

# **Diageo Sub 3 Limited**

Financial statements  
30 June 2007

Registered number 376107

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19/03/2008

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## **Profit and loss account**

During the financial year and the preceding financial year, the company did not trade and received no income and incurred no expenditure. Consequently during those years the company made neither a profit nor a loss, and there were no other recognised gains or losses.

Accordingly, neither a profit and loss account, a statement of recognised gains and losses, a note of historical cost profits and losses nor a reconciliation of movements in shareholders' funds has been presented.

The notes on pages 3 to 5 form part of the financial statements.

**Balance Sheet**

		30 June 2007	30 June 2006
	Notes	£'000	£'000
<b>Fixed assets</b>			
Investments	3	45,070	45,070
<b>Current asset</b>			
Debtor – amount owed by group undertaking (Häagen-Dazs U K Limited) due within one year		10,001	10,001
<b>Total assets</b>		<u>55,071</u>	<u>55,071</u>
<b>Capital and reserves</b>			
<b>Called up share capital</b>	4	63,057	63,057
<b>Reserves</b>			
Capital reserve	27	27	27
Profit and loss account	(8,013)	(8,013)	(8,013)
		<u>(7,986)</u>	<u>(7,986)</u>
<b>Equity shareholders' funds</b>		<u>55,071</u>	<u>55,071</u>

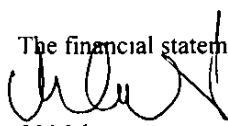
The notes on pages 3 to 5 form part of the financial statements

The company did not trade during the financial year or the preceding financial year. The directors do not expect the company to trade in the foreseeable future.

The directors

- (a) confirm that the company was entitled to exemption under subsection (1) of section 249 AA of the Companies Act 1985 from the requirement to have its accounts audited for the financial year ended 30 June 2007
- (b) confirm that members have not required the company to obtain an audit of its accounts for that financial year in accordance with subsection (2) of section 249B of that Act
- (c) acknowledge their responsibilities for
  - (i) ensuring that the company keeps accounting records which comply with section 221 of the Companies Act 1985 and
  - (ii) preparing accounts which give a true and fair view of the state of the affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of section 226 of that Act, and which otherwise comply with the requirements of that Act relating to accounts, so far as applicable to the company

The financial statements were approved by the Board of Directors on 24 January 2008 and were signed on its behalf by



N Makos  
 Director

## **1. Accounting policies**

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the company's financial statements

### **Basis of preparation**

The financial statements of the company have been prepared under the historical cost convention and in accordance with applicable UK accounting standards

The company is a wholly owned subsidiary of Diageo plc and is included in the consolidated financial statements of Diageo plc which are publicly available. Consequently the company has taken advantage of the exemption from preparing a cash flow statement under the terms of Financial Reporting Standard No 1 (Revised 1996)

The company is exempt under the terms of Financial Reporting Standard No 8 from disclosing related party transactions (but not balances) with entities that are part of the Diageo plc group ("group undertakings") or investees of the Diageo plc group

### **Fixed asset investments**

Income from fixed asset investments is credited to the profit and loss account when it is declared by the paying company. Investments are stated individually at cost less, where appropriate, provision for impairment in value where the impairment is expected by the directors to be permanent

### **New accounting policies**

The accounting policies of the company are consistent with those applied last year, apart from where the company has adopted the following accounting standards in the year

#### **FRS 21 – Events after the balance sheet date**

Formerly, under UK GAAP, the proposed dividends on ordinary shares, as recommended by the directors, were deducted from shareholders' equity and shown as a liability in the balance sheet at the end of the period to which they related. Under FRS 21, proposed dividends are not considered to be a liability until they are approved by the board

#### **FRS 25 – Financial Instruments: Disclosure and Presentation**

The company has adopted the presentation requirements of FRS 25 in these financial statements. The presentational requirements apply to the classification of financial instruments into financial assets, financial liabilities or equity instruments, the classification of related interest, dividend, gains and losses, and the circumstances around which financial assets and liabilities should be offset. The adoption of these requirements has not resulted in the restatement of the information in respect of the year ended 30 June 2007, nor has it impacted the results in respect of the year ended 30 June 2006. Note that the company has not adopted the disclosure requirements of FRS 25 in these financial statements

#### **FRS 28 – Corresponding amounts**

FRS 28 sets out the requirements for the disclosure of corresponding amounts for items disclosed in a company's primary financial statements and the notes to the financial statements

**Notes to the financial statements (continued)**

**2. Profit and loss account**

None of the directors received any remuneration during the financial year in respect of their services as directors of the company (2006- £nil)

**3. Investments**

	<b>30 June 2007</b>
	<b>£'000</b>
<b>Shares in subsidiary undertakings</b>	
<b>Cost</b>	
At beginning and end of the year	63,037
	<hr/>
<b>Provision</b>	
At beginning and end of the year	(17,967)
	<hr/>
<b>Net book value</b>	
At beginning and end of the year	45,070
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The company's principal subsidiary undertakings are as follows

<b>Subsidiary undertakings</b>	<b>Principal activity</b>	<b>Class of shares held</b>
Diageo Sub 4 Limited	Non-trading	Ordinary shares of £1 each Redeemable preference shares of £1 each
Jus-Rol Limited	Investment company	Ordinary shares of 25p each 8% 'A' and 'B' cumulative preference shares of £1 each 6% non-cumulative redeemable preference shares of £1 each
Haagen-Dazs U K Limited	Non-trading	Ordinary shares of £1 each

All subsidiary undertakings are incorporated and registered in England and are 100% directly owned by the company. In the opinion of the directors, the investment in and amounts due from the company's subsidiary undertakings are worth at least the amounts at which they are stated in the financial statements.

**Notes to the financial statements (continued)**

**4. Called up share capital**

	<b>30 June 2007</b> <b>£'000</b>	<b>30 June 2006</b> <b>£'000</b>
<b>Authorised</b>		
44,770,000 ordinary shares of £1 each	44,770	44,770
47,000,000 redeemable preference shares of £1 each	47,000	47,000
	<hr/> 91,770 <hr/>	<hr/> 91,770 <hr/>
<b>Allotted, called up and fully paid</b>		
<b>Equity</b>		
44,102,669 ordinary shares of £1 each	44,103	44,103
18,953,882 redeemable preference shares of £1 each	18,954	18,954
	<hr/> 63,057 <hr/>	<hr/> 63,057 <hr/>

The redeemable preference shares are redeemable at the option of the company

**5. Immediate and ultimate parent undertaking**

The immediate parent undertaking of the company is Grand Metropolitan Public Limited Company, a company incorporated and registered in England. The ultimate parent undertaking of the company is Diageo plc, a company incorporated and registered in England. The consolidated financial statements of Diageo plc can be obtained from the Registered Office at 8 Henrietta Place, London W1G 0NB.