

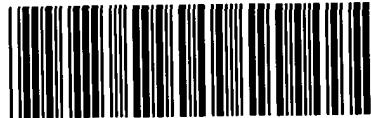
Registration number: 47094

# Britannia Soft Drinks Limited

Annual Report and Financial Statements

for the Year Ended 30 September 2022

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## **Britannia Soft Drinks Limited**

### **Contents**

Company Information	1
Strategic Report	2 to 3
Directors' Report	4 to 5
Statement of Directors' Responsibilities	6
Independent Auditor's Report to the members of Britannia Soft Drinks Limited	7 to 10
Profit and Loss Account	11
Balance Sheet	12
Statement of Changes in Equity	13
Notes to the Financial Statements	14 to 26

## **Britannia Soft Drinks Limited**

### **Company Information**

<b>Directors</b>	P S Litherland A C Thomas R J Wilson
<b>Company Secretary</b>	J Moore
<b>Registered office</b>	Breakspear Park Breakspear Way Hemel Hempstead Hertfordshire HP2 4TZ
<b>Auditor</b>	Ernst & Young LLP Citygate St. James Boulevard Newcastle upon Tyne NE1 4JD

## **Britannia Soft Drinks Limited**

### **Strategic Report for the Year Ended 30 September 2022**

The directors present their strategic report for Britannia Soft Drinks Limited (the 'Company') for the year ended 30 September 2022.

#### **Fair review of the business**

The Company did not trade during the year ended 30 September 2022. The profit for the year before taxation amounted to £157,193,000 (2021: profit of £89,437,000). During the year, the Company received dividends of £151,592,000 (2021: £80,064,000), earned partnership income of £11,952,000 (2021: £11,975,000) and there were no impairments or reversals of impairments related to investments (2021: reversal of an impairment in Britvic Overseas Limited of £5,779,000).

The Directors do not recommend payment of a final dividend (2021: £nil). During the year, the Company paid interim dividends of £150,000,000 (2021: £80,000,000).

#### **Principal risks and uncertainties**

The board of the ultimate parent company, Britvic plc, has a policy of continuous identification and review of key business risks and uncertainties affecting Britvic plc and its subsidiaries (the 'Britvic Group'). It oversees the development of processes to ensure that these risks are managed appropriately and operational management is delegated with the task of implementing these processes and reporting to the board on their outcomes. The principal risks and uncertainties affecting the Britvic Group are set out on pages 70 to 75 of the Britvic plc Annual Report and Accounts 2022.

The Company could be materially adversely affected by an impairment of the investments it holds in its subsidiaries - this depends on the future financial performance of the subsidiaries and the impact of changes in foreign exchange rates on the value of overseas subsidiaries. Other than the risk of an impairment of investments, the directors consider that the Company is not subject to any significant risks and uncertainties as it does not trade.

#### **Financial risk management**

The main risks associated with the Company's financial assets and liabilities are set out below:

##### *Liquidity risk*

Liquidity risk is the risk that the Company will encounter difficulty in meeting its obligations associated with its financial liabilities. The creditors predominantly comprise amounts owed to Britvic plc group undertakings and the Company has the support of its parent, hence liquidity risk is considered to be low.

##### *Credit risk*

Credit risk is the risk that on party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Debtors predominantly comprise amounts owed by Britvic plc group undertakings, hence credit risk is considered to be low.

## **Britannia Soft Drinks Limited**

### **Strategic Report for the Year Ended 30 September 2022 (continued)**

#### **Section 172 of the Companies Act 2006**

The directors are aware of their duty under s172(1) of the Companies Act 2006 to act in the way which they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its stakeholders as a whole, and in doing so, to have a regard (amongst other matters) to:

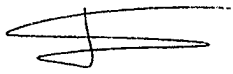
- the likely consequences of any decision in the long term;
- the interests of the Company's employees;
- the need to foster the Company's business relationships with suppliers, customers and others;
- the impact of the Company's operations on the community and the environment;
- the desirability of the Company maintaining a reputation for high standards of business conduct; and
- the need to act fairly towards all stakeholders of the Company.

The directors of the Company consider that they have had regard in material respects to the factors set out above.

The Company is a UK subsidiary of Britvic plc, a company quoted on the London Stock Exchange. The Britvic plc board determines the strategic objectives and policies of the Britvic Group to best support the delivery of long-term value, providing overall strategic direction within an appropriate framework of controls, delegated authority, and rewards. The Company follows group policies and procedures, including those relating to standards of business conduct, employees, customers, suppliers, the environment, the communities in which we operate, and other stakeholders such as regulatory bodies and non-government organisations. Stakeholder engagement takes place at a group level and the Company looks to group initiatives for guidance and takes them into account in its decision making. More detail can be found on pages 26-28 of the Britvic plc Annual Report and Accounts 2022.

The Company delegates authority for day-to-day management to senior leaders, who set, approve and oversee the execution of the Company activities. Board meetings are held from time to time where the directors consider Company business, such as appointment of directors, approval of accounts, approval of dividends, guarantees and other strategic decisions relating to business operations. In considering items of business the Company makes autonomous decisions on each item's own merits, after due consideration of the long-term success of the Company, Section 172 factors, where relevant, and the stakeholders impacted.

Approved by the board on 29 March 2023 and signed on its behalf by:



R J Wilson  
Director

## **Britannia Soft Drinks Limited**

### **Directors' Report for the Year Ended 30 September 2022**

The directors present their report and the financial statements for the year ended 30 September 2022.

#### **Directors**

The directors, who held office during the year, were as follows:

P S Litherland

A C Thomas

R J Wilson

#### **Principal activity**

The principal activity of the company is to act as an investment holding company.

#### **Results and dividends**

The Company is an intermediary holding company and did not trade during the year ended 30 September 2022. The profit for the year before taxation amounted to £157,193,000 (2021: £89,437,000).

The directors do not recommend payment of a final dividend (2021: £nil). During the year, the Company paid interim dividends of £150,000,000 (2021: £80,000,000).

#### **Employee engagement**

The Company had no employees during the year (2021: none). As a holding company within the Britvic plc group (the Group), any operating subsidiary employee engagement is integrated with the workforce engagement of the Group and is not managed separately. The Group's engagement with employees is discussed on pages 37 to 44 of the Britvic plc Annual Report and Accounts 2022.

#### **Future developments**

It is expected that the Company will continue to act as an intermediate holding company.

## **Britannia Soft Drinks Limited**

### **Directors' Report for the Year Ended 30 September 2022 (continued)**

#### **Going concern**

The Directors are satisfied that the Company has adequate resources to continue to operate as a going concern for the foreseeable future and that no material uncertainties exist with respect to this assessment.

Britvic plc, the Company's ultimate parent company, has expressed its willingness to provide financial support to the Company to assist it in meeting its liabilities as and when they fall due, but only to the extent that money is not otherwise available to the Company to meet such liabilities. A letter of support has been provided indicating that Britvic plc will continue to support the business for a period to 31 March 2024.

To assess the appropriateness of adopting the going concern basis in preparing these financial statements, the Directors have made enquiries of Britvic plc's directors and have considered the support available from Britvic plc as well as the financial position and principal risks and uncertainties facing Britvic plc. For further details, please refer to the Britvic plc Annual Report and Accounts 2022. The Directors assessment of going concern has covered the period to 31 March 2024. Having completed the enquiries and considered the facts, the Directors have concluded that Britvic plc has the ability and intent to provide the financial support to the Company set out in the support letter.

Accordingly, the Directors have concluded that the financial statements should continue to be prepared on a going concern basis.

#### **Directors' liabilities**

As permitted by section 234 of the Companies Act 2006, the Company has maintained insurance cover for the directors against liabilities in relation to the company. Such qualifying third party indemnity provision remains in force at the date of approving the directors' report.

#### **Disclosure of information to the auditor**

Each director has taken 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 auditor is aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

#### **Appointment of auditor**

Deloitte LLP have expressed their willingness to be appointed and succeed Ernst & Young LLP as auditor of the Company for the financial year ended 30 September 2023.

Approved by the Board on 29 March 2023 and signed on its behalf by:



.....  
R J Wilson  
Director

## **Britannia Soft Drinks Limited**

### **Statement of Directors' Responsibilities**

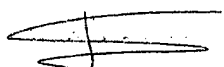
The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

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 Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 101 'Reduced Disclosure Framework' ('FRS 101'). 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 for the financial statements in accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements in FRS 101 is insufficient to enable users to understand the impact of particular transactions, other events and conditions on the company financial position and financial performance;
- state whether UK accounting standards including FRS 101 'Reduced Disclosure Framework' has 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 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.

Approved by the board on 29 March 2023 and signed on its behalf by:



R J Wilson  
Director



## **Independent Auditor's Report to the members of Britannia Soft Drinks Limited**

### **Opinion**

We have audited the financial statements of Britannia Soft Drinks Limited (the 'company') for the year ended 30 September 2022 which comprise the Profit and Loss Account, the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in 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 FRS 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 30 September 2022 and of its profit for the year 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 from when the financial statements are authorised for issue through to 31 March 2024.

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 Britannia Soft Drinks 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.

### **Opinion 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 Directors' Report for the financial year 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.

### **Responsibilities of directors**

As explained more fully in the Statement of Directors' Responsibilities (set out on page 6), 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 the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

## **Independent Auditor's Report to the members of Britannia Soft Drinks Limited (continued)**

### **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 those that relate to the reporting framework (FRS 101 and the Companies Act 2006) and the relevant tax compliance regulations in the UK.

- We understood how Britannia Soft Drinks is complying with those frameworks by making enquiries of management, internal audit and those charged with governance to understand how the company, as part of the wider Britvic group, maintains and communicates its policies and procedures in these areas.
- We understood any controls put in place by management, and those responsible for legal and compliance procedures, to reduce the opportunities for fraudulent transactions.
- We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur by meeting with management, internal audit and those charged with governance to understand where it considered there was susceptibility to fraud. We understood the programmes and controls that the company, as part of the wider Britvic group, has established to address risks identified, or that otherwise prevent, deter and detect fraud; and how senior management monitors those programmes and controls. Where the risk was considered to be higher in respect of management override, we performed audit procedures to address the identified fraud risk. These procedures included journal entry testing, with a focus on journals posted by the key management personnel including directors of the company and journals indicating large or unusual transactions. We have considered the nature of these transactions and for those that we do not consider to be in the normal course of business and are not of a trivial value we obtain evidence to support the validity of the transactions. Our procedures were designed to provide reasonable assurance that the financial statements were free from material misstatement arising from 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 journals posted by the key management personnel including directors of the company and journals indicating large or unusual transactions based on our understanding of the business and enquiries of management and internal audit.

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.

**Independent Auditor's Report to the members of Britannia Soft Drinks Limited  
(continued)**

**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.

*Ernst + Young LLP*

.....  
Caroline Mulley (Senior Statutory Auditor)  
For and on behalf of Ernst & Young LLP, Statutory Auditor  
Newcastle upon Tyne

29 March 2023

Date:.....

## Britannia Soft Drinks Limited

### Profit and Loss Account for the Year Ended 30 September 2022

	Note	30 September 2022 £ 000	30 September 2021 £ 000
Income from investments	4	163,544	92,039
Reversal of impairment of investments	9	<u>-</u>	<u>5,779</u>
Operating profit		163,544	97,818
Interest receivable		650	72
Interest payable and similar charges	5	<u>(7,001)</u>	<u>(8,453)</u>
Profit before tax		157,193	89,437
Income tax expense	8	<u>(1,064)</u>	<u>(683)</u>
Profit for the year		<u><u>156,129</u></u>	<u><u>88,754</u></u>

The above results were derived from continuing operations.

#### Statement of Comprehensive Income

The Company has no other comprehensive income for the current or previous year other than the results above.

The notes on pages 14 to 26 form an integral part of these financial statements.

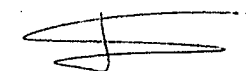
**Britannia Soft Drinks Limited**

**(Registration number: 47094)**

**Balance Sheet as at 30 September 2022**

		30 September 2022 £ 000	30 September 2021 £ 000
	Note		
<b>Fixed assets</b>			
Investments	9	762,545	762,545
<b>Current assets</b>			
Debtors	10	12,032	12,055
Cash at bank and in hand		<u>73</u>	<u>7</u>
		12,105	12,062
<b>Créditors: Amounts falling due within one year</b>	11	<u>(330,136)</u>	<u>(336,222)</u>
<b>Net current liabilities</b>		<u>(318,031)</u>	<u>(324,160)</u>
<b>Net assets</b>		<u>444,514</u>	<u>438,385</u>
<b>Capital and reserves</b>			
Called up share capital	12	181,746	181,746
Share premium reserve		25,386	25,386
Other reserves		4,570	4,570
Profit and loss account		<u>232,812</u>	<u>226,683</u>
<b>Shareholders' funds</b>		<u>444,514</u>	<u>438,385</u>

Approved by the board on 29 March 2023 and signed on its behalf by:



R J Wilson  
Director

**Britannia Soft Drinks Limited**

**Statement of Changes in Equity for the Year Ended 30 September 2022**

	Share capital £ 000	Share premium £ 000	Other reserves £ 000	Profit and loss account £ 000	Total £ 000
At 1 October 2021	181,746	25,386	4,570	226,683	438,385
Profit for the year	-	-	-	156,129	156,129
Dividends paid	-	-	-	(150,000)	(150,000)
At 30 September 2022	<u>181,746</u>	<u>25,386</u>	<u>4,570</u>	<u>232,812</u>	<u>444,514</u>

	Share capital £ 000	Share premium £ 000	Other reserves £ 000	Profit and loss account £ 000	Total £ 000
At 1 October 2020	181,746	25,386	4,570	217,929	429,631
Profit for the year	-	-	-	88,754	88,754
Dividends paid	-	-	-	(80,000)	(80,000)
At 30 September 2021	<u>181,746</u>	<u>25,386</u>	<u>4,570</u>	<u>226,683</u>	<u>438,385</u>

The notes on pages 14 to 26 form an integral part of these financial statements.  
Page 13

## **Britannia Soft Drinks Limited**

### **Notes to the Financial Statements for the Year Ended 30 September 2022**

#### **1 General information**

Britannia Soft Drinks Limited (the 'Company') is a private company limited by share capital, incorporated and domiciled in United Kingdom.

The address of its registered office is:

Breakspear Park  
Breakspear Way  
Hemel Hempstead  
Hertfordshire  
HP2 4TZ

These financial statements were authorised for issue by the board on 29 March 2023.

#### **2 Accounting policies**

##### **Summary of significant accounting policies and key accounting estimates**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

##### **Basis of preparation**

The financial statements of the Company have been prepared in accordance with the Companies Act 2006, as applicable to companies using Financial Reporting Standard 101 'Reduced Disclosure Framework' (FRS 101). The financial statements have been prepared on a going concern basis under the historical cost convention. The principal accounting policies are set out below and have been applied consistently throughout the period.

The Company's financial statements are presented in Sterling and all values are rounded to the nearest thousand pound (£'000) except where otherwise indicated.

The financial statements contain information about the Company as an individual undertaking and do not contain consolidated financial information as the parent of a group. The reason for this is that the Company is a wholly owned subsidiary of Britvic plc, a company incorporated in the United Kingdom, and is included in that company's consolidated financial statements. Consequently the Company, by virtue of section 400 of the Companies Act 2006, is exempt from the preparation of its own consolidated financial statements.



## **Britannia Soft Drinks Limited**

### **Notes to the Financial Statements for the Year Ended 30 September 2022 (continued)**

#### **2 Accounting policies (continued)**

##### **Summary of disclosure exemptions**

The following exemptions from the requirements of International Financial Reporting Standards ("IFRS") have been applied in the preparation of these financial statements:

- The following paragraphs of IAS 1, 'Presentation of financial statements':
  - 10(d) (statement of cash flows);
  - 10(f) (statement of financial position as at the beginning of the preceding period);
  - 16 (statement of compliance with all IFRS);
  - 38A (requirement for minimum of two primary statements, including cash flow statements);
  - 38B-D (additional comparative information);
  - 40A-D (requirements for a third statement of financial position);
  - 111 (cash flow statement information);
  - 134-136 (capital management disclosures); and
  - Paragraph 38 of IAS 1 'Presentation of financial statements' comparative information requirements in respect of paragraph 79 (a) (iv) of IAS 1 'Presentation of financial statements'.
- 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).
- IFRS 7, 'Financial instruments: Disclosures'.
- Paragraph 17 of IAS 24, 'Related party disclosures' (key management compensation):
  - the requirements in IAS 24, 'Related party disclosures' to disclose related party transactions entered into between two or more members of a group.

The Company is eligible to apply the above exemptions as it is included in the consolidated financial statements of Britvic plc who prepare financial statements under IFRS and include the above disclosures.

The consolidated financial statements of Britvic plc are available from Breakspear Park, Breakspear Way, Hemel Hempstead, Hertfordshire, HP2 4TZ.

## **Britannia Soft Drinks Limited**

### **Notes to the Financial Statements for the Year Ended 30 September 2022 (continued)**

#### **2 Accounting policies (continued)**

##### **Going concern**

The Directors are satisfied that the Company has adequate resources to continue to operate as a going concern for the foreseeable future and that no material uncertainties exist with respect to this assessment.

Britvic plc, the Company's ultimate parent company, has expressed its willingness to provide financial support to the Company to assist it in meeting its liabilities as and when they fall due, but only to the extent that money is not otherwise available to the Company to meet such liabilities. A letter of support has been provided indicating that Britvic plc will continue to support the business for a period to 31 March 2024.

To assess the appropriateness of adopting the going concern basis in preparing these financial statements, the Directors have made enquiries of Britvic plc's directors and have considered the support available from Britvic plc as well as the financial position and principal risks and uncertainties facing Britvic plc. For further details, please refer to the Britvic plc Annual Report and Accounts 2022. The Directors assessment of going concern has covered the period to 31 March 2024. Having completed the enquiries and considered the facts, the Directors have concluded that Britvic plc has the ability and intent to provide the financial support to the Company set out in the support letter.

Accordingly, the Directors have concluded that the financial statements should continue to be prepared on a going concern basis.

##### **Changes in accounting policy**

None of the standards, interpretations and amendments effective for the first time from 1 October 2021 have had a material effect on the financial statements.

##### **Finance income and costs policy**

Interest income and expense is recognised as interest accrues using the effective interest rate method.

##### **Foreign currency transactions and balances**

Transactions in foreign currencies are initially recorded at the functional currency rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into the respective functional currency of the entity at the rates prevailing on the reporting period date. All differences are taken to the profit and loss account.

##### **Tax**

The tax expense for the period comprises current tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

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

##### **Investments**

Fixed asset investments are stated at cost less any provision for diminution in value. The Company tests the investment balances for impairment when there are indicators of impairment. Where the carrying value of the investments is greater than their recoverable value an impairment expense is recorded in the profit and loss account. Investments for which an impairment has been previously recognised are reviewed for possible reversal of impairment at each reporting date.

## **Britannia Soft Drinks Limited**

### **Notes to the Financial Statements for the Year Ended 30 September 2022 (continued)**

#### **2 Accounting policies (continued)**

##### **Cash and cash equivalents**

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

##### **Debtors**

The Company's debtors comprise amounts due from group undertakings, which relate to partnership income due from Britvic Brands LLP. These financial assets are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method, less provision for expected credit losses. Allowances for expected credit losses are made based on the risk of non-payment, taking into account the financial position of the debtor, support available from other group companies and estimates of future cash flows. Any impairment of debtors, or subsequent reversal of impairment, is recognised in the profit and loss account.

##### **Financial liabilities**

All financial liabilities are initially recognised in the balance sheet at fair value less directly attributable transactions costs and are subsequently measured at amortised cost using the effective interest rate method.

Gain and losses arising on the repurchase, settlement or otherwise cancellation of liabilities are recognised respectively in finance income and finance cost.

##### **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.

##### **Dividends**

Dividend income is recognised when the right to receive payment is established.

Final dividends payable are recorded in the financial statements in the period in which they are approved by the Company's shareholders. Interim dividends payable are recorded in the period in which they are declared.

##### **Partnership income**

Partnership income is income receivable arising from the Company's interest in Britvic Brands LLP, and is recognised on an accruals basis in accordance with the substance of the relevant partnership agreements.

## Britannia Soft Drinks Limited

### Notes to the Financial Statements for the Year Ended 30 September 2022 (continued)

#### 3 Critical accounting judgements and key sources of estimation uncertainty

The preparation of the financial statements in conformity with FRS 101 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses.

##### Estimation uncertainty

The key assumptions about the future and other key sources of estimation uncertainty at the reporting period end that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities relate to the carrying value of investments in subsidiaries.

##### Investments in subsidiaries

Where there are indicators of impairment of investments in subsidiaries (or that an impairment recognised in prior periods may no longer exist or may have decreased), management performs an impairment test for the investment based on the higher of value in use and fair value less costs to sell. The determination of value in use requires estimates to be made of a subsidiary's future cash flows. Key assumptions include:

- volume growth rates;
- marginal contribution;
- advertising and promotional spend;
- raw materials price, production and distribution costs, selling costs and other overhead inflation;
- discount rates;
- foreign exchange rates; and
- long-term growth rates.

For further details of impairments of investments in subsidiaries see note 9.

##### Judgements

There are no judgements that management has made in the process of applying the entity's accounting policies that have had a significant effect on the amounts recognised in the financial statements.

#### 4 Investment income

	30 September 2022 £ 000	30 September 2021 £ 000
Dividend income	151,592	80,064
Partnership income	11,952	11,975
	<u>163,544</u>	<u>92,039</u>

#### 5 Interest payable and similar expenses

	30 September 2022 £ 000	30 September 2021 £ 000
Interest payable to group undertakings	7,001	8,453

## Britannia Soft Drinks Limited

### Notes to the Financial Statements for the Year Ended 30 September 2022 (continued)

#### 6 Directors' remuneration

The Company has no direct employees for which it provides remuneration.

The directors' services to the Company did not occupy a significant amount of their time. As such they do not consider that they have received any remuneration for their incidental services to the Company for the years ended 30 September 2022 and 30 September 2021. The remuneration of these directors is shown in the accounts of other group companies.

#### 7 Auditor's remuneration

Auditor's remuneration of £15,000 (2021: £15,000) is borne by Britvic Soft Drinks Limited, another member of the Britvic plc group. The Company did not incur any non-audit fees in the year (2021: £nil).

#### 8 Income tax

Tax charged/(credited) in the profit and loss account

	30 September 2022 £ 000	30 September 2021 £ 000
<b>Current taxation</b>		
UK corporation tax	<u>1,064</u>	<u>683</u>

The tax on profit before tax for the year is lower than the standard rate of corporation tax in the UK (2021: lower than the standard rate of corporation tax in the UK) of 19% (2021: 19%).

The differences are reconciled below:

	30 September 2022 £ 000	30 September 2021 £ 000
Profit before tax	<u>157,193</u>	<u>89,437</u>
Corporation tax at standard rate	29,867	16,993
Non-taxable income: reversal of impairment	-	(1,098)
Other non-taxable income	<u>(28,803)</u>	<u>(15,212)</u>
Total tax charge	<u>1,064</u>	<u>683</u>

## Britannia Soft Drinks Limited

### Notes to the Financial Statements for the Year Ended 30 September 2022 (continued)

#### 9 Investments

<b>Subsidiaries</b>	<b>£ 000</b>
<b>Cost</b>	
At 1 October 2021 and 30 September 2022	963,052
<b>Provision for impairment</b>	
At 1 October 2021 and 30 September 2022	<u>200,507</u>
<b>Carrying amount</b>	
At 1 October 2021 and 30 September 2022	<u><u>762,545</u></u>

The provision for impairment comprises £140,507,000 for Britvic International Investments Limited and £60,000,000 for Britvic EMEA Limited.

Details of the Company's subsidiaries are as follows:

Name of subsidiary	Principal activity	Country of incorporation	% equity interest	
			2022	2021
Bela Ischia Alimentos Ltda	Manufacture and sale of soft drinks	Brazil (a)	100%	100%
Empresa Brasileira de Bebidas e Alimentos SA	Manufacture and sale of soft drinks	Brazil (b)	100%	100%
Britvic Aqua Libra Co Limited	Design, installation and maintenance of integrated tap solutions	England and Wales (c)	100%	100%
Britvic Asset Company No.1 Limited*	Pension funding vehicle	England and Wales (d)	100%	100%
Britvic Asset Company No.2 Limited*	Pension funding vehicle	England and Wales (d)	100%	100%
Britvic Asset Company No.3 Limited*	Pension funding vehicle	England and Wales (d)	100%	100%
Britvic Asset Company No.4 Limited*	Pension funding vehicle	England and Wales (d)	100%	100%
Britvic Brands LLP*	Pension funding vehicle	England and Wales (d)	99.8%	99.8%

## Britannia Soft Drinks Limited

### Notes to the Financial Statements for the Year Ended 30 September 2022 (continued)

#### 9 Investments (continued)

Name of subsidiary	Principal activity	Country of incorporation	% equity interest	
			2022	2021
Britvic EMEA Limited*	Marketing and distribution of soft drinks	England and Wales (d)	100%	100%
Britvic Finance Partnership LLP	Financing company	England and Wales (d)	100%	100%
Britvic Overseas Limited*	Holding company	England and Wales (d)	100%	100%
Britvic Soft Drinks Limited*	Manufacture and sales of soft drinks	England and Wales (d)	100%	100%
Orchid Drinks Limited	Brand licence holder	England and Wales (d)	100%	100%
Plenish Cleanse Limited	Manufacture and sale of soft drinks	England and Wales (d)	100%	100%
Red Devil Energy Drinks Limited	Brand licence holder	England and Wales (d)	100%	100%
Robinsons Soft Drinks Limited	Holding company	England and Wales (d)	100%	100%
British Healthcare Trustees Limited	Dormant	England and Wales (d)	100%	100%
British Vitamin Products Limited	Dormant	England and Wales (d)	100%	100%
Britvic Beverages Limited	Dormant	England and Wales (d)	100%	100%
Britvic Corona Limited	Dormant	England and Wales (d)	100%	100%
Britvic International Investments Limited*	Dormant	England and Wales (d)	100%	100%
Britvic International Support Services Limited	Dormant	England and Wales (d)	100%	100%
Britvic Pensions Limited*	Dormant	England and Wales (d)	100%	100%

## Britannia Soft Drinks Limited

### Notes to the Financial Statements for the Year Ended 30 September 2022 (continued)

#### 9 Investments (continued)

Name of subsidiary	Principal activity	Country of incorporation	% equity interest 2022	2021
Greenbank Drinks Company Limited	Dormant	England and Wales (d)	100%	100%
H. D. Rawlings Limited	Dormant	England and Wales (d)	100%	100%
Hooper, Struve & Company Limited	Dormant	England and Wales (d)	100%	100%
Idris Limited	Dormant	England and Wales (d)	100%	100%
R. White & Sons Limited	Dormant	England and Wales (d)	100%	100%
Robinsons (Finance) No.2 Limited	Dormant	England and Wales (d)	100%	100%
Sunfresh Soft Drinks Limited	Dormant	England and Wales (d)	100%	100%
The London Essence Company Limited	Dormant	England and Wales (e)	100%	100%
The Really Wild Drinks Company Limited	Dormant	England and Wales (d)	100%	100%
The Southern Table Water Company Limited	Dormant	England and Wales (d)	100%	100%
Wisehead Productions Limited	Dormant	England and Wales (d)	100%	100%
Britvic France SAS	Holding company	France (f)	100%	100%
Pressade SAS	Manufacture and sale of soft drinks	France (f)	100%	100%
Fruite Entreprises SAS **	Holding company	France (f)	0%	100%
Teisseire France SAS	Manufacture and sale of soft drinks	France (f)	100%	100%



## Britannia Soft Drinks Limited

### Notes to the Financial Statements for the Year Ended 30 September 2022 (continued)

#### 9 Investments (continued)

Name of subsidiary	Principal activity	Country of incorporation	% equity interest	
			2022	2021
Counterpoint Wholesale (NI) Limited **	Wholesale of soft drinks to the licensed trade	Northern Ireland (g)	0%	100%
Britvic India Manufacturing Private Limited	Non-trading	India (h)	100%	100%
Britvic Finance Limited*	Financing company	Jersey (i)	100%	100%
Aquaport Limited	Supply of water coolers and bottled water	Republic of Ireland (j)	100%	100%
Britvic Americas Limited	Marketing and distribution of soft drinks	Republic of Ireland (j)	100%	100%
Britvic Ireland Limited	Manufacture and marketing of soft drinks	Republic of Ireland (j)	100%	100%
Britvic Ireland Pension Trust DAC	Pension trust company	Republic of Ireland (j)	100%	100%
Britvic Irish Holdings Limited	Holding company	Republic of Ireland (j)	100%	100%
Britvic Northern Ireland Limited	Marketing and distribution of soft drinks	Republic of Ireland (j)	100%	100%
Counterpoint Wholesale (Ireland) Limited **	Wholesale of soft drinks to the licensed trade	Republic of Ireland (j)	0%	100%
Britvic Licensed Wholesale Limited	Dormant	Republic of Ireland (j)	100%	100%
Britvic Munster Limited	Dormant	Republic of Ireland (j)	100%	100%
Knockton Limited **	Dormant	Republic of Ireland (j)	0%	100%
Robinsons (Finance) Limited	Dormant	Republic of Ireland (j)	100%	100%
Britvic Property Partnership	Pension funding vehicle	Scotland (k)	100%	100%

## Britannia Soft Drinks Limited

### Notes to the Financial Statements for the Year Ended 30 September 2022 (continued)

#### 9 Investments (continued)

Name of subsidiary	Principal activity	Country of incorporation	% equity interest	
			2022	2021
Britvic Scottish Limited Partnership	Pension funding vehicle	Scotland (k)	100%	100%
Britvic Asia PTE Limited	Holding company	Singapore (l)	100%	100%
Britvic North America LLC	Marketing and distribution of soft drinks	USA (m)	100%	100%

\* indicates direct investment of the Company

\*\* indicates subsidiaries which were disposed of, dissolved or that entered liquidation during the year

(a) Registered office: Rodovia MG 285-KM 77, sem número, Centro, CEP 36780-000, Astolfo Dutra/MG, Brazil

(b) Registered office: Avenida Paulista, nº 1842, 17ª andar, Edif. Cetenco Plaza, 176/177, Torre Norte, Bela Vista, São Paulo/SP, CEP: 01310-945, Brazil

(c) Registered office: 1 New Street, London, England, EC2M 4TP

(d) Registered office: Breakspear Park, Breakspear Way, Hemel Hempstead, HP2 4TZ

(e) Registered office: 9 Roding Road, Beckton, London E6 6LF

(f) Registered office: 482 Avenue Ambroise Croizat, Crolles, France

(g) Registered office: Victoria House, 15-17 Gloucester Street, Belfast, Northern Ireland, BT1 4LS

(h) Registered office: 9SE, 9th Floor, The Ruby, 29 Senapati Bapatmarg, Dadar (West), Mumbai-400028, India

(i) Registered office: 13 Castle Street, St Helier, JE2 3BT, Jersey

(j) Registered office: 10 Earlsfort Terrace, Dublin 2, D02 T380, Ireland

(k) Registered office: 1 Exchange Crescent, Conference Square, Edinburgh, Scotland, EH3 8UL

(l) Registered office: 80 Robinson Road #17-02, Singapore 068898, Singapore

(m) Registered office: 1209 Orange Street, Wilmington, Delaware 19801, United States of America

## Britannia Soft Drinks Limited

### Notes to the Financial Statements for the Year Ended 30 September 2022 (continued)

#### 10 Debtors

	30 September 2022 £ 000	30 September 2021 £ 000
Amounts falling due within one year		
Amounts due from group undertakings	12,032	12,055

The amounts due from group undertakings relate to partnership income due from Britvic Brands LLP. The amounts are unsecured, non-interest bearing and repayable on demand. The directors consider the amounts to be fully recoverable and no expected credit loss provision has been applied.

#### 11 Creditors: amounts falling due within one year

	30 September 2022 £ 000	30 September 2021 £ 000
Loans due to group undertakings	299,033	306,182
Amounts due to group undertakings	29,356	29,357
Income tax liability	1,747	683
	<u>330,136</u>	<u>336,222</u>

Loans due to group undertakings are unsecured, bear interest at a floating rate, and are repayable on demand. The weighted average interest rate incurred during the year was 1.8% (2021: 2.2%).

Amounts due to group undertakings are unsecured, non-interest bearing and repayable on demand.

#### 12 Share capital

##### Allotted, called up and fully paid shares

	30 September 2022 No. 000	£ 000	30 September 2021 No. 000	£ 000
Ordinary shares of £1 each	181,746	181,746	181,746	181,746

There are no restrictions placed on the distribution of dividends, or the return of capital on a winding up or otherwise.

## **Britannia Soft Drinks Limited**

### **Notes to the Financial Statements for the Year Ended 30 September 2022 (continued)**

#### **13 Parent and ultimate parent undertaking**

The Company's immediate parent is Britvic plc.

The smallest and the largest group of which the Company is a member and for which group financial statements are prepared is Britvic plc, incorporated in the United Kingdom and registered in England and Wales.

Britvic plc is the ultimate parent undertaking of Britannia Soft Drinks Limited. The consolidated financial statements of Britvic plc are available to the public and may be obtained from Breakspear Park, Breakspear Way, Hemel Hempstead, Hertfordshire, HP2 4TZ or at [www.britvic.com](http://www.britvic.com).