

THE WEREHAM GRAVEL COMPANY LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
26 August 2023

(Registered Number: 101266)

WEDNESDAY



ACIS517M

A28

20/12/2023

#341

COMPANIES HOUSE

THE WEREHAM GRAVEL COMPANY LIMITED

CONTENTS	Page
Company information	1
Directors' Report	2
Statement of directors' responsibilities	4
Independent auditor's report to the members of The Wereham Gravel Company Limited	5
Profit and loss account	9
Balance sheet	10
Statement of changes in shareholder's equity	11
Notes to the financial statements	12

THE WEREHAM GRAVEL COMPANY LIMITED

Company information

Directors	KR Packer JP Willis
Business address	1 Samson Place London Road Hampton Peterborough PE7 8QJ
Registered office	Weston Centre 10 Grosvenor Street London W1K 4QY
Independent auditor	Ernst & Young LLP Statutory Auditor Cowley Road Cambridge CB4 0WZ

Directors' Report

The directors present the Annual Report and financial statements for the 52 weeks ended 26 August 2023.

Principal activities

During the period, the principal activity of The Wereham Gravel Company Limited ("the Company") was the growing of sugar beet. With the principal customer being British Sugar plc, a member of the Associated British Foods plc ("ABF") group, it is expected that this activity will continue for the foreseeable future.

Review of the business

During the period the Company continued to supply sugar beet to British Sugar plc. The Company has no significant future developments to report.

There have been no significant events since the balance sheet date which should be considered for a proper understanding of these accounts.

Dividends

The directors did not declare a dividend in respect of the period ended 26 August 2023 (2022: £nil).

Directors

The directors and company secretary who served during the period and to the date of signing are detailed below:

MI Carr (resigned 10 October 2022)

PR Kenward (resigned 19 November 2023)

C Noble (appointed 3 October 2022 and resigned 18 November 2023)

KR Packer (appointed 18 November 2023)

JP Willis (appointed 18 November 2023)

Interests of directors in shares and debentures

Notification of directors' interests in, or rights to subscribe for, shares in this Company, or shares or debentures of other group companies, was not required because, at the end of the period, each director was also a director of a company of which this Company is a wholly owned subsidiary.

No director had, at any time during the period, any material interest in a contract with the Company, other than service contracts.

Directors' and officers' liability insurance

During the 52 weeks ended 26 August 2023, ABF maintained insurance for the directors and officers to indemnify them against certain liabilities which they may incur in their capacity as directors or officers of the Company, as permitted by section 233 of the Companies Act 2006.

Corporate governance

The Company is a wholly owned subsidiary of ABF. Particulars of ABF's compliance with the UK Corporate Governance Code are set out in its annual report and accounts which is available at www.abf.co.uk.

Directors' Report (continued)

Going concern

The Company has received a letter of support from its intermediate parent company, ABF Investments plc, indicating that it will receive the financial and other support necessary for the Company to trade and meet its liabilities as and when they become due for a period of twelve months from the date of signing of these financial statements.

After making enquiries and considering the support available from the intermediate parent company described above, the directors have a reasonable expectation that the Company has adequate resources to continue in operation for twelve months from the date of signing of these financial statements. These considerations included the ABF group's directors' assessment of going concern (set out on pages 76 and 77 of the ABF 2023 Annual Report and Accounts dated 7 November 2023 and available at www.abf.co.uk), which included the significant levels of cash and undrawn committed long-term facilities available to the group and the ABF group's directors' stress testing of cash flow forecasts through to 1 March 2025, and an assessment of any developments since that date that would adversely affect that conclusion. Accordingly, the financial statements have been prepared on the going concern basis.

Safety, health and environment

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 directors review these at least annually, as does the board of ABF.

The Company recognises the impact that its business has on the environment. Therefore, as a minimum, it aims to comply with current applicable legislation and its operations are conducted with a view to ensuring that: emissions do not cause unacceptable environmental impacts and do not offend the community; resources are used efficiently; and waste is minimised by reducing, reusing or recycling where practical.

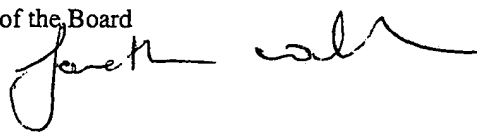
Disclosure of information to auditor

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 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.

Auditor

It was noted that Ernst & Young LLP would be deemed to be re-appointed as auditors in accordance with section 487 of the Companies Act 2006.

By Order of the Board


JP Willis
Director

14 December 2023

Statement of directors' responsibilities

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

Company law requires the directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK Generally Accepted Accounting Practice (UK Accounting Standards and applicable law).

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 have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

Independent auditor's report to the members of The Wereham Gravel Company Limited

Opinion

We have audited the financial statements of The Wereham Gravel Company Limited for the 52 weeks ended 26 August 2023 which comprise the Profit and loss account, the Balance sheet, the Statement of changes in shareholder's equity and the related Notes 1 to 13, 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 Financial Reporting Standard 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 26 August 2023 and of its loss for the 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.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of 12 months from approval of the financial statements.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

Independent auditor's report to the members of The Wereham Gravel Company Limited (continued)

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 contained within the annual report.

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.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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.

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.

Independent auditor's report to the members of The Wereham Gravel Company Limited (continued)

Responsibilities of directors

As explained more fully in the Statement of directors' responsibilities set out on page 4, 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 management either intends to liquidate the Company or to cease operations, or has 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.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the company and determined that the most significant are frameworks which are directly relevant to specific assertions in the financial statements are those that relate to the reporting framework (FRS 101 "Reduced Disclosure Framework"), Companies Act 2006 and the relevant tax laws and regulations.
- We understood how The Wereham Gravel Company Limited is complying with those frameworks by observing the oversight of those charged with governance, the culture of honesty and ethical behaviour and whether a strong emphasis is placed on fraud prevention, which may reduce opportunities for fraud to take place, and fraud deterrence, which could persuade individuals not to commit fraud because of the likelihood of detection and punishment. We corroborated our enquiries through the review of unusual transactions and consideration of our audit procedures across the company.

Independent auditor's report to the members of The Wereham Gravel Company Limited (continued)


Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud (continued)

- We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur by meeting with management to understand their assessment of the susceptibility of the accounts to fraud. Combining this with our consideration of entity level controls, which has evidenced management's behaviour and the culture embedded within the Company, we have gained a detailed understanding of the overall susceptibility to fraud.
- Based on this understanding we designed our audit procedures to identify noncompliance with such laws and regulations. Our procedures involved journal entry testing with a focus on unusual transactions, enquiries of legal counsel and enquiries of management.

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.

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.



Andrew Meek (Senior Statutory Auditor)

for and on behalf of Ernst & Young LLP, Statutory Auditor
Cambridge

Date: 14 December 2023

THE WEREHAM GRAVEL COMPANY LIMITED

Profit and loss account

for the 52 weeks ended 26 August 2023

		52 weeks ended 26 August 2023 £	52 weeks ended 27 August 2022 £
	Note		
Revenue		4,209,911	3,552,050
Cost of sales		(3,874,942)	(3,931,367)
Operating profit/(loss)		334,969	(379,317)
Interest payable and similar charges	4	(97,866)	(29,489)
Profit/(loss) on ordinary activities before taxation	5	237,103	(408,806)
Tax (charge)/credit	6	(25,789)	42,656
Profit/(loss) for the period		211,314	(366,150)

The Notes on pages 12 to 17 form part of these financial statements.

THE WEREHAM GRAVEL COMPANY LIMITED

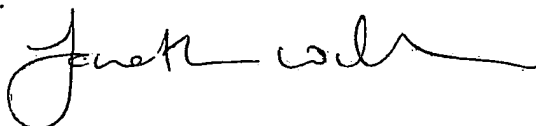
Balance sheet

at 26 August 2023

	Note	26 August 2023 £	27 August 2022 £
Fixed assets			
Freehold land	7	90,000	90,000
Total fixed assets		90,000	90,000
Current assets			
Biological assets	8	6,313,176	3,500,669
Debtors	9	502,051	562,863
Total current assets		6,815,227	4,063,532
Creditors: amounts falling due within one year	10	(7,312,701)	(4,772,320)
Net current liabilities		(497,474)	(708,788)
Total assets less current liabilities		(407,474)	(618,788)
Capital and reserves			
Called up share capital	11	500	500
Profit and loss account		(407,974)	(619,288)
Total shareholder's deficit		(407,474)	(618,788)

The Notes on pages 12 to 17 form part of these financial statements.

The financial statements were approved by the Board on 14 December 2023 and signed on its behalf by:



JP Willis

Director

Registered Number: 101266

Statement of changes in shareholder's equity

for the 52 weeks ended 26 August 2023

	Called up share capital £	Profit and loss account £	Total shareholder's equity £
At 28 August 2021	500	(253,138)	(252,638)
Loss for the period	-	(366,150)	(366,150)
At 27 August 2022	500	(619,288)	(618,788)
Profit for the period	-	211,314	211,314
At 26 August 2023	500	(407,974)	(407,474)

Notes to the financial statements

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

The financial statements of The Wereham Gravel Company Limited (the "Company") for the period ended 26 August 2023 were authorised for issue by the board of directors on 14 December 2023. The Company is a private company limited by shares and is incorporated and domiciled in England and Wales. The registered office is Weston Centre, 10 Grosvenor Street, London W1K 4QY.

The Company's financial statements are presented in sterling and rounded to the nearest whole sterling except where otherwise indicated. The financial statements were prepared in accordance with Financial Reporting Standard 101 *Reduced Disclosure Framework* ("FRS 101") and the Companies Act 2006.

The principal accounting policies adopted by the Company are set out in Note 3.

2. Accounting reference date

The accounting reference date of the Company is 31 August in each year and, in accordance with section 390(3) of the Companies Act 2006, these accounts have been prepared for the financial year of 52 weeks ended 26 August 2023.

3. Accounting policies

The following accounting policies have been applied consistently in dealing with items which are considered material to the financial statements:

Basis of preparation: (i) Disclosure exemptions

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

- the requirements of IAS 7 *Statement of Cash Flows*;
- the requirements of paragraphs 17 and 18A of IAS 24 *Related Party Disclosures* in respect of disclosure of key management personnel compensation;
- 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 requirement in paragraph 38 of IAS 1 *Presentation of Financial Statements* to present comparative information in respect of paragraph 50 of IAS 41 *Agriculture*;
- the requirements of paragraphs 91 to 99 of IFRS 13 *Fair Value Measurement*;
- the requirements of paragraphs 30 and 31 of IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors* which deals with IFRSs issued but not yet effective; and
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134 to 136 of IAS 1 *Presentation of Financial Statements*.

Other exemptions are available under FRS 101 but these have not been set out above as they are not relevant to the Company's financial statements.

Notes to the financial statements (continued)

3. Accounting policies (continued)

Basis of preparation: (ii) Going concern

As set out in Note 13, the smallest group in which the results of the Company are consolidated is that headed by ABF, which confirmed in the annual report and accounts dated 7 November 2023 that its directors have a reasonable expectation that ABF has adequate resources to continue in operational existence for the foreseeable future.

The Company has received a letter of support from its intermediate parent company, ABF Investments plc, indicating that it will receive the financial and other support necessary for the Company to trade and meet its liabilities as and when they become due for a period of twelve months from the date of signing of these financial statements.

After making enquiries and considering the support available from the intermediate parent company described above, the directors have a reasonable expectation that the Company has adequate resources to continue in operation for twelve months from the date of signing of these financial statements. These considerations included the ABF group's directors' assessment of going concern (set out on pages 76 and 77 of the ABF 2023 annual report and accounts dated 7 November 2023 and available at www.abf.co.uk), which included the significant levels of cash and undrawn committed long-term facilities available to the group and the ABF group's directors' stress testing of cash flow forecasts through to 1 March 2025, and an assessment of any developments since that date that would adversely affect that conclusion. Accordingly, the financial statements have been prepared on the going concern basis.

Basis of preparation: (iii) Other

The financial statements have been prepared under the historical cost convention except that biological assets are stated at fair value and in accordance with applicable accounting standards.

Revenue

All revenue is arising in the UK and comprises the net invoiced sales of beet delivered to British Sugar plc. Under IFRS 15 *Revenue from Contracts with Customers*, revenue is recognised when performance obligations are satisfied, goods are delivered to customers and control of goods is transferred to the buyer. In practice this means that revenue is recognised when goods are supplied to British Sugar plc in accordance with the terms of sale.

Depreciation

Under FRS 101, freehold land is not depreciated. The Company has no other tangible fixed assets.

Notes to the financial statements (continued)

3. Accounting policies (continued)

Taxation

The charge for taxation is based on the profit for the period. Deferred taxation is recognised on all temporary differences arising from the different treatment for accounts and taxation purposes of transactions and events recognised in the financial statements of the current and previous periods. Deferred tax assets and liabilities are measured on an undiscounted basis at the tax rates that are expected to apply when the related asset is realised or liability settled, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Leases

A lease is an agreement whereby the lessor conveys to the lessee, in return for a payment or a series of payments, the right to use a specific asset for an agreed period.

The Company recognises a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration and applies the short-term lease recognition exemption to those leases that have a lease term of 12 months or less. The Company has reviewed its leases and classified all as short-term. The costs have consequently been recognised in the profit and loss account, see Note 5.

Biological assets

Biological assets represent the unharvested crop of sugar beet for the following period's campaign. These are measured at fair value less costs to sell.

Significant estimates and judgements

Fair value of biological asset

The fair value of the biological asset is based on an estimated crop area of sugar beet, estimated yields of sugar beet per hectare and valued at a fixed contracted price less an estimated average cost to harvest per tonne.

4. Interest payable and similar charges

	52 weeks ended 26 August 2023 £	52 weeks ended 27 August 2022 £
Interest payable to fellow group companies	97,866	29,489

THE WEREHAM GRAVEL COMPANY LIMITED

Notes to the financial statements (continued)

5. Profit on ordinary activities before taxation

Profit on ordinary activities before taxation is stated after charging:

	52 weeks ended 26 August 2023 £	52 weeks ended 27 August 2022 £
Hire of land and buildings	1,609,512	1,102,088

The directors received no emoluments during the period in respect of services provided to the Company (2022: £nil). It has been deemed impractical to apportion any cost of directors' time to the Company.

The Company had no employees during the period (2022: £nil) but is supported by staff from fellow UK subsidiaries.

Audit fees of £31,268 for the period ended 26 August 2023 (2022: £26,922) have been borne by the immediate parent company, British Sugar plc.

6. Taxation

	52 weeks ended 26 August 2023 £	52 weeks ended 27 August 2022 £
The tax (charge)/credit for the period comprise		
<i>UK corporation tax</i>		
Current tax on profit/(loss) for the period	(50,897)	77,673
Adjustments in respect of prior periods	25,108	(35,017)
Tax on profit/(loss) on ordinary activities	(25,789)	42,656

A reconciliation of total tax is as follows:

	52 weeks ended 26 August 2023 £	52 weeks ended 27 August 2022 £
Profit/(loss) on ordinary activities before tax	237,103	(408,806)
Current tax at effective rate of 21.5% (2022: 19.0%)	(50,977)	77,673
Effects of:		
Adjustments to tax (charge)/credit in respect of previous periods	25,188	(35,017)
Total tax (charge)/credit	(25,789)	42,656

The UK corporation tax rate of 19% increased to 25% as of 1 April 2023.

THE WEREHAM GRAVEL COMPANY LIMITED

Notes to the financial statements (continued)

7. Freehold land

	26 August 2023	27 August 2022
	£	£
Freehold land: cost and net book value	90,000	90,000

The directors are of the opinion that the book value of the freehold land does not exceed its fair value.

8. Biological assets

	26 August 2023	27 August 2022
	£	£
Unharvested sugar beet crop	6,313,176	3,500,669

The crop cycle occurs within one year, meaning each year's crop is fully harvested and processed before the end of the following reporting period. The fair value of the biological asset is based on an estimated crop area of 2,671 hectares of sugar beet (2022: 2,309 hectares) and a yield of 66 tonnes of sugar beet per hectare (2022: 64 tonnes).

9. Debtors

	26 August 2023	27 August 2022
	£	£
Corporation tax	52,313	205,802
Prepayments	449,738	357,061
	502,051	562,863

10. Creditors: amounts falling due within one year

	26 August 2023	27 August 2022
	£	£
Amounts owed to group undertakings	7,312,701	4,606,320
Accruals and deferred income	-	166,000
	7,312,701	4,772,320

11. Called up share capital

	26 August 2023		27 August 2022	
	Number of shares	Value £	Number of shares	Value £
Issued and fully paid:				
Ordinary shares of £1 each	500	500	500	500

The shares have attached to them full voting, dividend and capital distribution (including on winding up) rights; they do not confer any rights of redemption.

12. Related party transactions

The Company, being a wholly owned subsidiary of ABF, has taken advantage of the exemption in IAS 24 *Related Party Disclosures* not to disclose related party transactions with wholly owned entities in the same group.

Notes to the financial statements (continued)

13. Holding company

The immediate parent company is British Sugar plc, a company registered in England and Wales. The ultimate parent company is Wittington Investments Limited, which is incorporated in the United Kingdom and registered in England and Wales.

The largest group of undertakings for which group accounts are drawn up (within which the results of the company are consolidated) and of which the company is a member is headed by Wittington Investments Limited. The smallest such group of undertakings is headed by Associated British Foods plc, which is incorporated in the United Kingdom and registered in England and Wales.

The consolidated accounts of these groups are available to the public and may be obtained from Weston Centre, 10 Grosvenor Street, London, W1K 4QY, which is the registered office of each of Wittington Investments Limited and Associated British Foods plc. The consolidated accounts of Associated British Foods plc are also available for download on the group's website at www.abf.co.uk.