

BRITISH SUGAR FOUNDATION
(A COMPANY LIMITED BY GUARANTEE)

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

**FOR THE 53 WEEKS
ENDED 18 SEPTEMBER 2004**

Charity Registration Number 290966

Inland Revenue Reference XN/67155



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BRITISH SUGAR FOUNDATION

TRUSTEES' REPORT

The Trustees, who act as directors for the purposes of company law, present their report and financial statements for the 53 week period ended 18 September 2004.

LEGAL AND ADMINISTRATIVE INFORMATION

The British Sugar Foundation ('The Foundation') is a company limited by guarantee. Its charity registration number is 290966. The registered office is Weston Centre, 10 Grosvenor Street, London, W1K 4QY, company registration number 1868290. If required the Foundation utilises the services of the Group Solicitor of British Sugar plc.

OBJECTIVES, POLICIES AND ORGANISATION

The Foundation administers British Sugar plc's charity budgets which are mainly focussed on the communities in which British Sugar plc operates. Of particular interest are local organisations involving health, education and environment. In addition to donations, the Foundation operates a 'Money Match' scheme encouraging employee involvement in community activities. The Foundation also acts as agent for British Sugar plc's employees who donate under the Charity Payroll Giving Scheme. This situation is expected to continue for the foreseeable future.

This principal activity is consistent with the Foundation's charitable purpose as stated in its annual return.

During the year the charity had no employees. Day to day decisions are made by personnel within the Corporate Communications Department of British Sugar plc. The charity's funding comes from British Sugar plc, and also from donations made by their employees through the payroll giving scheme.

REVIEW OF ACTIVITIES

Income for the period principally consists of amounts received from British Sugar plc.

Charitable donations made by the Foundation during the period amounted to £87,620 (2003: £96,863). The Foundation did not make any political donations during the period.

DONATIONS POLICY

The Directors meet regularly to consider financial assistance to a number of charitable causes and each application is considered on its merits and the donations accordingly approved. The Directors expect the Foundation to have sufficient income during the forthcoming financial year to meet all its commitments; in line with the stated objectives of the charity.

BRITISH SUGAR FOUNDATION

TRUSTEES REPORT continued

RISK MANAGEMENT

The Trustees have reviewed the major risks to which the Foundation is exposed, and have established adequate systems to mitigate those risks.

FINANCIAL POSITION

The surplus in the fund at 18 September 2004 was £4,169 (13 September 2003: deficit £421).

The charity's assets are available and adequate to fulfil the charity's obligations. The Trustees also expect the Foundation to have sufficient income during the forthcoming financial year to meet all its commitments.

RESERVES

Each year the Foundation aims to donate substantially all income received, and therefore holds minimal reserves. The level of free reserves at the end of the year is £4,169. This balance will be utilised in the future in line with stated policy.

RELATED PARTIES

The Foundation takes advantage of the exemption contained within IRS8 (Related Party Transactions), and does not disclose transactions or balances with other members of its group.

TRUSTEES

Trustees are normally appointed utilising the person who replaced the outgoing individual in that role within British Sugar plc.

The Trustees during the 53 weeks ended 18 September 2004 were as follows:

Mr M I Carr (Chairman)	Appointed	13 th March 2004
Mr K C Field (Chairman)	Resigned	15 th March 2004
Mr K L Carter		
Mr G G Lancaster	Resigned	14 th March 2005
Mr J B Smith		
Mr A J Wells	Resigned	10 th November 2003
Mr G White	Appointed	10 th November 2003
Ms M Rowlands	Appointed	14 th March 2005

Subsequent to the year-end, on 14th March 2005, Mr G Lancaster resigned as a Trustee and Ms M Rowlands was appointed as a Trustee of the company.

BRITISH SUGAR FOUNDATION

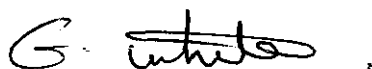
TRUSTEES REPORT continued

AUDITORS

KPMG LLP were re-appointed as the charity's auditors during the year and have expressed their willingness to continue in that capacity.

This report has been prepared in accordance with the Statement of Recommended Practice - Accounting and Reporting by Charities and in accordance with the special provisions of Part VII of the Companies Act 1985 relating to small entities.

The accounts were approved by the Trustees on 11 April 2005 and signed on their behalf by:

A handwritten signature in black ink, appearing to read 'G. White', followed by a comma.

G White
Trustee

Date 11 April 2005
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BRITISH SUGAR FOUNDATION

Statement of Trustees' Responsibilities

Company law requires the trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the excess of income over expenditure for that period. In preparing those financial statements, the trustees are required to

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the charity will continue its activities.

The trustees are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the charity and to enable them to ensure that the financial statements comply with the Companies Act 1985. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the charity and to prevent and detect fraud and other irregularities.

TO THE MEMBERS OF BRITISH SUGAR FOUNDATION

Auditor's Report

Report of the independent auditors to the members of British Sugar Foundation

We have audited the financial statements on pages 7 to 10.

This report is made solely to the charity's members, as a body, in accordance with section 235 of the Companies Act 1985. Our audit work has been undertaken so that we might state to the charity'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 charity and the charity's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of trustees and auditors

The trustees, who are also the directors of British Sugar Foundation for the purposes of company law, are responsible for preparing the trustees' report and, as described on page 3, the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and by our profession's ethical guidance.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the trustees' report is not consistent with the financial statements, if the charity has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

Basis of audit opinion


We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

TO THE MEMBERS OF BRITISH SUGAR FOUNDATION continued

Opinion

In our opinion the financial statements give a true and fair view of the state of affairs of the charity as at 18th September 2004 and of its incoming resources and application of resources, including its income and expenditure, in the year then ended and have been properly prepared in accordance with the Companies Act 1985.


KPMG LLP

Chartered Accountants
Registered Auditor
London

Date 11 April 2005

BRITISH SUGAR FOUNDATION

STATEMENT OF FINANCIAL ACTIVITIES **(Incorporating Income and Expenditure Account)** **FOR 53 WEEKS ENDED 18 SEPTEMBER 2004**

		<u>Unrestricted Funds - Total</u>	
		53 weeks ended	52 weeks ended
		18 September	13 September
		2004	2003
		General Fund	General Fund
	Note	£	£
Incoming Resources			
Gross donation		85,450	86,500
Other Income		4,866	8,427
Payroll Giving Scheme	3	1,894	1,856
		<hr/>	<hr/>
Total Incoming Resources		92,210	96,783
 Resources Expended			
Direct charitable expenditure:			
Donations	5	(87,620)	(96,863)
		<hr/>	<hr/>
Net Incoming/Outgoing Resources for Periods/net movement in funds		4,590	(80)
Fund balances brought forward at start of period		(421)	(341)
		<hr/>	<hr/>
Fund Balances carried forward at end of period		4,169	(421)
		<hr/>	<hr/>

The notes on pages 9 and 10 form part of these financial statements.

There are no recognised gains or losses other than the gain for the period and the loss for the previous period. Accordingly no statement of recognised gains or losses has been prepared.

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

BRITISH SUGAR FOUNDATION

BALANCE SHEET

AT 18 SEPTEMBER 2004

		18 September 2004	13 September 2003
	Note	£	£
Current Assets			
Debtors	4	-	169
Cash at bank and in hand		4,169	(590)
		<hr/>	<hr/>
Net Assets/(Liabilities)		4,169	(421)
		<hr/>	<hr/>

Represented By

Excess expenditure brought forward	(421)	(341)
Surplus income/(Excess expenditure) for the period	4,590	(80)
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	4,169	(421)
	<hr/>	<hr/>

The notes on pages 9 and 10 form part of these financial statements.

The Financial Statements on pages 7 to 10 were approved by the Trustees and signed on their behalf by:



K L CARTER

Trustee

Date 11 April 2005

BRITISH SUGAR FOUNDATION

NOTES TO THE FINANCIAL STATEMENTS **FOR THE YEAR ENDED 18 SEPTEMBER 2004**

1 Company Status

The company is a company limited by guarantee and does not have a share capital. Every member of the company has undertaken to contribute to the assets of the company in the event of the company being wound up. The amount of this contribution is limited to a maximum of £5 per member.

2 Accounting Policies

The financial statements have been prepared under the historical cost convention, and in accordance with the Financial Reporting Standard for Smaller Entities (effective June 2002), the Companies Act 1985 and in accordance with the statement of recommended practice issued in October 2000 (SORP2000 Accounting and Reporting by Charities).

Income is recognised on the basis of cash receipt. Unrestricted funds are those that are available for donations as decided by the Trustees in line with the stated policy. Restricted funds are those that are received from British Sugar plc's payroll giving scheme, where the employees stipulate the charity they support.

3 Payroll Giving Scheme

During the period ended 18 September 2004, £1,790 (2003: £1,687) was received from employees of British Sugar plc by deductions from their salaries. To this £1,790 an amount of £104 (2003: £169) was added, being a 10% supplement from the Inland Revenue.

4 Debtors

Amounts falling due within one year:

	18 September 2004	13 September 2003
	£	£
10% Supplement recoverable from the Inland Revenue - Payroll Giving Scheme	-	169
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BRITISH SUGAR FOUNDATION

Notes to the Financial Statements continued

5 Charitable Expenditure

All expenditure is in the form of donations and no costs of generating funds are incurred.

Donations of more than £1,000 in Total to Institutions

	<u>£</u>
<u>Education</u>	
Acle High School Association	2,000
Blofield Primary School PTA	2,500
Freethorpe C P	1,500
Friends of Hemblington School	1,500
 <u>Environment/Community</u>	
Freethorpe Village Hall	2,000
Runham Parish Church Restoration	2,680
Thurne Parish Church Restoration	1,500
Thurne Parish Council	1,500
 <u>Healthcare</u>	
Anthony Nolan Trust Bike Ride	3,960
Arthritis Care Peterborough	3,008
British Heart Foundation	5,935
Cancer Research Campaign	1,202
Haematology Support Group (Shrewsbury Hospital)	1,250
Macmillan Cancer Relief	7,420
Rainbow Ward EF002	1,300
Richard S Driver (Jenny Pickering Fund)	1,587
Ryston Runners	1,300
Shropshire Air Ambulance	1,600
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	43,742
 Donations of less than £1,000 in Total to Institutions	 43,878
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Total donations	87,620
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6 Trustees and Employees

The charity does not have any employees (2003: Nil).

The Trustees did not receive any remuneration or receive any expenses in respect of their services to the charity.