

**B.A.T Vietnam Limited**

**Registered Number 00341981**

**Annual report and financial statements**

**For the year ended 31 December 2020**



**B.A.T Vietnam Limited**

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**B.A.T Vietnam Limited**

## **Strategic Report**

The Directors present their Strategic Report on B.A.T. Vietnam Limited (the "Company") for the year ended 31 December 2020.

### **Principal activities**

The principal activity of the Company is the sale and marketing of tobacco products by its branch in Vietnam as a member of the British American Tobacco group of companies (the "Group").

### **Review of the year ended 31 December 2020**

The Company did not trade during the year ended 31 December 2020 and made neither loss nor profit. No dividend was paid during the year (2019: £nil).

Upon expiry of the business licence of the Company's Trading Branch on 31 December 2010, management of the Branch decided to initiate proceedings to dissolve and liquidate the Branch. The Representative Office of British-American Tobacco Marketing (Singapore) Private Limited is now extended to support the British American Tobacco Group's business in Vietnam.

### **Going concern**

Notwithstanding net liabilities of £132,474,000 as at 31st December 2020 the financial statements have been prepared on a going concern basis which the Directors consider to be appropriate for the following reasons.

The Directors have prepared cash flow forecasts for a period of at least 12 months from the date of approval of these financial statements which indicate that, taking account of reasonably possible downsides, the Company will have sufficient funds, to meet its liabilities as they fall due for that period.

Those forecasts are dependent on British American Tobacco (Investments) Limited providing additional financial support during that period. British American Tobacco (Investments) Limited has indicated its intention to continue to make available such funds as are needed by the Company for the period covered by the forecasts. As with any Company placing reliance on other group entities for financial support, the Directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

The Directors believe that preparing the financial statements on a going concern basis is appropriate due to the continued financial support of British American Tobacco (Investments) Limited. This support is expected to continue for the foreseeable future. The Directors confirm that they have complied with the above requirements in preparing the financial statements.

### **Key performance indicators**

Given the nature of the Company's activities, the Company's Directors believe that key performance indicators are not necessary or appropriate for an understanding of the Company's specific development, performance or the position of its business. However, key performance indicators relevant to the Group, and which may be relevant to the Company, are disclosed in the Strategic Report in the Annual Report of British American Tobacco p.l.c.'s 2020 Annual Report and Form 20-F ("BAT Annual Report") and do not form part of this report.

### **Principal risks and uncertainties**

The principal risks and uncertainties of the Company, including financial risk management, are integrated with the principal risks of the Group and are monitored by audit committees to provide a framework for identifying, evaluating and managing risks faced by the Group. Accordingly, the key Group risk factors that may be relevant to the Company are disclosed in the BAT Annual Report and do not form part of this report.

**B.A.T Vietnam Limited**

## **Strategic Report (continued)**

### **UK Companies Act: Section 172 (1) Statement**

The Company is part of the Group and is ultimately owned by British American Tobacco p.l.c. As set out above in the Company's Strategic Report the principal activity of the Company is the sale and marketing of tobacco products by its branch in Vietnam.

Under section 172(1) of the UK Companies Act and as part of the Directors' duty to the Company's shareholders, to act as they consider most likely to promote the success of the Company, the Directors must have regard for likely long-term consequences of decisions and the desirability of maintaining a reputation for high standards of business conduct. The Directors must also have regard for the business relationships with the Company's wider stakeholders, and the impact of the Company's operations on the environment and communities in which it operates. Consideration of these factors and other relevant matters is embedded into all Board decision-making and risk assessment throughout the year.

The Company's key stakeholders are direct and indirect suppliers to the Company (including product materials suppliers and goods and services suppliers), government authorities and wider society in countries in which the Company operates, other Group undertakings, and the Company's shareholders. Whilst the Company does not supply products directly to consumers, consumers of the Group's tobacco products are also key stakeholders of the Company. Primary ways in which the Company engages directly or indirectly, as part of the Group, with its key external stakeholders are summarised at pages 82 to 83 of the BAT Annual Report. Primary ways in which the Company engages with Group undertakings and its shareholders are through regular meetings, intra-group management activities and ongoing dialogue.

Where the Directors do not engage directly with the Company's stakeholders, they are kept updated on stakeholder perspectives, including through the use of management reporting and board notes relating to matters presented to the Board during the year which set out stakeholder considerations as applicable to matters under consideration. This enables the Directors to maintain an effective understanding of what matters to those stakeholders and to draw on these perspectives in Board decision-making. During the decision-making process the Directors are made aware of the impact of decisions on relevant stakeholders and engagement that has occurred with those stakeholders where applicable.


In accordance with the Group's overall governance and internal controls framework and in support of the Company's purpose as part of the Group, the Company applies and the Directors have due regard to all applicable Group policies and procedures, including the Group Statement of Delegated Authorities ("Group SoDA"), and the Group Standards of Business Conduct, International Marketing Principles, Health and Safety Policy, and Environmental Policy as set out at page 48 of the BAT Annual Report. As a Group company, the Company acts in accordance with the Group's policies in relation the safeguarding of human rights and community relationships, which are set out at page 48 of the BAT Annual Report.

Where authority for decision-making is delegated to management under the Group SoDA, the Group SoDA mandates regard for the likely long-term consequences of decisions, the imperative of maintaining high standards of business conduct, employees' interests, business relationships with wider stakeholders, the impact of business operations on the environment and communities, and other relevant factors. The Group SoDA is part of the Group's governance and internal controls framework through which good corporate governance, risk management and internal control is promoted within the Group and does not derogate from any requirement for Board review, oversight or approval in relation to the Company's activities.

The Directors receive training in relation to their role and duties as a Director on a periodic basis and all newly appointed Directors receive training in respect of their role and duties on appointment, including on directors' duties under Section 172 of the Companies Act. Director training is provided through the Company Secretary.

By Order of the Board

Mr P. McCormack  
Secretary

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8 June 2021

**B.A.T Vietnam Limited**

## **Directors' Report**

The Directors present their report together with the audited financial statements of the Company for the year ended 31 December 2020.

### **Dividends**

The Directors do not recommend the payment of a dividend for the year (2019: £nil).

### **Board of Directors**

The names of the persons who served as Directors of the Company during the period 1 January 2020 to the date of this report are as follows:

Noelle Colfer	(Resigned: 31 March 2020)
David Patrick Ian Booth	
Carola Wiegand	
Gregory Aris	(Appointed: 22 September 2020)
Ridirectors Limited	(Appointed: 22 September 2020)

### **Research and development**

No research and development expenditure has been incurred during the year (2019: £nil).

### **Political contributions**

The Company made no political donations or incurred any political expenditure during the year (2019: £nil).

### **Employees**

The average number of employees employed by the Company during the year was nil (2019: nil).

### **Auditor**

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

### **Statement of Directors' responsibilities**

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

Company law requires the Directors to prepare financial statements for each financial year. Under that law they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 101 *Reduced Disclosure Framework*.

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

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

**B.A.T Vietnam Limited**

## **Directors' Report (continued)**

### **Statement of Directors' responsibilities (continued)**

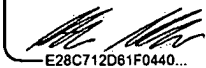
The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are 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, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

### **Directors' declaration in relation to relevant audit information**

Having made appropriate enquiries, each of the Directors who held office at the date of approval of this Annual report confirms that:

- (a) to the best of his knowledge and belief, there is no relevant audit information of which the Company's auditor is unaware; and
- (b) he has taken all steps that a Director might reasonably be expected to have taken in order to make himself aware of relevant audit information and to establish that the Company's auditor is aware of that information.

By Order of the Board

DocuSigned by:  
  
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**Mr P McCormack**  
**Secretary**

**8 June 2021**

## **Independent Auditor's Report to the members of B.A.T Vietnam Limited**

### **Opinion**

We have audited the financial statements of B.A.T Vietnam Limited ("the Company") for the year ended 31 December 2020 which comprise the Profit and loss account, Statement of changes in equity, Balance Sheet and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2020 and of its profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 101 *Reduced Disclosure Framework*; 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 are described below. We have fulfilled our ethical responsibilities under, and are independent of the Company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

### **Going concern**

The Directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Company or to cease its operations, and as they have concluded that the Company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the Directors' conclusions, we considered the inherent risks to the Company's business model and analysed how those risks might affect the Company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the Directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Company will continue in operation.

## **Independent Auditor's Report to the members of B.A.T Vietnam Limited (continued)**

### **Fraud and breaches of laws and regulations – ability to detect**

#### *Identifying and responding to risks of material misstatement due to fraud*

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included enquiring of Directors and inspection of policy documentation as to British American Tobacco p.l.c 's policies and procedures to prevent and detect fraud that apply to this group Company as well as enquiring whether the Directors have knowledge of any actual, suspected or alleged fraud.

As required by auditing standards, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition because there are no revenue transactions.

We did not identify any additional fraud risks.

We performed procedures including agreeing all accounting entries in the period to supporting documentation.

#### *Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations*

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience and through discussion with the Directors (as required by auditing standards), and discussed with the Directors the policies and procedures regarding compliance with laws and regulations.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

The potential effect of these laws and regulations on the financial statements varies considerably.

The Company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Whilst the Company is subject to many other laws and regulations, we did not identify any others where the consequences of noncompliance alone could have a material effect on amounts or disclosures in the financial statements.

#### *Context of the ability of the audit to detect fraud or breaches of law or regulation*

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.



## **Independent Auditor's Report to the members of B.A.T Vietnam Limited (continued)**

### **Strategic report and Directors' report**

The Directors are responsible for the Strategic report and the Directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the Strategic report and the Directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the strategic report and Director's report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

### **Matters on which we are required to report by exception**

Under the Companies Act 2006 we are required 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.

We have nothing to report in these respects.

### **Directors' responsibilities**

As explained more fully in their statement set out on pages 4 and 5 the Directors are responsible for: the preparation of the financial statements and for being satisfied that they give a true and fair view; 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; 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 they 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 B.A.T Vietnam Limited (continued)**

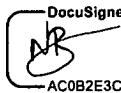
### **Auditor's responsibilities**

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 our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities).

### **The purpose of our audit work and to whom we owe our responsibilities**

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.

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**Natalia Bottomley (Senior Statutory Auditor)  
for and on behalf of KPMG LLP, Statutory Auditor**

*Chartered Accountants*  
15 Canada Square  
London. E14 5GL

8 June 2021

**B.A.T Vietnam Limited****Profit and loss account for the year ended 31 December**

	Note	2020 £'000	2019 £'000
<b>Discontinued operations</b>			
Other operating income	2	-	-
<b>Operating profit</b>		-	-
<b>Profit before taxation</b>			
Taxation on profit	3	-	-
<b>Profit for the financial year</b>		-	-

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

	Called up share capital £'000	Other reserves £'000	Profit and loss account £'000	Total Equity £'000
<b>1 January 2019</b>	-	-	(132,474)	(132,474)
Reclassification		2,001	(2,001)	-
Profit for the financial year		-	-	-
<b>31 December 2019 Revised*</b>	-	2,001	(134,475)	(132,474)
Profit for the financial year	-	-	-	-
<b>31 December 2020</b>	-	2,001	(134,475)	(132,474)

\* During the year the presentation of the exchange difference on translation previously presented in Profit and loss account was revised and presented in Other reserves.

The accompanying notes are an integral part of the financial statements.

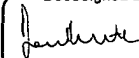
**B.A.T Vietnam Limited****Balance sheet as at 31 December**

	Note	2020 £'000	2019 *Revised £'000
<b>Current assets</b>			
Debtors: amounts falling due within one year	4	-	-
Cash at bank and in hand		3	3
Creditors: amounts falling due within one year	5	(132,477)	(132,477)
<b>Net current liabilities</b>		<b>(132,474)</b>	<b>(132,474)</b>
<b>Net liabilities</b>		<b>(132,474)</b>	<b>(132,474)</b>
<b>Capital and reserves</b>			
Called up share capital	6	-	-
Other reserves		2,001	2,001
Profit and loss account		(134,475)	(134,475)
<b>Total shareholders' deficit</b>		<b>(132,474)</b>	<b>(132,474)</b>

\*During the year the presentation of the exchange difference on translation previously presented in Profit and loss account was revised and presented in Other reserves.

The financial statements on pages 10 to 15 were approved by the Directors on 8 June 2021 and signed on behalf of the Board.

DocuSigned by:



Mr D.P.I Booth  
Director

**Registered number**  
**00341981**

The accompanying notes are an integral part of the financial statements.

**B.A.T Vietnam Limited**

## **Notes to the financial statements for the year ended 31 December 2020**

### **1 Accounting policies**

#### **Basis of accounting**

The financial statements are prepared under the historical cost convention, and in accordance with Financial Reporting Standard 101 *Reduced Disclosure Framework* ("FRS 101"). In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of International Accounting Standards in conformity with the requirements of the Act, but makes amendments where necessary in order to comply with the Companies Act 2006 and where advantage of disclosure exemptions available under FRS 101, such as the preparation of cash flow statement or disclosures regarding financial instruments and transactions with related parties, have been taken.

Notwithstanding net liabilities of £132,474,000 as at 31 December 2020 the financial statements have been prepared on a going concern basis which the Directors consider to be appropriate for the following reasons.

The Directors have prepared cash flow forecasts for a period of at least 12 months from the date of approval of these financial statements which indicate that, taking account of reasonably possible downsides, the Company will have sufficient funds, to meet its liabilities as they fall due for that period.

Those forecasts are dependent on British American Tobacco (Investments) Limited providing additional financial support during that period. British American Tobacco (Investments) Limited has indicated its intention to continue to make available such funds as are needed by the Company for the period covered by the forecasts. As with any Company placing reliance on other group entities for financial support, the Directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reason to believe that it will not do so.

Upon expiry of the business licence of the Company's Trading Branch on 31 December 2010, management of the Branch decided to initiate proceedings to dissolve and liquidate the Branch. The Representative Office of British-American Tobacco Marketing (Singapore) Private Limited is now extended to support the British American Tobacco Group's business in Vietnam. There is no decision to liquidate the Company, even if the Branch is to be liquidated, and based on this, the accounts are prepared on a going concern basis.

The preparation of the financial statements requires the Directors to make estimates and assumptions that affect the reported amounts of income, expenses, assets and liabilities, and the disclosure of contingent liabilities at the date of the financial statements. The key estimates and assumptions are set out in the accounting policies below, together with the related notes to the accounts.

Such estimates and assumptions are based on historical experience and various other factors that are believed to be reasonable in the circumstances and constitute management's best judgement at the date of the financial statements. In the future, actual experience may deviate from these estimates and assumptions, which could affect the financial statements as the original estimates and assumptions are modified, as appropriate, in the year in which the circumstances change.

The Company is included in the consolidated financial statements of British American Tobacco p.l.c. which is incorporated in the United Kingdom and registered in England and Wales. Consequently, the Company has taken advantage of the exemption from preparing consolidated financial statements under the terms of section 400 of the Companies Act 2006.

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## Notes to the financial statements for the year ended 31 December 2020

### 1 Accounting policies (continued)

#### Foreign currencies

The functional currency of the Company is sterling. Transactions arising in currencies other than sterling are translated at the rate of exchange ruling on the date of the transaction. Monetary assets and liabilities expressed in currencies other than sterling are translated at rates of exchange ruling at the end of the financial year. All exchange differences are taken to the profit and loss account in the year except for differences arising on the retranslation of qualifying cash flow hedges, which are recognised in other comprehensive income.

#### Income

Income is recognised in the profit and loss account when all contractual or other applicable conditions for recognition have been met.

#### Other operating expenses

Operating expenses are recorded in period they relate to and are generated in the normal business operations of the Company.

#### Taxation

Taxation is that chargeable on the profits for the period, together with deferred taxation.

The current income tax charge is calculated on the basis of tax laws enacted or substantively enacted at the balance sheet date.

Deferred taxation is provided in full using the liability method for temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the amount used for taxation purposes.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. As required under IAS 12 *Income Taxes*, deferred tax assets and liabilities are not discounted.

Deferred tax is determined using the tax rates that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realised or deferred tax liability is settled.

Tax is recognised in the profit and loss account 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 changes in equity.

#### Group Relief

As a UK-resident wholly-owned subsidiary within the British American Tobacco group of companies (the "Group"), the Company is eligible to surrender tax losses to, or claim tax losses from, fellow members of the same UK group for the purposes of calculating corporation tax due in the UK ("group relief"). It is Group policy that tax losses are surrendered unless the Company generating the losses has a particular need to carry the loss forward and it is also Group policy not to reimburse companies for group relief surrendered unless, on a stand-alone basis and assuming the Company were not in the Group, these losses would be recognised as a deferred tax asset in the Company generating the loss.

#### Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the relevant instrument and derecognised when it ceases to be a party to such provisions. Such assets and liabilities are classified as current if they are expected to be realised or settled within 12 months after the balance sheet date. If not, they are classified as non-current.

Financial instruments are initially recognised at fair value plus directly attributable costs where applicable. The Company's financial assets consist of amounts owed by Group Undertakings and Other Debtors which are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently carried at amortised cost. Non-derivative financial liabilities, including creditors, are subsequently carried at amortised cost using the effective interest method.

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**Notes to the financial statements for the year ended 31 December 2020****1 Accounting policies (continued)****Impairment of financial assets held at amortised cost**

Loss allowances for expected credit losses on financial assets which are held at amortised cost are recognised on the initial recognition of the underlying asset. Allowances in respect of loans and other receivables (debtors) are initially recognised at an amount equal to 12-month expected credit losses. Where the credit risk on the receivables has increased significantly since initial recognition, allowances are measured at an amount equal to the lifetime expected credit loss.

**LIBOR**

Where interest bearing receivables and payables have their floating rates based on benchmark rates, such as LIBOR, the Company will account for the application of replacement benchmark rates in accordance with the Amendments to IFRS 9 *Financial Instruments* published in 2019 (phase 1) and 2020 (phase 2) when applicable.

**2 Other operating income/ expense**

Auditor's fee of £2,000 was borne by a fellow Group undertaking.

There were no employees (2019: none) and no staff costs during the year (2019: £nil).

None of the Directors received any remuneration in respect of their services as a Director of the Company during the year (2019: £nil). The Company considers that there is no practicable method to allocate a portion of the emoluments the Directors receive from their respective Group Company employer for any qualifying services in respect of the Company, as these are considered to be incidental and part of the Directors overall management responsibilities within the Group.

**3 Taxation****Factors affecting the taxation charge**

A UK corporation tax rate of 19% (effective 1 April 2020) was substantively enacted on 17 March 2020, reversing the previously enacted reduction in the rate from 19% to 17%. This will increase the company's future current tax charge accordingly. It has been announced that the rate will increase to 25% with effect from 1 April 2023, although this has not yet been substantively enacted.

The taxation charge for the year differs from the charge that would be expected based on the statutory 19% (2019: 19%) rate of corporation taxation in the UK. The major causes of this difference are listed below:

	2020 £'000	2019 £'000
Profit for the year	-	-
Total tax expense	-	-
Profit excluding taxation	-	-
Tax using the UK corporation tax rate of 19% (2019: 19%)	-	-
Transfer Pricing adjustment	(336)	(366)
Group relief surrendered for nil consideration	336	366
Total current tax charge	-	-

**4 Debtors: amounts falling due within one year**

	2020 £'000	2019 £'000
Other debtors – gross	-	485
Allowances account	-	(485)
Other debtors	-	-

B.A.T Vietnam Limited

**Notes to the financial statements for the year ended 31 December 2020****4 Debtors: amounts falling due within one year (continued)**

The movements in allowance accounts are as follows:

	2020 £'000
1 January 2020	485
Debtor write off	(485)
<b>31 December 2020</b>	<b>-</b>

**5 Creditors: amounts falling due within one year**

	2020 £'000	2019 £'000
Amounts due to Group undertakings	132,477	132,477
	<b>132,477</b>	<b>132,477</b>

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

**6 Called up share capital**

Ordinary shares of £1 each	2020	2019
Allotted, called up and fully paid		
- value	£2	£2
- number	2	2

**7 Related party disclosures**

As a wholly owned subsidiary the Company has taken advantage of the exemption under FRS 101 from disclosing transactions with other subsidiary undertakings of the British American Tobacco p.l.c. Group.

**8 Parent Company support**

The immediate parent undertaking British American Tobacco (Investments) Limited has indicated its willingness to continue to provide support to allow the Company to continue at its current level of operations for the foreseeable future.

**9 Parent undertakings**

The Company's ultimate parent undertaking and ultimate controlling party is British American Tobacco p.l.c., being incorporated in the United Kingdom and registered in England and Wales. The Company's immediate parent undertaking is British American Tobacco (Investments) Limited. Group financial statements are prepared only at the British American Tobacco p.l.c. level and may be obtained from:

The Company Secretary  
Globe House  
4 Temple Place  
London  
WC2R 2PG