

AB Sugar Africa Limited

**Strategic report, Directors' report and
financial statements**

Registered number 04317607

For the 22 weeks ended 31 August 2017

FRIDAY



L76PN7L6

LD4

25/05/2018

#150

COMPANIES HOUSE

Contents

Strategic report	1
Directors' report	2
Statement of directors' responsibilities	3
Independent auditor's report to the members of AB Sugar Africa Limited	4
Statement of total comprehensive income	6
Balance sheet	7
Statement of changes in shareholder's equity	8
Notes to the financial statements	9

Strategic report

Review of the company's business

The principal activity of the company is that of a holding company within the Associated British Foods plc group (the "Group"). The directors anticipate that the company will continue to operate on the same basis.

On 25 August 2017 the company shortened its accounting period so as to end on 31 August 2017. The results for the period reflect the 22 week period ended 31 August 2017 ("the 22 week period"). Comparative information reflects the results for the 28 week period ended 31 March 2017 ("31 March 2017, 28 weeks").

During the 22 week period, the company issued 75,445 ordinary shares of ZAR 1 each which, together with associated share premium generated total proceeds of ZAR 75 million. These proceeds were used to repay the amount due to the intermediate holding company.

Trading results and transfer to reserves

The company's result for the period is reflected in the statement of total comprehensive income on page 6. The loss on ordinary activities after taxation for the 22 week period amounted to ZAR 1m (31 March 2017, 28 weeks: ZAR nil). No dividend was declared or paid in the 22 week period (31 March 2017, 28 weeks: ZAR nil).

Principal risks and uncertainties

The company is not exposed to any significant unusual risks or uncertainties in its role as a holding company within the Group. A full description of the risks and uncertainties to which the Group is exposed is included within the Associated British Foods plc annual report and accounts.

By order of the board



MH Abdool-Samad
Director

18 May 2018

Directors' report

The directors present their report, the Strategic report and the financial statements for the 22 week period ended 31 August 2017. The financial statements are presented in South African rand, rounded to the nearest million.

Dividends

No dividend was declared or paid in the 22 week period (31 March 2017, 28 weeks: ZAR nil). The directors do not recommend the payment of a further dividend.

Going concern

The financial statements have been prepared on a going concern basis, notwithstanding that the company has net current liabilities of ZAR 1 million. The company is dependent upon its parent company for continuing financial support. The company has received assurance from ABF Investments plc that it will continue to make available such funds as are needed by the company at least for the twelve months from the date that these financial statements are signed. The directors therefore have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future by meeting its liabilities as they fall due for payment.

Directors

The directors who held office during the period and since the end of the period were:

MH Abdool-Samad
GB Dalglish

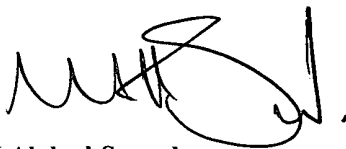
Disclosure of information to auditor

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 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 reappointed and Ernst & Young LLP will therefore continue in office.

By order of the board



MH Abdool-Samad
Director

1 Nokwe Avenue
Ridgeside
Umhlanga Rocks
Durban

18 May 2018

Statement of directors' responsibilities

The directors are responsible for preparing the Strategic report, the Directors' report and the financial statements in accordance with applicable UK law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Generally Accepted Accounting Practice (UK Accounting Standards and applicable law), including Financial Reporting Standard 101 '*Reduced Disclosure Framework*'.

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make 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; 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 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 AB Sugar Africa Limited

Opinion

We have audited the financial statements of AB Sugar Africa Limited for the 22 week period ended 31 August 2017 which comprise the Statement of total comprehensive income, the Balance sheet, the Statement of changes in shareholder's equity and the related notes 1 to 10, 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 company's affairs as at 31 August 2017 and of its loss for the 22 week period 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 Auditor's responsibilities for the audit of the financial statements section of our report below. 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.

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.

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 set out on pages 1 to 3, 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 this 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 the other information, we are required to report that fact.

We have nothing to report in this regard.

Independent auditor's report to the members of AB Sugar Africa Limited (continued)

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 period for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic report and 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 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 Statement of directors' responsibilities 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, 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 <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Ernst & Young LLP

Jon Killingley (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
London

23 May 2018

Ernst & Young LLP
1 More London Place
London SE1 2AF

Statement of total comprehensive income

for the 22 week period ended 31 August 2017

	<i>Note</i>	22 week period to 31 August 2017 ZAR'm	28 week period to 31 March 2017 ZAR'm
Interest payable		(1)	-
Loss on ordinary activities before taxation		(1)	-
Tax on loss on ordinary activities	6	-	-
Loss on ordinary activities after taxation		(1)	-
Other comprehensive income		-	-
Total comprehensive loss		(1)	-

There are no other recognised gains and losses in the current or prior period.

There is no material difference between the company's results as reported and on an historical cost basis. Accordingly no note of historical cost profits and losses has been prepared.

The notes on pages 9 to 11 form part of the financial statements.

Balance sheet

at 31 August 2017

	<i>Note</i>	31 August 2017 ZAR'm	31 March 2017 ZAR'm
Non-current assets			
Investments in subsidiaries	7	12,029	12,029
Current liabilities			
Creditors: amounts falling due within one year	8	(1)	(75)
Net current liabilities		<u>(1)</u>	<u>(75)</u>
Net assets		<u>12,028</u>	<u>11,954</u>
Capital and reserves			
Issued share capital	9	12	12
Share premium account		12,092	12,017
Profit and loss account		(76)	(75)
Equity shareholder's funds		<u>12,028</u>	<u>11,954</u>

These financial statements were approved by the board of directors on 18 May 2018 and were signed on its behalf by:



MH Abdool-Samad
Director

Registered number 04317607

The notes on pages 9 to 11 form part of the financial statements.

Statement of changes in shareholder's equity

for the 22 weeks ended 31 August 2017

	<i>Note</i>	Issued share capital	Share premium account	Profit and loss account	Total
		ZAR'm	ZAR'm	ZAR'm	ZAR'm
Balance as at 17 September 2016		6	5,612	(75)	5,543
Result for the period		-	-	-	-
Total comprehensive income for the year		-	-	-	-
Share capital issued		6	6,405	-	6,411
Balance as at 31 March 2017		12	12,017	(75)	11,954
Loss for the period		-	-	(1)	(1)
Total comprehensive loss for the year		-	-	(1)	(1)
Share capital issued	9	-	75	-	75
Balance as at 31 August 2017		12	12,092	(76)	12,028

Notes to the financial statements

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

The financial statements of AB Sugar Africa Limited (the "company") for the 22 weeks period ended 31 August 2017 were authorised for issue by the board of directors on 18 May 2018.

The company's financial statements are presented in South African Rand and all values are rounded to the nearest million rand (ZAR'm) except where otherwise indicated. They are prepared in accordance with Financial Reporting Standard 101 *Reduced Disclosure Framework* (FRS 101) and the Companies Act 2006.

The company has taken advantage of the disclosure exemptions permitted by FRS 101 in relation to financial instruments, capital management, presentation of comparative information in respect of certain assets, presentation of a cash flow statement, standards not yet effective, impairment of assets and certain related party transactions. Where required, equivalent disclosures are made in the consolidated financial statements of Associated British Foods plc.

The company has also taken advantage of the exemption under s400 of the Companies Act 2006 not to prepare group accounts as it is a wholly owned subsidiary of Associated British Foods plc and its results are included in the parent company's consolidated financial statements. These consolidated financial statements are available to the public and may be obtained from Associated British Foods plc, Weston Centre, 10 Grosvenor Street, London, W1K 4QY. They are also available for download on the group's website at www.abf.co.uk.

The company is a private limited company incorporated and domiciled in England and Wales.

The principal accounting policies adopted by the company are set out in note 3 below. They have been applied consistently to all years presented.

2 Accounting reference date

These accounts have been prepared for the 22 week period ended 31 August 2017 in order to align with the accounting reference date of the company's sole investee, Illovo Sugar Africa Proprietary Limited. As a result of the difference in the length of the period (22 weeks) and the prior period (28 weeks), the financial statements are not entirely comparable.

3 Accounting policies

Functional currency

The company's functional and presentational currency is South African Rand (ZAR).

Investments

Investments in associated undertakings are reported at cost less any provision for impairment.

Financial assets and liabilities

Financial assets and liabilities are measured initially at fair value plus directly attributable transaction costs and thereafter at amortised cost.

Interest-bearing loans and borrowings

All loans and borrowings are initially recognised at fair value less directly attributable transaction costs. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the effective interest method.

Going concern

The financial statements have been prepared on a going concern basis, notwithstanding net current liabilities of ZAR 1m, which the directors believe to be appropriate for the following reasons:

- the company is dependent upon its parent company and fellow subsidiaries for continuing financial support; and

Notes to the financial statements *(continued)*

3 Accounting policies *(continued)*

- ABF Investments plc (intermediate parent company) has provided the company with an undertaking that it will continue to make available such funds as are needed by the company at least for the next twelve months from the date that these financial statements are signed.

After considering the above, the directors have concluded that they have a reasonable expectation that the company has adequate resources to meet its financial obligations as they fall due for the foreseeable future. For this reason they adopt the going concern basis.

4 Directors' and key management emoluments

Key management, which is limited to the named directors of the company, received no emoluments in respect of their services to this company in either the current or the prior period.

5 Auditor's remuneration

The auditor's remuneration was borne by Associated British Foods plc in the current and the prior period.

6 Tax on loss on ordinary activities

(a) Analysis of charge for the period

	22 week period to 31 August 2017	28 week period to 31 March 2017
Current tax	-	-

(b) Factors affecting tax charge for the period

The tax assessed for the period is equal to (28 week period to 31 March 2017: equal to) the standard rate of corporation tax in South Africa of 28% (28 week period to 31 March 2017: in South Africa of 28%).

(c) Factors affecting future tax charges

As of 15 September 2016 the company became tax resident in South Africa. Accordingly, for the foreseeable future, the company will be subject to South African tax legislation. The main rate of corporation tax in South Africa is 28%.

Notes to the financial statements *(continued)*

7 Investments in subsidiaries

	Total ZAR'm
Cost and carrying value at 31 March 2017 and 31 August 2017	12,029

	Country of incorporation or registration and registered address	Percentage of ordinary shares
Illovo Sugar Africa Proprietary Limited	1 Nokwe Avenue, Ridgeside, Umhlanga Rocks, Kwazulu Natal, 4320, South Africa	100%

8 Creditors

	31 August 2017 ZAR'm	31 March 2017 ZAR'm
Amount due to intermediate holding company	(1)	(75)

Amounts due from the intermediate holding company for the current year were interest bearing.

9 Issued share capital

	31 August 2017 Number	ZAR'm	31 March 2017 Number	ZAR'm
<i>Issued, called up and fully paid</i>				
Ordinary shares of ZAR 1 each (March: ZAR 1 each)	12,104,515	12	12,029,070	12

On 28 April 2017, the company issued 75,445 ordinary shares of ZAR 1 each which, together with associated share premium generated total proceeds of ZAR 75 million. These proceeds were used to repay the amount due to the intermediate holding company.

10 Holding company

The immediate holding company is ABF Overseas Limited, a company registered in England and Wales. The ultimate holding company is Wittington Investments Limited which is incorporated in Great Britain and registered in England and Wales.

The largest group in which the results of the company are consolidated is headed by Wittington Investments Limited, incorporated in Great Britain. The smallest group in which they are consolidated is headed by Associated British Foods plc, which is incorporated in Great Britain and registered in England and Wales. The consolidated accounts of these groups are available to the public and may be obtained from Associated British Foods plc, Weston Centre, 10 Grosvenor Street, London, W1K 4QY. The consolidated accounts of Associated British Foods plc are also available for download on the group's website at www.abf.co.uk.