

Registered number: 10686976

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## SACH 1 LTD

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### DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

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**SACH 1 LTD**

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**COMPANY INFORMATION**

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<b>Directors</b>	C D Fish (resigned on 1 August 2023) J Flynn T J McCulley J Wilson (appointed on 1 August 2023)
<b>Company secretary</b>	Anglo American Corporate Secretary Limited
<b>Registered number</b>	10686976
<b>Registered office</b>	17 Charterhouse Street London United Kingdom EC1N 6RA
<b>Independent auditors</b>	PricewaterhouseCoopers LLP Chartered Accounts and Statutory Auditors 29 Wellington Street Leeds United Kingdom LS1 4DL

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## **SACH 1 LTD**

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## SACH 1 LTD

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### DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

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The Directors present their annual report together with the audited financial statements of SACH 1 Ltd (the "Company") for the year ended 31 December 2023.

The Directors' report has been prepared in accordance with the provisions applicable to companies entitled to the small companies' exemption. Furthermore, a strategic report as required by section 414 of the Companies Act 2006 is not presented under the small companies' exemption.

#### **Directors' responsibilities statement**

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law).

Under company law, 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 the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101 have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements 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 safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are also 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.

#### **Directors' confirmations**

In the case of each director in office at the date the directors' report is approved:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

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## SACH 1 LTD

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### DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2023

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#### Principal activities

The principal activity of the Company is as an intermediate holding company within the Anglo American Crop Nutrients Limited group of companies (the "Group"). The Group's principal activities are to explore, evaluate and develop its polyhalite project (the "Project") in North Yorkshire.

#### Directors

The Directors who served during the year and up to the date of signing the financial statements are as follows:

C D Fish (resigned on 1 August 2023)  
J Flynn  
T J McCulley  
J Wilson (appointed on 1 August 2023)

The Company Secretary who served the Company during the year and up to the date of signing the financial statements was Anglo American Corporate Secretary Limited.

#### Future developments

The Directors anticipate that the Company's operations will continue to be largely dormant following a restructuring of the Company's historical loan arrangements which greatly simplified the Company's balance sheet as at the year-end.

#### Results and dividends

The Company recorded a result for the year of \$Nil (2022: \$Nil).

The total assets of the Company at 31 December 2023 were \$1 (2022: \$1).

The Directors do not recommend any distributions during the year (2022: \$Nil).

#### Principle risks and uncertainties

The principal risks and uncertainties faced by the Company are those of the wider Anglo American Crop Nutrients Limited Group being the long-term viability which is significantly dependent upon the successful outcome of construction of the Project. The Company and wider Group do not expect to generate any profit for a number of years and ongoing solvency is dependent upon the outcome of construction which itself is reliant on the success of future fundraising. For further details refer to the Going Concern section below.

#### Qualifying third party indemnity provisions

Directors' and officers' insurance is maintained at an appropriate level in respect of legal action against the Directors. These arrangements were in place throughout the financial year and up to the date of approval of the financial statements.

**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 31 DECEMBER 2023**

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**Financial risk management**

As the Company is an intermediate holding company that does not trade it is not subject to any financial risks. However given the nature of the Company, it is intrinsically linked and exposed to the financial risks of the wider Anglo American Crop Nutrients Limited Group. Anglo American Crop Nutrients Limited Group has in place a risk management programme that seeks to limit the adverse effects on the financial performance of the Company. This is disclosed within Anglo American Crop Nutrients Limited annual report and financial statements available from Companies House.

**Going Concern**

The Company is a non-trading holding company with no cash balances. The Company holds a combination of intercompany receivable and share capital. Given the company has no cash, if it was required to make any payments, the Company's ability to do so and subsequently to continue as a going concern for at least 12 months from the date of signing is dependent upon it continuing to receive funding from the wider Anglo American plc group.

The Directors have received confirmation from Anglo American plc ("AA plc") that AA plc will provide adequate financial support to the Company to meet their obligations for a period of at least 12 months from the signing of the Company's statutory financial statements for the year ended 31 December 2023.

Based on the above, the Directors consider it appropriate to adopt the going concern basis of accounting in preparing these financial statements.

**Independent Auditors**

Under section 487(2) of the Companies Act 2006, PricewaterhouseCoopers LLP will be deemed to have been reappointed as independent auditors 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the financial statements with the registrar, whichever is earlier.

This report was approved by the board on 28 March 2024 and signed on its behalf.



**J Flynn**  
Director

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SACH 1 LTD**

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**Independent auditors' report to the members of SACH 1 LTD**

**Report on the audit of the financial statements**

**Opinion**

In our opinion, SACH 1 LTD's financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2023 and of its result for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Directors' Report and Financial Statements (the "Annual Report"), which comprise: the Statement of Financial Position as at 31 December 2023; the Statement of Comprehensive Income and the Statement of Changes in Equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

**Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Independence**

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

**Conclusions relating to going concern**

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 at least twelve months from when the financial statements are authorised for issue.

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.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the company's ability to continue as a going concern.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SACH 1 LTD**

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**Reporting on other information**

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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 based on these responsibilities.

With respect to the Directors' Report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

**Directors' Report**

In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' Report for the year ended 31 December 2023 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Directors' Report.

**Responsibilities for the financial statements and the audit****Responsibilities of the directors for the financial statements**

As explained more fully in the Directors' responsibilities statement, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so



**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SACH 1 LTD**

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**Auditors' 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 auditors' 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to the Companies Act 2006 and UK tax legislation, and we considered the extent to which non-compliance might have a material effect on the financial statements. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting fraudulent journal entries to manipulate financial performance and management bias in significant accounting estimates. Audit procedures performed by the engagement team included:

- discussions with management, including consideration of known or suspected instances of non compliance with laws and regulations and fraud;
- identifying and testing journal entries; in particular any journal entries posted with unusual account combinations;
- evaluation of management's controls designed to prevent and detect fraudulent financial reporting; and
- reviewing financial statement disclosures and testing to supporting documentation, where appropriate, to assess compliance with applicable laws and regulations.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, 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.

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](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditors' report.

**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF SACH 1 LTD**

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**Use of this report**

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

**Other required reporting**

**Companies Act 2006 exception reporting**

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

**Entitlement to exemptions**

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to: prepare financial statements in accordance with the small companies regime; take advantage of the small companies exemption in preparing the Directors' Report; and take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.



Michael Whyte (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Leeds  
28 March 2024

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**SACH 1 LTD**

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**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2023**

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	Note	2023 \$	2022 \$
<b>Result before tax</b>	3	-	-
Tax expense	4	-	-
<b>Result for the year</b>			
<b>Other comprehensive income:</b>			
<b>Total comprehensive income</b>		-	-

There is no comprehensive income in either year.

All activities are based upon continuing operations (2022: continuing operations).

The notes on pages 11 to 13 form part of these financial statements.

**SACH 1 LTD**  
**REGISTERED NUMBER: 10686976**

**STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2023**

	Note	2023 \$	2022 \$
<b>Assets</b>			
<b>Non-current assets</b>			
Loans to group companies		1	1
<b>Total assets</b>		<u>1</u>	<u>1</u>
<b>Equity</b>			
Called up share capital	5	1	1
Capital contributions		130,689,531	130,689,531
Accumulated losses		(130,689,531)	(130,689,531)
<b>Total equity</b>		<u>1</u>	<u>1</u>

The Company's financial statements have been prepared in accordance with the provisions applicable to entities subject to the small companies regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 28 March 2024.



**J Flynn**  
Director

The notes on pages 11 to 13 form part of these financial statements.

**SACH 1 LTD****STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2023**

	<b>Called up share capital</b>	<b>Capital contribution reserve</b>	<b>Accumulated losses</b>	<b>Total equity</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
<b>At 1 January 2022</b>	<b>1</b>	<b>130,689,531</b>	<b>(130,689,531)</b>	<b>1</b>
<b>Total result for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>At 31 December 2022</b>	<b>1</b>	<b>130,689,531</b>	<b>(130,689,531)</b>	<b>1</b>
<b>Total result for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>At 31 December 2023</b>	<b>1</b>	<b>130,689,531</b>	<b>(130,689,531)</b>	<b>1</b>

The notes on pages 11 to 13 form part of these financial statements.

The called up share capital account is used to record the nominal value on the issue of shares.

The capital contribution reserve is used to record the forgiveness of any of the Company's liabilities granted to it by the liability holder who is also the Company's immediate parent.

Accumulated losses is used to record the accumulated losses or retained earnings.

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023**

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**1. Accounting policies****1.1 Basis of preparation**

The Company meets the definition of a qualifying entity under Financial Reporting Standard 100 ("FRS 100") issued by the Financial Reporting Council. The Company has therefore elected to prepare these financial statements in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ("FRS 101"). The Company is a private company, limited by shares, which is incorporated and domiciled in England. The address of its registered office 17 Charterhouse Street, London, London, United Kingdom, EC1N 6RA.

These financial statements have been prepared in accordance with the requirements of the Companies Act 2006. The financial statements have also been prepared under the historical cost convention in US Dollars, which has been the functional currency of the Company since 17 March 2020. The principal accounting policies set out below have been consistently applied to all periods presented.

**1.2 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 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 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

**1.3 International Financial Reporting Standards in "issue" but not yet effective**

A number of new standards and amendments to standards and interpretations are effective for annual years beginning after 1 January 2024 and have not been applied in preparing these financial statements. None of these are expected to have a significant effect on the financial statements of the Company.

- Amendments to IAS 1 *Presentation of financial statements: non-current liabilities with covenants*
- Amendments to IFRS 16 *Leases: Lease Liability in a Sale and Leaseback*
- Amendments to IAS 7 and IFRS 7, *Supplier finance-disclosure requirements*

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023**

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**1. Accounting policies (continued)**

**1.4 Going concern**

The Company is a non trading holding company with no cash balances. The Company holds a combination of intercompany receivable and share capital. Given the company has no cash, if it was required to make any payments, the Company's ability to do so and subsequently to continue as a going concern for at least 12 months from the date of signing is dependent upon it continuing to receive funding from the wider Anglo American plc group.

The Directors have received confirmation from AA plc that AA plc will provide adequate financial support to the Company to meet their obligations for a period of at least 12 months from the signing of the Company's statutory financial statements for the year ended 31 December 2023.

Based on the above, the Directors consider it appropriate to adopt the going concern basis of accounting in preparing these financial statements.

**1.5 Loans to group companies**

Loans to group companies are recognised initially at fair value and subsequently measured at amortised cost. Provision for impairment is recognised based on the expected credit loss estimated at the year-end date, with any changes in the value of the provision being recognised immediately within net finance expense.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023**

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**2. Significant accounting estimates and judgements**

There were no significant accounting estimates or judgements applied to the preparation of these financial statements which had a significant impact upon balances recognised in these financial statements nor which could lead to significant risk of material adjustment to the carrying amount of assets and liabilities within the next financial year.

**3. Results before tax**

Auditors' remuneration is paid by a fellow group company, Anglo American Woodsmith Limited for which there is no recharge.

The Company had no employees during the year (2022: \$Nil). Directors of the company are remunerated by other companies within the Anglo American plc group, and no charge is made to the Company for the directors' services.

**4. Tax expense**

The Company has recognised no expense nor credit for taxation within the statement of comprehensive income for either year. There was no income in 2023 and in 2022, no components of the Company's income statement was taxable. As a result, the Company's total taxable profit for each year was \$Nil.

On 23 March 2023, HM Treasury released draft legislation for the Global Minimum Tax ('Pillar 2') rules in the UK which was substantively enacted on 20 June 2023. These rules will apply to the full Anglo American Group from the financial year ended 31 December 2024 onwards. Further information regarding the group's Pillar Two position is detailed in the consolidated accounts of Anglo American Plc. SACH 1 Ltd has applied the mandatory temporary exception under IAS 12 in relation to the accounting for deferred taxes arising from the implementation of the Pillar 2 rules.

**5. Called up share capital**

The company has allotted, called and fully paid up 1 ordinary share with a par value of £1 in the year ended 31 December 2023 (2022: 1)

**6. Ultimate parent undertaking and controlling party and subsequent events**

The immediate parent company is Anglo American Crop Nutrients Limited, a company incorporated in the United Kingdom and registered in England and Wales. The ultimate parent company and 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 group which includes the Company and for which group financial statements are prepared. Anglo American Crop Nutrients Limited is the parent undertaking of the smallest group which includes the Company and for which group financial statements are prepared. The financial statements of both Anglo American plc and Anglo American Crop Nutrients Limited may be obtained from the Company Secretary at its registered office of 17 Charterhouse Street, London, EC1N 6RA.

There have been no subsequent events impacting the Company since 31 December 2023 which require disclosure in these financial statements.