

AB InBev Corporate Services Limited

Annual report and unaudited financial statements

Year ended

31 December 2018

Company number 08575040

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AB InBev Corporate Services Limited

Company information

Directors	K JF Douws S Jiang S J Turner
Company secretary	Brodies Secretarial Services Limited
Registered number	08575040
Registered office	Bureau 90 Fetter Lane London EC4A 1EN
Accountants	BDO LLP Thames Tower Station Road Reading Berkshire RG1 1LX

AB InBev Corporate Services Limited

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AB InBev Corporate Services Limited

Strategic report for the year ended 31 December 2018

The directors present their Strategic report for AB InBev Corporate Services Limited (the "Company") for the year ended 31 December 2018.

Review of activities and future developments

The principal activities of the Company are in the supply of services to the Anheuser-Busch InBev Group (the "Group") in areas such as manufacturing, information systems and marketing.

No significant change in the business of the Company is expected in the foreseeable future.

Results

The Company recorded a result for the financial year ended 31 December 2018 of US\$nil (2017: US\$nil) and reported comprehensive result for the period of US\$nil (2017: expense of US\$1,487,000). The detailed results are set out in the Profit and loss account on page 5.

Details of movements during the year in debtors and creditors can be found in notes 8 and 9 to the financial statements.

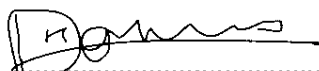
Principal risks and uncertainties

From the perspective of the Company, during the period under review the principal risks and uncertainties were integrated with the principal risks of the AB InBev Group and were not managed separately. Accordingly, the principal risks and uncertainties of Anheuser-Busch InBev SA/NV include those of the Company and are described in the risks and uncertainties section of the Group's 31 December 2018 annual report which does not form part of this report. The consolidated financial statements for Anheuser-Busch InBev SA/NV for the year ended 31 December 2018 are available at the address detailed in note 2 to these financial statements.

Key performance indicators ("KPIs")

Given the straightforward nature of the business, the Company's directors are of the opinion that analysis using KPIs is not necessary for an understanding of the development, performance or position of the business.

The report was approved by the board and signed on its behalf.


.....
K JF Douws
Director

Date: 24.09.2019

AB InBev Corporate Services Limited

Directors' report for the year ended 31 December 2018

The directors present their report and the unaudited financial statements of the Company for the year ended 31 December 2018.

Dividends

No interim dividends were paid for the financial year ended 31 December 2018 (2017: \$nil). No final dividend is proposed (2017: US\$nil).

Financial risk management

The Company is a subsidiary undertaking within the Group. Cash funds of the Group are managed at a group level. Interest is received and paid by the Company on certain loans with other Group companies.

Liquidity and interest rate risk

The Company's arrangements with the Group, as described above, ensure it can access the funds needed to meet its liquidity requirements as cash can be obtained through group funding. Interest receivable and payable on loans with other Group companies are calculated at either fixed or at floating rates of interest. The Group's liquidity requirements and interest rate risks are managed at a group level.

Currency risk

The Company's functional currency is US Dollar and it also presents its financial statements in US Dollar. Some transactions undertaken by the Company are denominated in currencies other than US Dollar.

Directors

The following directors held office during the year and up to the date of signing the financial statements:

K JF Douws (appointed 25 June 2018)
S Jiang (appointed 25 June 2018)
S J Turner
Y Bomans (resigned 25 June 2018)

Directors' insurance and indemnity

Anheuser-Busch InBev SA/NV maintains directors' and officers' liability insurance in respect of its directors and those directors of its subsidiary companies.

AB InBev Corporate Services Limited

Directors' report (continued) for the year ended 31 December 2018

Statement of directors' responsibilities

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

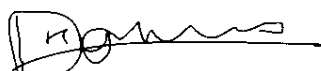
Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that period. In preparing these financial statements, the directors are required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

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable United Kingdom 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 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 to 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.

The directors' approval of the financial statements appears on page 6.

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



K JF Douws
Director

Date: 24.09 2019

AB InBev Corporate Services Limited

Chartered accountants' report to the board of directors on the unaudited financial statements of AB InBev Corporate Services Limited

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of AB InBev Corporate Services Limited for the year ended 31 December 2018 which comprise the Profit and loss account and other comprehensive income, the Balance sheet, the Statement of changes in equity and the related notes from the Company's accounting records and from information and explanations you have given us.

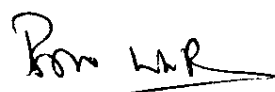
As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at <http://www.icaew.com/en/members/regulations-standards-and-guidance/>.

It is your duty to ensure that AB InBev Corporate Services Limited has kept adequate accounting records and to prepare statutory accounts that give a true and fair view of the assets, liabilities, financial position and result of AB InBev Corporate Services Limited. You consider that AB InBev Corporate Services Limited is exempt from the statutory audit requirement for the period.

We have not been instructed to carry out an audit or a review of the financial statements of AB InBev Corporate Services Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory accounts.

Use of our report

This report is made solely to the board of directors of AB InBev Corporate Services Limited, as a body, in accordance with the terms of our engagement letter dated 11 September 2017. Our work has been undertaken solely to prepare for your approval the accounts of AB InBev Corporate Services Limited and state those matters that we have agreed to state to the board of directors of AB InBev Corporate Services Limited, as a body, in this report in accordance with ICAEW Technical Release TECH07/16AAF. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than AB InBev Corporate Services Limited and its board of directors as a body for our work or for this report.



BDO LLP
Chartered Accountants
Reading
UK

Date: 24 09 19

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

AB InBev Corporate Services Limited

Profit and loss account and other comprehensive income for the year ended 31 December 2018

	Note	2018 US(' \$000)	2017 US(' \$000)
Turnover		11	35,491
Other operating expenses	4	395	(31,819)
Profit before interest and taxation	4	406	3,672
Finance expense	6	(406)	(3,672)
Result on ordinary activities before taxation		-	-
Taxation on result on ordinary activities	7	-	-
Result for the financial year		-	-
Other comprehensive income:			
Items that will not be reclassified to profit or loss:			
Cash flow hedges: fair value gain arising in the year		-	1,487
Total comprehensive income for the year		-	1,487

All activities during the current and prior year are in respect of continuing activities.

The notes on pages 8 to 17 form part of these financial statements.

AB InBev Corporate Services Limited

Registered number: 08575040

Balance sheet as at 31 December 2018

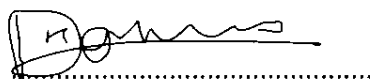
	Note	2018 US('\$000)	2017 US('\$000)
Current assets			
Debtors: amounts falling due within one year	8	14,976	17,572
		<u>14,976</u>	<u>17,572</u>
Current liabilities			
Creditors: amounts falling due within one year	9	(14,909)	(17,505)
		<u>67</u>	<u>67</u>
Net assets			
Capital and reserves			
Called up share capital	10,11	-	-
Profit and loss account	11	67	67
		<u>67</u>	<u>67</u>
Total shareholder's funds			
		<u>67</u>	<u>67</u>

The directors consider that the Company is entitled to exemption from the requirement to have an audit under the provisions of section 479A of the Companies Act 2006 ("the Act") relating to subsidiary companies.

The members have not required the Company to obtain an audit of its financial statements for the year in question in accordance with section 476 of the Act.

The directors acknowledge their responsibility for complying with the requirements of the Act with respect to accounting records and for the preparation of accounts.

The financial statements were authorised for issue by the board of directors and were signed on its behalf by:



K JF Douws
Director

Date: 24 09 2019

The notes on pages 8 to 17 form part of these financial statements.

AB InBev Corporate Services Limited

Statement of changes in equity for the year ended 31 December 2018

	Called up share capital US(' \$000)	Cash flow hedge reserve US(' \$000)	Profit and loss account US(' \$000)	Total shareholders' surplus US(' \$000)
At 1 January 2017	-	(1,487)	67	(1,420)
Cash flow hedge movements	-	1,487	-	1,487
Total comprehensive income for the year	-	1,487	-	1,487
At 31 December 2017	-	-	67	67
Total comprehensive expense for the year	-	-	-	-
At 31 December 2018	-	-	67	67

The notes on pages 8 to 17 form part of these financial statements.

AB InBev Corporate Services Limited

Notes to the financial statements for the year ended 31 December 2018

1. General information

The Company is a private company limited by shares and is incorporated and domiciled in England and Wales. The address of its registered office is: Bureau, 90 Fetter Lane, London, EC4A 1EN, United Kingdom

2. Accounting policies

Basis of preparation

These financial statements have been prepared in accordance with *Financial Reporting Standard 101 Reduced Disclosure Framework* ("FRS 101"). The amendments to FRS 101 (2013/14, 2014/15, 2015/16 and 2016/17 cycle) issued in July 2014, July 2015, July 2016 and July 2017 effective immediately have been applied.

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU ("EU Adopted IFRSs"), but makes amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions have been taken.

The Company's ultimate parent undertaking, Anheuser-Busch InBev SA/NV includes the Company in its consolidated financial statements. The consolidated financial statements of Anheuser-Busch InBev SA/NV are prepared in accordance with EU Adopted IFRSs, and are available to the public and may be obtained from the Corporate Secretary at Anheuser-Busch InBev SA/NV, Brouwerijplein 1, B-3000 Leuven, Belgium.

The preparation of financial statements in conformity with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 3.

The following exemptions from the requirements of EU adopted IFRSs have been applied in the preparation of these financial statements, in accordance with FRS 101:

- The following paragraphs of IAS 1, 'Presentation of financial statements':
 - 10(d) (statement of cash flows)
 - 16 (statement of compliance with all IFRS)
 - 38A (requirement for minimum of two primary statements, including cash flow statements)
 - 38B-D (additional comparative information)
 - 111 (cash flow statement information)
 - 134-136 (capital management disclosures)
- IAS 7, 'Statement of cash flows'
- Paragraph 30 and 31 of IAS 8 'Accounting policies, changes in accounting estimates and errors' (requirement for the disclosure of information when an entity has not applied a new IFRS that has been issued but is not yet effective)
- The requirements in IAS 24, 'Related party disclosures' to disclose related party transactions entered into between two or more members of a group.

AB InBev Corporate Services Limited

Notes to the financial statements for the year ended 31 December 2018

2. Accounting policies (continued)

Basis of preparation (continued)

As the consolidated financial statements of Anheuser-Busch InBev SA/NV include the equivalent disclosures, the Company has also taken the exemptions under FRS 101 available in respect of the following disclosures.

- Certain disclosures required by IAS 36 'Impairment of assets' in respect of the impairment of goodwill and indefinite life intangible assets; and
- The disclosures required by IFRS 7 and IFRS 13 regarding financial instrument disclosures have not been provided apart from those which are relevant for the financial instruments which are held at fair value and are not held as part of a trading portfolio or as derivatives.

The financial statements are prepared on a going concern basis, under the historical cost convention, as modified by the fair valuation of financial instruments. The accounting policies, which have been applied consistently throughout the year, are set out below.

Exemption from preparation of consolidated financial statements

The financial statements contain information about AB InBev Corporate Services Limited as an individual company and do not contain consolidated financial information as the parent of a group. The Company has taken advantage of the exemption conferred by s400 of the Companies Act 2006 not to produce consolidated financial statements as it is included in the EEA accounts of a larger group.

New standards, amendments and IFRIC interpretations

IFRS 9 and IFRS 15 are new accounting standards that are effective for the year ended 31 December 2018.

(a) IFRS 9 Financial Instruments

IFRS 9 replaces the provisions of IAS 39 that relate to the recognition, classification and measurement of financial assets and financial liabilities, derecognition of financial instruments, impairment of financial assets and hedge accounting.

The Company adopted IFRS 9 with a transition date of 1 January 2018. Management has performed an assessment of the intercompany loans held and believe that there is no difference between the contractual and expected future cash flows of those loans, which have all been documented. The loans are all repayable on demand and therefore the simplified approach under IFRS 9 has been followed with 12 month expected credit losses analysed. The impact of this is not material to these financial statements and therefore the loans have not been credit-impaired at the reporting date.

As a result of the adoption of IFRS 9 and the changes in the financial instruments accounting policy, there were no adjustments made to the Company's retained earnings as at 1 January 2018 or 1 January 2017 and there were no adjustments made to line items in the Profit and loss account and other comprehensive income statement for the year ended 31 December 2017 relating to the adoption of IFRS 9.

AB InBev Corporate Services Limited

Notes to the financial statements for the year ended 31 December 2018

2. Accounting policies (continued)

New standards, amendments and IFRIC interpretations (continued)

(b) IFRS 15 Revenue from Contracts with Customers

IFRS 15 has replaced IAS 18 *Revenue* and IAS 11 *Construction Contracts* as well as various Interpretations previously issued by the IFRS Interpretations Committee.

The Company adopted IFRS 15 with a transition date of 1 January 2018.

As a result of the adoption of IFRS 15 there were no adjustments made to the Company's retained earnings as at 1 January 2018 or 1 January 2017 and there were no adjustments made to line items in the Profit and loss account and other comprehensive income statement for the year ended 31 December 2017 relating to the adoption of IFRS 15.

There are no other amendments to accounting standards, or IFRIC interpretations that are effective for the year ended 31 December 2018 and have had a material impact on the Company.

Turnover

Turnover is recognised to the extent that it is probable that economic benefits will flow to the Company, and it can be reliably measured. The total revenue of the Company for the year has been derived from management fees primarily from Asia, Europe, SA, LatAm and North America.

Interest income

Interest income is recognised on an accruals basis using the effective interest method.

When a receivable is impaired, the Company reduces the carrying amount to its recoverable amount by discounting the estimate future cash flows at the original effective interest rate, and continuing to unwind the discount as interest income.

Foreign exchange

The Company's financial statements are prepared using the US Dollar as the presentational currency. The US Dollar is also the Company's functional currency, representing the currency of the primary economic environment in which the Company operates.

Transactions in foreign currencies are translated to the Company's functional currency at the foreign exchange rate ruling at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated to the functional currency at the foreign exchange rate ruling at that date.

Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

Foreign exchange gains and losses are recognised within profit or loss.

Interest expense on loans from fellow group undertakings

Interest expense on loans in respect of borrowings from other subsidiaries within the Group is recognised on an amortised cost basis using the effective interest rate method.

AB InBev Corporate Services Limited

Notes to the financial statements for the year ended 31 December 2018

2. Accounting policies (continued)

Taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity, in which case it is recognised in other comprehensive income or directly in equity, respectively.

Current tax expense is based on the results for the year as adjusted for items that are not taxable or not deductible. The Company's liability for current taxation is calculated using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is provided in full using the liability method, in respect of all temporary differences arising between the tax bases of assets and liabilities and their carrying values, except where the temporary difference arises from goodwill (in the case of deferred tax liabilities) or from the initial recognition (other than a business combination) of other assets and liabilities in a transaction that affects neither accounting nor taxable profit.

Deferred tax liabilities are recognised where the carrying value of an asset is greater than its tax base, or where the carrying value of a liability is less than its tax base. Deferred tax is recognised in full on temporary differences arising from investment in subsidiaries, associates and joint ventures, except where the timing of the reversal of the temporary difference is controlled by the company and it is probable that the temporary difference will not reverse in the foreseeable future. This includes taxation in respect of the retained earnings of overseas subsidiaries only to the extent that, at the balance sheet date, dividends have been accrued as receivable or a binding agreement to distribute past earnings in future years has been entered into by the subsidiary. Deferred income tax is also recognised in respect of the unremitted retained earnings of overseas associates and joint ventures as the Company is not able to determine when such earnings will be remitted and when such additional tax such as withholding taxes might be payable.

A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it is expected that sufficient existing taxable temporary differences will reverse in the future or there will be sufficient taxable profit available against which the temporary differences (including carried forward tax losses) can be utilised.

Deferred tax is measured at the tax rates expected to apply in the years in which the timing differences are expected to reverse based on tax rates and laws that have been enacted or substantively enacted at balance sheet date. Deferred tax is measured on a non-discounted basis.

Financial instruments

Financial instruments comprise investments in equity and debt securities, loans receivable and borrowings.

The Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs directly attributable to the acquisition or issue of the financial asset. Debt financial instruments are subsequently measured at amortised cost or fair value through profit or loss. The classification is based on two criteria: the objective of the Company's business model for managing the assets; and whether the instruments' contractual cash flows represent 'solely payments of principal and interest' on the principal amount outstanding (the 'SPPI criterion').

The classification and measurement of the Company's financial assets is as follows:

AB InBev Corporate Services Limited

Notes to the financial statements for the year ended 31 December 2018

2. Accounting policies (continued)

Financial instruments (continued)

Debt instruments at amortised cost

These comprise investments in loans and receivables where the contractual cash flows are solely payments of principal and interest and the Company's business model is to collect contractual cash flows. Interest income, foreign exchange gains and losses and any impairment charges for such instruments are recognised in profit or loss.

Impairment provisions for receivables from related parties and loans to related parties are recognised based on a forward looking expected credit loss model. The methodology used to determine the amount of the provision is based on whether there has been a significant increase in credit risk since initial recognition of the financial asset. For those where the credit risk has not increased significantly since initial recognition of the financial asset, twelve month expected credit losses along with gross interest income are recognised. For those for which credit risk has increased significantly, lifetime expected credit losses along with the gross interest income are recognised. For those that are determined to be credit impaired, lifetime expected credit losses along with interest income on a net basis are recognised.

Financial liabilities

Financial liabilities are recognised when there is an obligation to transfer benefits and that obligation is a contractual liability to deliver cash or another financial asset or to exchange financial instruments with another entity on potentially unfavourable terms. Financial liabilities are derecognised when they are extinguished, that is discharged, cancelled or expired. If a legally enforceable right exists to set off recognised amounts of financial assets and liabilities, which are in determinable monetary amounts, and there is the intention to settle net, the relevant financial assets and liabilities are offset.

Interest bearing loans and borrowings

Interest-bearing loans and borrowings are recognised initially at fair value, less attributable transaction costs. Subsequent to initial recognition, interest-bearing loans and borrowings are stated at amortised cost with any difference between the initial amount and the maturity amount being recognised in profit or loss over the expected life of the instrument on an effective interest rate basis.

Non derivative financial instruments

Non-derivative financial instruments comprise investments in equity and debt securities, cash and cash equivalents, loans and borrowings, and issued financial guarantee contracts.

Trade and other creditors

Trade and other creditors are recognised initially at fair value. Subsequent to initial recognition they are measured at amortised cost using the effective interest method.

Loans receivable and borrowings

Loans receivable and borrowings are recognised initially at fair value less attributable transaction costs. Subsequent to initial recognition, they are stated at amortised cost using the effective interest method, less any impairment losses.

AB InBev Corporate Services Limited

Notes to the financial statements for the year ended 31 December 2018

2. Accounting policies (continued)

Impairment of financial assets

A financial asset not carried at fair value through profit or loss is assessed at each reporting date to determine whether there is objective evidence that it is impaired. A financial asset is impaired if objective evidence indicates that a loss event has occurred after the initial recognition of the asset, and that the loss event had a negative effect on the estimated future cash flows of that asset that can be estimated reliably.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. For financial instruments measured at cost less impairment an impairment is calculated as the difference between its carrying amount and the best estimate of the amount that the Company would receive for the asset if it were to be sold at the reporting date. Interest on the impaired asset continues to be recognised through the unwinding of the discount. When a subsequent event causes the amount of impairment loss to decrease, the decrease in impairment loss is reversed through profit or loss.

Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

3. Key estimates and judgements

In determining and applying accounting policies, judgement is often required where the choice of specific policy, assumption or accounting estimate to be followed could materially affect the reported results or net position of the Company, should it later be determined that a different choice be more appropriate.

Management considers the following to be the areas of significant judgement and estimation uncertainty for the Company.

Impairment of investments

Impairment reviews in respect of investments in Group undertakings are performed if events indicate that this is necessary. Impairment reviews are based on future cash flows discounted using the weighted average cost of capital for the relevant country with terminal values calculated applying a long-term growth rate. The future cash flows which are based on business forecasts, the long-term growth rates and the discount rates used are dependent on management estimates and judgements. Future events could cause the assumptions used in these impairment reviews to change with a consequent impact on the results and net position of the Company.

Impairment of intercompany loans

Impairment provisions for amounts due between companies across the group are recognised based on a forward looking expected credit loss model. Management has reviewed the intercompany loans granted to and by the entity. Based on their assessment they believe that credit risk has not increased significantly since initial recognition and there is no difference between the contractual and expected future cash flows of those intercompany loans, which have all been documented. As a result, none of those loans have been credit-impaired at the reporting date. Management will keep monitoring at each reporting date whether significant increases in credit risk have occurred, based on borrower specific information, and will adjust the value of the intercompany loans where required.

AB InBev Corporate Services Limited

Notes to the financial statements for the year ended 31 December 2018

4. Operating expenses

	2018 US('\$000)	2017 US('\$000)
Management fees	3,336	22,318
Administrative expenses, net of recovery	(2,941)	9,501
Total other operating (income) / expenses	395	31,819

5. Key management compensation and employees

Key management personnel are considered to be the directors of the Company. The Company had no employees in the year (2017: none). None of the key management personnel received any remuneration for their services as key management personnel of the Company and are not employed by the Company.

During the year, no key management personnel exercised options over US 10 cent shares in ABI SAB Group Holding Limited (2017: none). This is accounted for by the employing company within the Group. One (2017: none) key management personnel exercised options in Anheuser-Busch InBev SA/NV.

Pension contributions, on behalf of the key management personnel, were made by their employing companies within the Group.

6. Finance expense

	2018 US('\$000)	2017 US('\$000)
Interest payable to fellow Group undertakings	249	2,110
Fair value loss on derivative financial instruments	-	760
Foreign exchange loss	157	802
Total finance expense	406	3,672

AB InBev Corporate Services Limited

Notes to the financial statements for the year ended 31 December 2018

7. Taxation on profit / loss

Analysis of expense in the year

	2018 US('\$000)	2017 US('\$000)
Current taxation		
UK Corporation tax on losses for the year	-	(10)
Adjustments in respect of previous periods	-	10
	<u>-</u>	<u>10</u>
Total taxation expense	<u>-</u>	<u>-</u>

Factors affecting the taxation charge for the year

The tax assessed for the year is the same as (2017: the same as) the UK standard rate of corporation tax for the year ended 31 December 2018 of 19% (2017: 19.25%) as set out below:

	2018 US('\$000)	2017 US('\$000)
Result on ordinary activities before taxation	-	-
	<u>-</u>	<u>-</u>
Tax credit at UK standard rate of corporation tax of 19% (2017: 19.25%)	-	-
Effects of:		
Adjustments in respect of prior periods	-	10
Group relief not paid for	-	(10)
	<u>-</u>	<u>10</u>
Total tax charge for the year	<u>-</u>	<u>-</u>

Factors that may affect future tax charges

The UK corporation tax rate decreased from 20% to 19% from 1 April 2017.

The effect of changes to the corporation tax rates substantively enacted as part of the Finance Bill 2016 (on 7 September 2016) includes reductions to the main rate to reduce the rate to 17% from April 2020.

There were no other factors that may affect future tax changes.

AB InBev Corporate Services Limited

Notes to the financial statements for the year ended 31 December 2018

8. Debtors: amounts falling due within one year

	2018 US('\$000)	2017 US('\$000)
Amounts owed by fellow Group undertakings	14,976	16,987
Other debtors	-	585
	<u>14,976</u>	<u>17,572</u>

Amounts owed by fellow Group undertakings are unsecured, repayable on demand, and interest free (2017: 1-month LIBOR with spreads ranging from minus 12.5 to plus 110 basis points).

The carrying amounts of trade and other debtors are denominated in US dollars, which is the functional currency of the respective subsidiaries.

9. Creditors: Amounts falling due within one year

	2018 US('\$000)	2017 US('\$000)
Loans owed to parent undertaking	6,237	8,166
Amounts owed to fellow Group undertakings	8,672	9,313
Accruals and deferred income	-	1
Bank overdrafts	-	25
	<u>14,909</u>	<u>17,505</u>

Loans owed to parent undertakings are unsecured, repayable on demand and bear interest at 1-month LIBOR (or currency equivalent) with spread of plus 110 basis points (2017: minus 12.5 to plus 110 basis points) and amount which is interest free.

Amounts owed to fellow Group undertakings are interest free, unsecured and repayable on demand.

The fair value of trade and other creditors approximates to their book value. The carrying amounts of trade and other creditors are denominated in US dollars.

10. Called up share capital

	2018 US\$	2017 US\$
Allotted, called up and fully paid		
1 Ordinary share of \$1 (2017: 1)	<u>1</u>	<u>1</u>

AB InBev Corporate Services Limited

Notes to the financial statements for the year ended 31 December 2018

11. Reserves

Reserves are comprised of the following:

Called up share capital represents the nominal value of shares subscribed for.

Other comprehensive income/expense represents the fair value gain/loss arising from cash flow hedges.

The Company's Profit and loss account represents cumulative profits or losses net of transactions with owners (e.g. dividends) not recognised elsewhere.

12. Capital commitments and contingent liabilities

There were no capital commitments or material contingent liabilities at 31 December 2018 (2017: US\$ nil).

13. Related party transactions

During the year the Company had transactions with members of the Group in which the Group does not hold a 100% interest as follows:

	2018 US('\$000)	2017 US('\$000)
Management fee income	-	1,993
Management fee expense	-	-
Administrative expense recovery	-	-
At 31 December	-	-
Amounts owed by fellow Group undertakings	-	5,766

During the year, the Company received all amounts owed by fellow Group undertakings, including the following material balances: US\$2,017,000 from AB InBev India Limited and US\$2,968,000 from Ursus Breweries S.A..

14. Ultimate parent undertaking

The immediate parent undertaking as at 31 December 2018 was AB InBev Holdings Limited, a company incorporated in England and Wales.

At 31 December 2018 the ultimate parent undertaking and controlling party was Anheuser-Busch InBev SA/NV, a company incorporated in Leuven, Belgium. Anheuser-Busch InBev SA/NV is the parent undertaking of the smallest and largest group to consolidate these financial statements. Copies of Anheuser-Busch InBev SA/NV's consolidated financial statements can be obtained from Anheuser-Busch InBev SA/NV, Brouwerijplein 1, B-3000 Leuven, Belgium.