

Registered number: 04317607

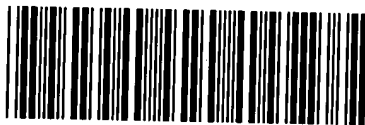
Illovo Sugar Africa Holdings Limited

(Previously AB Sugar Africa Limited)

Annual Report and Financial Statements

31 August 2018

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COMPANIES HOUSE

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Strategic Report for the Year Ended 31 August 2018

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 comparative period reflect the 22 week period ended 31 August 2017.

On 30 August 2018, the company changed name from AB Sugar Africa Limited to Illovo Sugar Africa Holdings Limited.

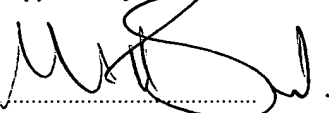
Principal risks and uncertainties

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.

Trading results and transfer to reserves

The company's result for the year is reflected in the Statement of Total Comprehensive Income on page 6. The profit on ordinary activities after taxation amounted to ZAR2m (22 weeks ended 31 August 2017: loss ZAR1m). No dividends were declared or paid in the current or prior period.

Approved by the Board on 21 May 2019 and signed on its behalf by:



MH Abdool-Samad
Director

Directors' Report for the Year Ended 31 August 2018

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

Dividends

No dividends were declared and paid in the current or prior period. The directors do not recommend the further payment of a dividend.

Going concern

After making due enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operation for at least 12 months from the date on which these financial statements are approved. Accordingly the financial statements have been prepared on the going concern basis.

Directors of the company

The directors, who held office during the year and as at the date of approval of this Directors' report were:

MH Abdool-Samad

GB Dagleish

JJ Van Rooyen (appointed 17 August 2018)

Directors' indemnities

The directors have benefited from the group's Directors and Officers Insurance policy and from indemnity provisions provided by an intermediate holding company during the financial period and as at the date of this report, subject to the conditions set out in the Companies Act 2006.

Health and Safety

The company keeps its safety, health and environmental performance and levels of legal compliance under regular review and ensures that its risk management controls are appropriate and effective. The company's board of directors reviews these at least annually, as does the board of Associated British Foods plc.

Disclosure of information to the 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 reasonable steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Reappointment of auditor

The auditor Ernst & Young LLP is deemed to be reappointed under section 487(2) of the Companies Act 2006.

Approved by the Board on 21 May 2019 and signed on its behalf by:



MH Abdool-Samad
Director

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 the directors have elected to prepare the financial statements in accordance with UK Generally Accepted Accounting Practice (UK Accounting Standards and applicable law), Financial Reporting Standard 101 *Reduced Disclosure Framework* (FRS 101).

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 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 Illovo Sugar Africa Holdings Limited

Opinion

We have audited the financial statements of Illovo Sugar Africa Holdings Limited (the 'Company') for the year ended 31 August 2018, which comprise the Statement of Total Comprehensive Income, Balance Sheet, Statement of Changes in 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 (United Kingdom Generally Accepted Accounting Practice), including FRS 101 'Reduced Disclosure Framework'.

In our opinion the financial statements:

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

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the 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.

Independent Auditor's Report to the Members of Illovo Sugar Africa Holdings 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 Directors' Report for the financial year 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 our 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 and 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 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.

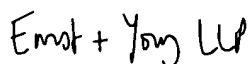
Auditor's responsibilities for the audit of the financial statements

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 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.



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Jon Killingley (Senior Statutory Auditor)

For and on behalf of Ernst & Young LLP, Statutory Auditor
London

24 May 2019

Statement of Total Comprehensive Income
for the Year ended 31 August 2018

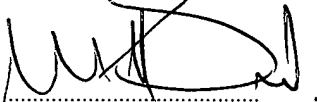
		52 weeks to 31 August 2018 ZAR'm	22 weeks to 31 August 2017 ZAR'm
Interest receivable and similar income		3	-
Interest payable and similar charges		<u>-</u>	<u>(1)</u>
Profit/(loss) before tax		3	(1)
Taxation	5	<u>(1)</u>	<u>-</u>
Profit/(loss) for the year		2	(1)
Other comprehensive income		<u>-</u>	<u>-</u>
Total comprehensive income/(loss)		<u><u>2</u></u>	<u><u>(1)</u></u>

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

Balance Sheet
at 31 August 2018

	Note	2018 ZAR'm	2017 ZAR'm
Fixed assets			
Investments	6	12,029	12,029
Current assets			
Debtors	7	2	-
Current liabilities			
Trade and other payables	8	-	(1)
Income tax liability		(1)	-
Net current assets/(liabilities)		<u>1</u>	<u>(1)</u>
Net assets		<u>12,030</u>	<u>12,028</u>
Capital and reserves			
Share capital	9	12	12
Share premium		12,092	12,092
Profit and loss account		(74)	(76)
Shareholders' funds		<u>12,030</u>	<u>12,028</u>

Approved by the Board on 21 May 2019 and signed on its behalf by:



MH Abdool-Samad
Director

Registered number: 04317607

Statement of Changes in Equity
for the Year Ended 31 August 2018

	Share capital ZAR'm	Share premium ZAR'm	Profit and loss account ZAR'm	Total ZAR'm
At 1 April 2017	12	12,017	(75)	11,954
Loss for the period	-	-	(1)	(1)
Total comprehensive loss	-	-	(1)	(1)
Share capital issued	-	75	-	75
At 31 August 2017	12	12,092	(76)	12,028
	Share capital ZAR'm	Share premium ZAR'm	Profit and loss account ZAR'm	Total ZAR'm
At 1 September 2017	12	12,092	(76)	12,028
Profit for the year	-	-	2	2
Total comprehensive income	-	-	2	2
At 31 August 2018	12	12,092	(74)	12,030

Notes to the Financial Statements

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

The financial statements of Illovo Sugar Africa Holdings Limited (the “company”) for the year ended 31 August 2018 were authorised for issue by the board of directors on 21 May 2019.

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 a cash flow statement, standards not yet effective, impairment of assets and certain related party transactions. Where required, equivalent disclosures are given 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.

After making due enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operation for at least 12 months from the date on which these financial statements are approved. Accordingly the financial statements have been prepared on the going concern basis.

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 2 below. They have been applied consistently to all years presented.

These accounts have been prepared for the year ended 31 August 2018. In the prior year, these accounts were 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 (one year) and the prior period (22 weeks), the financial statements are not entirely comparable.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Foreign currency transactions and balances

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

Notes to the Financial Statements (continued)

2 Accounting policies (continued)

Tax

Current tax is provided at amounts expected to be paid using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Investments

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

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.

Financial assets and liabilities

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

3 Directors' remuneration

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.

4 Auditor's remuneration

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

5 Taxation

Tax charged in the profit and loss account

	52 weeks to 31 August 2018 ZAR'm	22 weeks to 31 August 2017 ZAR'm
Current taxation		
Current tax	1	-

The tax assessed for the period is equal to (22 week period to 31 August 2017: equal to) the standard rate of corporation tax in South Africa of 28% (22 week period to 31 August 2017: 28%).

On 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)

6 Investments

Subsidiaries	ZAR'm
Carrying amount	
At 31 August 2018 and 31 August 2017	<u>12,029</u>

SUBSIDIARY UNDERTAKINGS	% effective holding if not 100%
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South Africa

1 Nokwe Avenue, Ridgeside, Umhlanga Rocks, Kwazulu Natal, 4320, South Africa

Illovo Sugar Africa Proprietary Limited

In the opinion of the directors the investments are worth at least the amount at which they are stated in the balance sheet.

7 Trade and other debtors

	2018 ZAR'm	2017 ZAR'm
Debtors from related parties	<u>2</u>	<u>-</u>

Amounts due from related parties for the current year were interest-bearing.

8 Creditors

	2018 ZAR'm	2017 ZAR'm
Amounts due to intermediate holding company	<u>-</u>	<u>1</u>

Amounts due to the intermediate holding company for the prior period were interest-bearing.

Notes to the Financial Statements (continued)

9 Share capital

Allotted, called up and fully paid shares

	2018		2017	
	No.	ZAR	No.	ZAR
Issued and fully paid of ZAR1 each	<u>12,104,515</u>	<u>12,104,515</u>	<u>12,104,515</u>	<u>12,104,515</u>

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.