u>30,153</u>	<u>-</u>	<u>1,013,877</u>

ADM Wild UK Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2019

22 LEASES (CONTINUED)

Set out below are the carrying amounts of lease liabilities:

	Leasehold: Buildings	Plant and Machinery	Fixtures and fittings £	Total £
	£	£		£
As at 31 December 2018	-	-	-	-
Effect of IFRS 16 adoption:	<u>1,413,661</u>	<u>41,932</u>	<u>1,938</u>	<u>1,457,531</u>
As at 1 January 2019 (restated)	-	18,210	-	18,210
Additions	-	18,210	-	18,210
Accretion of interest	63,206	1,131	10	64,347
Payments	<u>(126,834)</u>	<u>(32,103)</u>	<u>(1,948)</u>	<u>(160,885)</u>
As at 31 December 2019	<u>1,350,033</u>	<u>29,170</u>	<u>-</u>	<u>1,379,203</u>
Current	113,972	12,108	-	126,080
Non-current	1,236,061	17,062	-	1,253,123

Maturity analysis of leases is presented below:

	Leasehold: Buildings	Plant and Machinery	Fixtures and fittings £	Total £
	£	£	£	£
Payable on demand	-	-	-	-
Less than 3 months	34,115	4,013	-	38,128
Between 3 and 12 months	140,858	8,786	-	149,644
Between 1 and 5 years	794,088	17,553	-	811,641
Over 5 years	808,752	-	-	808,752
Total at 31 December 2019	<u>1,777,813</u>	<u>30,352</u>	<u>-</u>	<u>1,808,165</u>

The following are the amounts recognised in the income statement in 2019:

	2019 £
Depreciation expense of right-of-use assets	145,570
Interest expense on lease liabilities	64,347
Short-term leases	116,031
Impairment of right-of-use asset	<u>266,778</u>
Total	<u>592,726</u>

ADM Wild UK Limited

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

For the year ended 31 December 2019

23 RELATED PARTY TRANSACTIONS

The Company has taken advantage of the exemptions under paragraph 8(k) of FRS 101 from the requirement to disclose transactions with fellow Group undertakings where 100% of the voting rights are controlled within the Group. There were no other related party transactions during the year.

24 CONTROL

The Company's immediate parent undertaking is ADM Wild Europe GmbH & Co KG, a company incorporated in Germany and the Company's ultimate parent undertaking and controlling party is Archer-Daniels-Midland Company, which is incorporated in Delaware, United States of America. The consolidated financial statements of Archer-Daniels-Midland Company are both the smallest and largest consolidated financial statements drawn up for the groups of which the Company is a member. Copies of the consolidated financial statements are available upon application to the Directors at PO Box 1470, Decatur, Illinois 62525, United States of America.

25 POST BALANCE SHEET EVENTS

Covid-19

The Directors have monitored and continue, at the time of approving these financial statements, to monitor the Coronavirus pandemic as it rapidly unfolds to ensure that appropriate action is taken, if required. While the Directors observed an adverse impact on revenue streams arising from Coronavirus outbreak, this is not expected to change the profitability of the Company and 2020 results are expected to be similar to that of 2019. The Directors do not expect any changes to the distribution agreement with its parent Company and have obtained a signed confirmation from ADM Wild Europe GmbH & Co KG to confirm there is no intention to cease the agreement in place for at least 12 months from the date of signing of the accounts (to at least 30 September 2021). The directors consider that the cash balance held by the Company would be sufficient to support the Company through any further reduction in sales as a result of Covid-19. In the event that a significant further lockdown were to occur which negatively impacted sales further, the directors expect that the wider ADM group would support the Company, although there is no formal agreement to this regard covering the full period to 30 September 2021 in place.