FC034113

Registered number: 121764

R20273

ANGLO OPERATIONS (INTERNATIONAL) LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2018

THI TUESDAY

L8C9UJUR
LD5 20/08/2019 #89
COMPANIES HOUSE

A8AX4TC3
A11 01/08/2019 #393
COMPANIES HOUSE

ANGLO OPERATIONS (INTERNATIONAL) LIMITED

COMPANY INFORMATION

Directors	C Howells E Klonarides S Mayet (resigned 29 March 2019) W K B Ward-Brew D M Wilson R G Churr (appointed 3 April 2019)
Company secretary	Anglo American Corporate Secretary Limited Intertrust Corporate Services (Jersey) Limited (resigned 7 February 2019) Ogier Global Company Secretary (Jersey) Limited (appointed 7 February 2019)
Registered number	121764
Registered office	3rd floor 44 Esplanade St Helier Jersey JE4 9WG
Administration office	20 Carlton House Terrace London United Kingdom SW1Y 5AN
Independent auditors	Deloitte LLP Hill House 1 Little New St London United Kingdom EC4A 3TR
Bankers	Barclays Bank plc 1 Churchill Place Canary Wharf London United Kingdom E14 5HP

ANGLO OPERATIONS (INTERNATIONAL) LIMITED

CONTENTS

	Page
Directors' report	1 - 2
Directors' responsibilities statement	3
Independent auditors' report	4 - 6
Statement of comprehensive income	7
Balance sheet	8
Statement of changes in equity	9 - 10
Notes to the financial statements	11 - 21

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2018

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

Principal activity

The Company's principal activity is as an investment holding company.

Dividends paid

During the year, the Company paid dividends of $1,065,130,000 *(2017 - $NIL)*.

Results

The statement of comprehensive income for the year is set out on page 7.

Directors

The directors who served during the year were:

C Howells
E Klonarides
S Mayet (resigned 29 March 2019)
W K B Ward-Brew
D M Wilson

Future developments

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

Disclosure of information to auditors

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

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

Post balance sheet events

There have been no significant events affecting the Company since the year end.

Going concern

The directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis in preparing the annual financial statements. Further details regarding the adoption of the going concern basis can be found in Note 2 of the financial statements.

Auditors

Following the dispensation of the requirement to hold an AGM in accordance with the requirements of Companies (Jersey) Law 1991, Deloitte have been deemed to be reappointed as auditor.

DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2018

This report was approved by the board on 7 June 2019 and signed on its behalf.



C Murphy
For and on behalf of
Anglo American Corporate Secretary Limited
Secretary

DIRECTORS' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2018

The directors are responsible for preparing 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 "The Financial Reporting Standard applicable in the UK and Republic of Ireland". The financial statements are required by law to 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 judgments and accounting estimates that are reasonable and prudent; 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 proper accounting records that 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 (Jersey) Law 1991. 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 AUDITORS' REPORT TO THE MEMBERS OF ANGLO OPERATIONS (INTERNATIONAL) LIMITED

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Anglo Operations (International) Limited (the 'Company'):

- give a true and fair view of the state of the Company's affairs as at 31 December 2018 and of its profit for the year then ended; and
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 101 "Reduced Disclosure Framework" and
- have been properly prepared in accordance with the Companies (Jersey) Law 1991.

We have audited the financial statements which comprise:

- the Statement of comprehensive income;
- the Balance sheet;
- the Statement of changes in equity; and
- the related notes 1 to 15.

The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

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 Financial Reporting Council's (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 are required by ISAs (UK) to report in respect of the following matters where:

- the directors' use of the going concern basis of accounting in 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.

We have nothing to report in respect of these matters.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report , other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

Other information (continued)

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 respect of these matters.

Responsibilities of directors

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.

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 FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Report on other legal and regulatory requirements

Matters on which we are required to report by exception

Under the Companies (Jersey) Law 1991 we are required to report in respect of the following matters if, in our opinion:

- proper accounting records have not been kept, or proper 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
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in respect of these matters.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF ANGLO OPERATIONS (INTERNATIONAL) LIMITED

Use of our report

This report is made solely to the company's members, as a body, in accordance with Article 113A of the Companies (Jersey) Law 1991. 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.

Paul Barnett

Paul Barnett

for and on behalf of

Deloitte LLP

Hill House
1 Little New St
London
United Kingdom
EC4A 3TR
7 June 2019

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2018

	Note	2018 $000	*2017 $000*
Revenue	4	**1,065,130**	-
Gross profit		**1,065,130**	-
Administrative income		**-**	*2*
Operating profit		**1,065,130**	*2*
Interest payable and similar expenses	5	**(1)**	-
Profit before tax		**1,065,129**	*2*
Tax on profit	6	**-**	-
Profit for the financial year		**1,065,129**	*2*
Total comprehensive income for the year		**1,065,129**	*2*

The notes on pages 11 to 21 form part of these financial statements.

The results relate to continuing operationgs of the Company.

BALANCE SHEET
AS AT 31 DECEMBER 2018

	Note		2018 $000		*2017 $000*
Fixed assets					
Investments in subsidiaries	8		**47,343**		*47,343*
			47,343		*47,343*
Current assets					
Debtors: amounts falling due within one year	9	**10**		*10*	
		10		*10*	
Creditors: amounts falling due within one year	10	**(33)**		*(32)*	
Net current liabilities			**(23)**		*(22)*
Total assets less current liabilities			**47,320**		*47,321*
Net assets			**47,320**		*47,321*
Capital and reserves					
Called up share capital	12		**41,613**		*41,613*
Share premium account	13		**3,056**		*3,056*
Profit and loss account	13		**2,651**		*2,652*
			47,320		*47,321*

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 7 June 2019.

C Howells
Director

The notes on pages 11 to 21 form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2018

	Called up share capital	Share premium account	Profit and loss account	Total equity
	$000	$000	$000	$000
At 1 January 2018	41,613	3,056	2,652	47,321
Comprehensive income for the year				
Profit for the year	-	-	1,065,129	1,065,129
Total comprehensive income for the year	-	-	1,065,129	1,065,129
Dividends: Equity capital	-	-	(1,065,130)	(1,065,130)
Total transactions with owners	-	-	(1,065,130)	(1,065,130)
At 31 December 2018	41,613	3,056	2,651	47,320

Further details in respect of the dividend paid are disclosed in note 7.

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2017

	Called up share capital	Share premium account	Profit and loss account	Total equity
	$000	$000	$000	$000
At 1 January 2017	41,613	3,056	2,650	47,319
Comprehensive income for the year				
Profit for the year	-	-	2	2
Total comprehensive income for the year	-	-	2	2
At 31 December 2017	41,613	3,056	2,652	47,321

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

1. General information

Anglo Operations (International) Limited is a private company limited by shares, incorporated in Jersey and centrally managed and controlled from the United Kingdom.

The nature of the Company's operations and principal activities is set out in the Directors' report.

The address of the registered office is given on the Company Information page.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' and the Companies (Jersey) Law 1991.

The preparation of financial statements in compliance with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Financial reporting standard 101 - reduced disclosure exemptions

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

- the requirements of IFRS 7 Financial Instruments: Disclosures
- the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement
- 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;
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134-136 of IAS 1 Presentation of Financial Statements
- the requirements of IAS 7 Statement of Cash Flows
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- the requirements of paragraph 17 and 18A of IAS 24 Related Party Disclosures
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member
- 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.

2. Accounting policies (continued)

2.3 Going concern

The Company's ability to operate as a going concern is assessed in conjunction with Anglo American plc and its subsidiaries (together the "Group") as its viability is dependent upon the ability of the Group companies to settle their intercompany balances with the Company and to provide funds for working capital needs. Anglo American Services (UK) Ltd have confirmed that they intend to provide financial resources, where requested, for at least 12 months from the date of signing these financial statements, whilst the Company remains a subsidiary of Anglo American plc.

The directors of the Company therefore feel that the Company will have sufficient funds, taking account of possible changes in trading performance and amounts owed by other Group companies, to conclude that the Company can adopt the going concern basis for the foreseeable future.

2.4 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is USD as this is the currency in which the Company primarily transacts, invests and earns income.

Transactions and balances

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

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

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of comprehensive income except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of comprehensive income within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Statement of comprehensive income within 'other operating income'.

2.5 Interest income

Interest income is recognised in the Statement of comprehensive income using the effective interest method.

2.6 Finance costs

Finance costs are charged to the Statement of comprehensive income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2. Accounting policies (continued)

2.7 Taxation

Tax is recognised in the Statement of comprehensive income, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

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

2.8 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments in unlisted Company shares, whose market value can be reliably determined, are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in the Statement of comprehensive income for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

Investments in listed company shares are remeasured to market value at each Balance sheet date. Gains and losses on remeasurement are recognised in profit or loss for the period.

2.9 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.10 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.11 Creditors

Creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers.

Creditors are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

2.12 Financial instruments

The Company recognises financial instruments when it becomes a party to the contractual arrangements of the instrument. Financial instruments are de-recognised when they are discharged or when the contractual terms expire. The Company's accounting policies in respect of financial instruments transactions are explained below:

Financial assets

The Company classifies all of its financial assets as loans and receivables.

2. Accounting policies (continued)

2.12 Financial instruments (continued)

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of goods and services to customers (e.g. trade receivables), but also incorporate other types of contractual monetary asset. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment.

Impairment provisions are recognised when there is objective evidence (such as significant financial difficulties on the part of the counterparty or default or significant delay in payment) that the Company will be unable to collect all of the amounts due under the terms receivable, the amount of such a provision being the difference between the net carrying amount and the present value of the future expected cash flows associated with the impaired receivable. For trade receivables, which are reported net, such provisions are recorded in a separate allowance account with the loss being recognised within administrative expenses in the Statement of comprehensive income. On confirmation that the trade receivable will not be collected, the gross carrying value of the asset is written off against the associated provision.

Financial liabilities

The Company classifies all of its financial liabilities as liabilities at amortised cost.

At amortised cost

Financial liabilities at amortised cost including bank borrowings are initially recognised at fair value net of any transaction costs directly attributable to the issue of the instrument. Such interest bearing liabilities are subsequently measured at amortised cost using the effective interest rate method, which ensures that any interest expense over the period to repayment is at a constant rate on the balance of the liability carried into the Balance sheet.

2.13 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

3. Judgments in applying accounting policies and key sources of estimation uncertainty

There are no critical judgments made by the directors in applying the Company's accounting policies other than assessing investments for impairment. There are no key sources of estimation uncertainty.

Impairment of investments in subsidiaries

Determining whether the Company's debt and equity investments in subsidiaries have been impaired requires estimations of the recoverable amount of the investments. Recoverable amount is the higher of fair value less costs of disposal and value in use. The value in use calculations require the Company to estimate the future cash flows expected to arise from the investments and suitable discount rates in order to calculate present values. If the recoverable amount of an investment is estimated to be less than its carrying amount, the carrying amount of the investment is reduced to its recoverable amount. An impairment loss is recognised in the Statement of comprehensive income. See Note 7 for further information.

4. Revenue

	2018 **$000**	*2017* *$000*
Dividend revenue	**1,065,130**	-
	1,065,130	-

On 24 October 2018, the Company received a dividend of USD 1,065,130,000 from its subsidiary Anglo Operations (Netherlands) B.V.

5. Interest payable and similar expenses

	2018 **$000**	*2017* *$000*
Interest payable on loans from group undertakings	**1**	-
	1	-

6. Taxation

The UK rate of corporation tax has been presented within the rate reconciliation below as the most applicable rate due to the company being UK resident for tax purposes.

	2018 **$000**	*2017* *$000*
Total current tax	**-**	-

6. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is lower than *(2017 - lower than)* the standard rate of corporation tax of 19% *(2017 - 19.25%)*. The differences are explained below:

	2018 $000	*2017 $000*
Profit on before tax	**1,065,129**	*2*
Profit on ordinary activities multiplied by standard rate of corporation tax of 19% (2017 - 19.25%)	**202,375**	-
Effects of:		
Dividend income not taxable	**(202,375)**	-
Total tax charge for the year	**-**	-

Factors that may affect future tax charges

On 26 October 2015, the Finance (No. 2) Act 2015 was substantively enacted and provided for a reduction in the main rate of corporation tax from 20% to 19% effective from 1 April 2017 and a further 1% reduction to 18% from 1 April 2020. On 6 September 2016, the Finance Act 2016 was substantively enacted and provided for a reduction in the main rate of UK corporation tax to 17% from 1 April 2020.

7. Dividends

	2018 $000	*2017 $000*
Dividends: Equity capital	**1,065,130**	-
	1,065,130	-

On 24 October 2018, the Company paid a cash dividend of $1,065,130,000 ($36.98 per ordinary share) to its parent company A.R.H. Limited.

8. Fixed asset investments

	Investments in subsidiary companies $000
Cost or valuation	
At 1 January 2018	**47,343**
At 31 December 2018	**47,343**
Net book value	
At 31 December 2018	**47,343**
At 31 December 2017	*47,343*

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Country of incorporation	Class of shares	Holding	Principal activity
Anglo Operations (Netherlands) B.V.	Netherlands	Ordinary	100 %	Investment company

Group financial statements are not presented as the Company is a wholly-owned subsidiary undertaking of Anglo American plc, which is registered in England and Wales. Accordingly, these financial statements present information about the Company as an individual undertaking and not about its group. Consolidated financial statements have not been prepared because there is no regulatory obligation to prepare consolidated financial statements in accordance with IRFS 10.

Name	Registered office
Anglo Operations (Netherlands) B.V.	20 Carlton House Terrace, London, SW1Y 5AN, United Kingdom

9. Debtors

	2018 $000	2017 $000
Amounts owed by group undertakings	10	10
	10	10

The Company has facility agreements with affiliated undertakings of which $10,000 had been advanced at year end. The balance bears interest at a market related rate. The classification of the amounts owed is based on the repayment terms.

10. Creditors: Amounts falling due within one year

	2018 $000	2017 $000
Amounts owed to group undertakings	33	32
	33	32

The Company has facility agreements with affiliated undertakings of which $33,000 had been drawn at year end. The balance bears interest at a market related rate. The classification of the amounts owed is based on the repayment terms.

11. Financial instruments

	2018 $000	2017 $000
Financial assets		
Loans and receivables measured at amortised cost	10	10
Financial liabilities		
Financial liabilities measured at amortised cost	(33)	(32)

Loans and receivables measured at amortised cost comprise amounts owed by group undertakings.

Financial liabilities measured at amortised cost comprise amounts owed to group undertakings.

12. Share capital

	2018 $000	*2017 $000*
Shares classified as equity		
Authorised		
1,000,000,000 Ordinary shares of $2.00 each	**2,000,000**	*2,000,000*
Allotted, called up and fully paid		
20,806,261 Ordinary shares of $2.00 each	**41,613**	*41,613*

The Company has one class of ordinary shares which carry no right to fixed income.

13. Reserves

Share premium account

Share premium represents the excess of the issue price over the par value on shares issued less transaction costs arising on issue.

Profit and loss account

Profit and loss account reserve represents accumulated retained earnings or losses.

14. Contingent assets and contingent liabilities

Contingent assets

Under the terms of the sale agreement of Anglo American Corporation Zimbabwe Limited ("Amzim") to Rustenburg Platinum Mines, the Company was entitled to receive 50% of any withdrawal that Amzim was able to make from the funds it held on deposit with the Reserve Bank of Zimbabwe ("RBZ"), until the Company received a total of US$22,000,000.

In 2017, Amzim received treasury bills with a value of US$78,000,000 in full settlement of the funds it held on deposit with RBZ, of which the Company's portion was US$22,000,000.

During the year, treasury bills of US$7,500,000 relating to the Company's entitlement were used to fund the deficit in the Anglo American Associated Companies Pension Fund ("AAACPF").

In early 2019, the Zimbabwean government introduced a local currency, RTGS$, and all amounts previously denominated as USD were converted to RTGS$. The Company's remaining entitlement of treasury bills of US$14,500,000 was converted to RTGS$ 14,500,000. Following further devaluation of RTGS$, the remaining bills are expected to be sold during 2019 and the proceeds of approximately US$2,500,000 will be used to meet the AAACPF pension payments due to those pensioners who reside outside of Zimbabwe.

Management considers that the Company will not receive any funds in respect of this contingent asset and it is therefore not reflected on the balance sheet.

Contingent liabilities

On 2 July 2009, the Company sold Erabas B.V. to Rustenburg Platinum Mines Limited. The agreement for the sale of Erabas B.V. stipulates that the Company has indemnified Erabas B.V. and its subsidiaries and the purchaser of Erabas B.V. from any claim in respect of any shortfall in benefits from pension funds related to the former Zimbabwe employees of Erabas B.V. and its subsidiaries.

Those pension funds are:
1. A defined benefit pension scheme under the entity Anglo American Associated Companies Pension Fund (AAACPF)

2. A defined contribution pension scheme under the entity Amzim Pension Fund (Amzim Pension)

The latest available consolidated triennial actuarial valuation of the AAACPF is dated 1 January 2019 and reflects a surplus of US$32,503,000.

Amzim Pension has been externalised to a third party provider in 2015 with the exception of a portfolio of unclaimed pensions and suspended members.

The Company may also be called upon, on a voluntary basis, to support the post-retirement medical fund which provides for medical aid to former employees of Erabas B.V. and its subsidiaries. The administration of the post retirement medical fund is carried out by AAACPF.

15. Ultimate parent undertaking and controlling party

The immediate parent company is A.R.H. Limited which is registered in Jersey. The registered address of the immediate parent company is 3rd floor, 44 Esplanade, St Helier, JE4 9WG, Jersey.

The ultimate parent company and ultimate controlling entity is Anglo American plc, a company incorporated in the United Kingdom and registered in England and Wales. Anglo American plc is the parent undertaking of the largest and smallest group which includes the Company and for which group financial statements are prepared. The financial statements of both the immediate and ultimate parent companies may be obtained from the Company Secretary, 20 Carlton House Terrace, London SW1Y 5AN, the registered office the ultimate parent company.