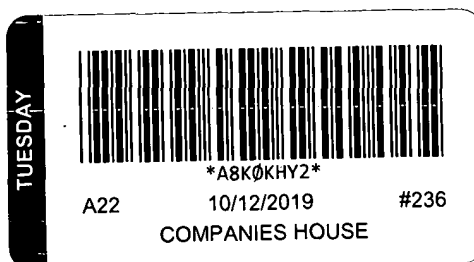


Guinness Limited

Directors' report and financial statements

30 June 2019

Registered number: 00510607



Guinness Limited
Registered number: 00510607
Year ended 30 June 2019

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Guinness Limited
Registered number: 00510607
Year ended 30 June 2019

DIRECTORS' REPORT

The directors are pleased to submit their directors' report, together with the audited financial statements for the year ended 30 June 2019.

The directors are entitled to take advantage of the small companies' exemption in not preparing a strategic report. This report has been prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006.

Activities

The company owns the freehold of the former UK brewing site at Park Royal, London. Over a number of years the company has leased, on long term leases, a number of different plots to third parties who constructed commercial and residential units on the plots. The company received the sale proceeds on the date of the lease agreements and does not receive any annual rent from the third parties, though it is responsible for any liabilities that may arise in respect of the original infrastructure of the site.

In addition, in 2002 the company leased back one of the plots, on a 20 year lease, to use as the headquarters of the Diageo plc group. The beneficial owner of the headquarters is another wholly owned fellow Diageo group ("the group") subsidiary and therefore no lease payments or lease liabilities are disclosed in these financial statements.

The directors foresee no changes in the company's activities. The company is incorporated and domiciled as a private limited company in the United Kingdom. The registered address is Lakeside Drive, Park Royal, London, NW10 7HQ.

Going concern

The company is expected to continue to generate profit on its own account and to remain in positive net asset position for the foreseeable future. The directors have no reason to believe that a material uncertainty exists that may cast significant doubt about the ability of the company to continue as a going concern. On the basis of their assessment, the company's directors have a reasonable expectation that the company will be able to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Financial

The result for the year ended 30 June 2019 are shown on page 8.

The profit for the year transferred to reserves was £17,125,000 (2018 - £13,683,000).

Dividends paid during the year ended 30 June 2019 and 30 June 2018 were £30,000,000 and £nil respectively.

Proposed dividend

The directors have proposed a final ordinary dividend in respect of the year ended 30 June 2019 of £15,000,000. This has not been included as a liability as it was approved after the date of the balance sheet.

Guinness Limited
Registered number: 00510607
Year ended 30 June 2019

DIRECTORS' REPORT (continued)

Directors

The directors of the company who were in office during the year and up to the date of signing the financial statements were:

R T Twomey

J M C Edmunds

G Kovacs (appointed 1 August 2018)

K E Major (appointed 1 August 2018)

D F Harlock (resigned 1 August 2018)

A Mahler (resigned 1 August 2018)

Directors' remuneration

None of the directors received any remuneration during the year in respect of their services as directors of the company (2018 - £nil).

Directors' indemnity

The Articles of Association permit qualifying third-party indemnities for the directors as defined by Section 234 of the Companies Act 2006. No such indemnity was in force during the last financial year, nor is any currently in force.

Internal control and risk management over financial reporting

The company operates under the financial reporting processes and controls of the group. Diageo plc's internal control and risk management systems including its financial reporting process of Diageo plc, which include those of the company, are discussed in the group's Annual Report 2019 on page 75 at www.diageo.com, which does not form part of this report.

Principal risks and uncertainties facing the company as at 30 June 2019

There continues to be uncertainty with respect to the process surrounding the United Kingdom's proposed exit from the European Union, and in relation to the political environment more generally in the United Kingdom. We continue to believe that, in the event of either a negotiated exit or no-deal scenario, the direct financial impact to the company will not be material. The full implications of Brexit will not be understood until future tariffs, trade, regulatory, tax, and other free trade agreements to be entered into by the United Kingdom are established. Furthermore, the group could experience changes to laws and regulations post Brexit, in areas such as intellectual property rights, employment, environment, supply chain logistics, data protection, and health and safety.

A cross-functional working group is in place that meets on a regular basis to identify and assess the consequences of Brexit, with all major functions within the group's business represented. The group continues to monitor this risk area very closely, as well as the broader environment risks, including a continuing focus on identifying critical decision points to ensure potential disruption is minimised, and take prudent actions to mitigate these risks wherever practical. More specific details on the impact of Brexit are included in the consolidated financial statements of Diageo plc which are publicly available.

Guinness Limited
Registered number: 00510607
Year ended 30 June 2019

DIRECTORS' REPORT (continued)

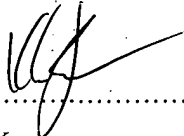
Auditors

Pursuant to Section 487 of the Companies Act 2006, the auditors, PricewaterhouseCoopers LLP, have been reappointed and will continue in office as auditors of the company.

Disclosure of information to the auditors

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditors are unaware; and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's independent auditors are aware of that information.

By order of the board



G Kovacs

Director

Lakeside Drive
Park Royal
London
NW10 7HQ

28 November 2019

Statement of directors' responsibilities in respect of the financial statements

The directors are responsible for preparing the directors' report and the financial statement in accordance with applicable law and regulation.

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

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors 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.

Independent auditors' report to the members of Guinness Limited

Report on the audit of the financial statements

Opinion

In our opinion, Guinness Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Directors' report and financial statements (the "Annual Report"), which comprise: the balance sheet as at 30 June 2019; the statement of comprehensive income, the statement of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

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

Independence

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

Conclusions relating to going concern

ISAs (UK) require us to report to you when:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of the above matters.

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. For example, the terms on which the United Kingdom may withdraw from the European Union are not clear, and it is difficult to evaluate all of the potential implications on the company's trade, customers, suppliers and the wider economy.

Reporting on other information

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

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

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Directors' Report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' Report for the year ended 30 June 2019 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

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

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of directors' responsibilities in respect of the financial statements set out on page 5, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

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

Other required reporting

Companies Act 2006 exception reporting

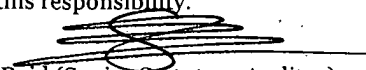
Under the Companies Act 2006 we are required to report to you if, in our opinion:

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

We have no exceptions to report arising from this responsibility.

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.


Steve Reid (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London
28 November 2019

Guinness Limited
Registered number: 00510607
Year ended 30 June 2019

STATEMENT OF COMPREHENSIVE INCOME

	Notes	Year ended 30 June 2019 £ 000	Year ended 30 June 2018 £ 000
Operating income	2	1,413	484
Operating profit		1,413	484
Net finance income	3	15,712	13,199
Profit before taxation on ordinary activities		17,125	13,683
Taxation on profit on ordinary activities	4	—	—
Profit from continuing operations the financial year and total comprehensive income for the year		17,125	13,683

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

The company had no other comprehensive income or expense during the current and previous year.

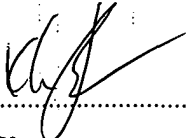
Guinness Limited
Registered number: 00510607
Year ended 30 June 2019

BALANCE SHEET

	Notes	30 June 2019 £ 000	30 June 2018 £ 000
Non-current assets			
Trade and other receivables	5	1,153,864	1,153,827
Current assets			
Trade and other receivables	5	29,929	44,251
Cash and cash equivalents		1	2
Total assets		1,183,794	1,198,080
Current liabilities			
Trade and other payables	6	—	(1,411)
Total liabilities		—	(1,411)
Net assets		1,183,794	1,196,669
Equity			
Called up share capital	8	1,156,100	1,156,100
Retained earnings		27,694	40,569
Total equity		1,183,794	1,196,669

The accounting policies and other notes on pages 11 to 16 form part of the financial statements.

These financial statements on pages 8 to 16 were approved by the Board on 28 November 2019 and were signed on its behalf by:



 G Kovacs
 Director

Guinness Limited
Registered number: 00510607
Year ended 30 June 2019

STATEMENT OF CHANGES IN EQUITY
ATTRIBUTABLE TO SHAREHOLDERS OF THE COMPANY

	Called up share capital £ 000	Retained earnings £ 000	Total £ 000
Balance at 30 June 2017	1,156,100	26,886	1,182,986
Profit for the financial year	—	13,683	13,683
Balance at 30 June 2018	1,156,100	40,569	1,196,669
Profit for the financial year	—	17,125	17,125
Dividends to shareholders	—	(30,000)	(30,000)
Balance at 30 June 2019	1,156,100	27,694	1,183,794

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

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

Basis of preparation

These financial statements are prepared 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 Financial Reporting Standards as adopted by the EU (IFRS), but makes amendments where necessary in order to comply with Companies Act 2006 and sets out below where the FRS 101 disclosure exemptions have been taken.

These financial statements are prepared on a going concern basis under the historical cost convention, except that certain financial instruments are measured at their fair value.

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.

The preparation of financial statements in conformity with FRS 101 requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates.

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

- The following paragraphs of IAS 1, 'Presentation of financial statements':
 - 10(d) (statement of cash flows);
 - 16 (statement of compliance with all IFRS);
 - 79(a)(iv) (comparative information requirements);
 - 111 (cash flow statement information);
 - 134-136 (capital management disclosures).
- IAS 7, 'Statement of cash flows'.
- The following paragraphs of IAS 8, 'Accounting policies, changes in accounting estimates and errors':
 - 30 (requirement for the disclosure of information when an entity has not applied a new IFRS that has been issued but is not yet effective);
 - 31 (disclosures relating to the new IFRS).
- The following paragraphs of IAS 24 'Related party disclosures':
 - Paragraph 17 of IAS 24, (key management compensation).
 - Paragraph 18A of IAS 24, 'Related party disclosures', related to key management services provided by a separate management entity.
- The requirements of IFRS 7 Financial Instruments: Disclosures, provided that equivalent disclosures are included in the consolidated financial statements of the group in which the entity is consolidated

NOTES TO THE FINANCIAL STATEMENTS (continued)

1. ACCOUNTING POLICIES (continued)

New accounting standards and interpretations

The following amendments to the accounting standards, issued by the IASB which have been endorsed by the EU, have been adopted by the group and therefore by the company from 1 July 2018 with no impact on the company's results, financial position or disclosures:

- Amendments to IAS 40 - Transfers of Investment Property;
- Amendments to IFRS 2 - Classification and Measurement of Share-based payment transactions;
- Amendments to IFRS 4 - Applying IFRS 9 with IFRS 4 Insurance contracts;
- Improvements to IFRS 1 - First-time Adoption of International Financial Reporting Standards: Deletion of short-term exemptions for first-time adopters;
- Improvements to IAS 28 - Investments in Associates and Joint Ventures: Measuring investees at fair value through profit or loss: an investment-by-investment choice or a consistent policy choice;
- IFRIC 23 Uncertainty over Income Tax Treatments.

The following standard(s), issued by the IASB and endorsed by the EU, has not yet been adopted by the company:

IFRS 16 - Leases (effective in the year ending 30 June 2020) sets out the principles for the recognition, measurement, presentation and disclosure of leases for both the lessee and the lessor. It eliminates the classification of leases as either operating leases or finance leases currently required under IAS 17 and introduces a single lessee accounting model where the lessee is required to recognise assets and liabilities for all leases. All leases will be recognised on the balance sheet as right of use assets and depreciated on a straight line basis. The liability, recognised as part of net borrowings, will be measured at a discounted value and any interest will be charged to finance charges in the statement of comprehensive income. Therefore, the charge to the statement of comprehensive income for the operating lease payment will be replaced with depreciation on the right of use asset and the interest charge inherent in the lease.

In 2002, the company entered into a 20 year lease agreement, to use as the headquarters of the Diageo plc group. The company is an intermediate party in the lease, as the beneficial owner of the headquarters is another wholly owned fellow group subsidiary. The company has no commercial benefit or risk associated to this lease. Since the company acts as an agent, no lease payments or lease liabilities are disclosed in these financial statements under IAS 17.

IFRS 16 is expected not to have a material impact on the company's result but will result in additional amounts recognised as finance lease receivable, to reflect the beneficial ownership arrangement of the lease, and lease liabilities in the balance sheet.

Functional and presentational currency

These financial statements are presented in sterling (£), which is the company's functional currency.

All financial information presented in sterling (£) has been rounded to the nearest thousand unless otherwise stated.

NOTES TO THE FINANCIAL STATEMENTS (continued)

1. ACCOUNTING POLICIES (continued)

Finance income/costs

Finance income/costs are recognised in the statement of comprehensive income in the year in which they are earned/incurred.

Financial assets and liabilities

Financial assets and liabilities are initially recorded at fair value, where permitted by IFRS 9, including any directly attributable transaction costs. For those financial assets that are not subsequently held at fair value, the company assesses whether there is evidence of impairment at each balance sheet date. The company classifies its financial assets and liabilities into the following categories: financial assets and liabilities at amortised cost, financial assets and liabilities at fair value through profit and loss and financial assets at fair value through other comprehensive income. Where financial assets or liabilities are eligible to be carried at either amortised cost or fair value, the company does not apply the fair value option.

Trade and other receivables due after one year The company entered into a loan agreement with a fellow group undertaking, where the borrower was granted a contractual right to defer the repayment by one year and one day, therefore this amount is disclosed as non current asset.

Trade and other receivables Amounts owed by other group companies are initially measured at fair value and are subsequently reported at amortised cost. Non-interest-bearing trade receivables are stated at their nominal value as they are due on demand. Allowances for expected credit losses are made based on the risk of non-payment taking into account ageing, previous experience, economic conditions and forward-looking data. Such allowances are measured as either 12-months expected credit losses or lifetime expected credit losses depending on changes in the credit quality of the counterparty.

Cash and cash equivalents Cash and cash equivalents include cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

Taxation

Current tax is based on taxable profit for the year. Taxable profit is different from accounting profit due to temporary differences between accounting and tax treatments, and due to items, that are never taxable or tax deductible. Tax benefits are not recognised unless it is probable that the tax positions are sustainable. Once considered to be probable, tax benefits are reviewed each year to assess whether a provision should be taken against full recognition of the benefit on the basis of potential settlement through negotiation and/or litigation. Tax provisions are included in current liabilities. Penalties and interest on tax liabilities are included in profit before taxation.

Full provision for deferred tax is made for temporary differences between the carrying value of assets and liabilities for financial reporting purposes and their value for tax purposes. The amount of deferred tax reflects the expected recoverable amount and is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using the basis of taxation enacted or substantively enacted by the balance sheet date. Deferred tax assets are not recognised where it is more likely than not that the asset will not be realised in the future.

Dividends

The interim dividend is included in the financial statements in the year in which it is approved by the directors, and the final dividend in the year in which it is approved by shareholders.

NOTES TO THE FINANCIAL STATEMENTS (continued)

1. ACCOUNTING POLICIES (continued)

Judgements in applying accounting policies and key sources of estimation uncertainty

The directors make estimates and assumptions concerning the future of the company. The resulting accounting estimates will, by definition, seldom equate to actual results. The company's directors are of the opinion that there are no estimates and assumptions that have a significant risk of casting material adjustment to the carrying value of the assets and liabilities for the company within the next financial year due to the nature of the business.

The critical accounting policies, which the directors consider are of greater complexity and/or particularly subject to the exercise of judgements are set out in detail in the relevant accounting policies:

- **Taxation:** The evaluation of deferred tax assets recoverability requires judgements to be made regarding the availability of future taxable income. The directors believe that the company won't generate capital gains in the future, so no deferred tax asset is recognised on capital losses.

2. OPERATING INCOME

	Year ended 30 June 2019	Year ended 30 June 2018
	£ 000	£ 000
Other operating income	1,413	484
	1,413	484

Other operating income comprise the reversal of accruals of £1,411,000 (2018 - £484,000) and other miscellaneous income in the amount of £2,000 (2018 - £nil).

The auditors' remuneration of £3,000 (2018 - £3,000) was paid on behalf of the company by a fellow group undertaking. There were no fees payable to the auditors in respect of non-audit services (2018 - £nil).

The company did not employ any staff during either the current or prior year.

None of the directors received any remuneration during the financial year in respect of their services as directors of the company (2018 - £nil).

3. FINANCE INCOME AND CHARGES

	Year ended 30 June 2019	Year ended 30 June 2018
	£ 000	£ 000
Interest income		
Interest income from fellow group undertakings		
Diageo Finance plc	278	132
Diageo plc	15,429	13,110
Total interest income	15,707	13,242
Other finance income/(charge)	5	(43)
Net finance income	15,712	13,199

NOTES TO THE FINANCIAL STATEMENTS (continued)

4. TAXATION

	Year ended 30 June 2019 £ 000	Year ended 30 June 2018 £ 000
(a) Analysis of taxation for the year		
Current tax	—	—
Deferred tax	—	—
Taxation on profit on ordinary activities	—	—
(b) Factors affecting total tax for the year		
Profit on ordinary activities before taxation	17,125	13,683
Taxation on profit on ordinary activities at UK corporation tax rate of 19% (2018 - 19%)	(3,254)	(2,600)
Group relief received for nil consideration	3,254	2,600
Total tax for the year	—	—

The UK tax rate is 19% effective from 1 April 2017 which is applied for year ended 30 June 2019. A further reduction to 17% (effective from 1 April 2020) was enacted in September 2016.

5. TRADE AND OTHER RECEIVABLES

	30 June 2019		30 June 2018	
	Due within one year £ 000	Due after one year £ 000	Due within one year £ 000	Due after one year £ 000
Amounts owed by fellow group undertakings				
Diageo Finance plc	29,929	—	44,251	—
Diageo plc	—	1,153,864	—	1,153,827
	29,929	1,153,864	44,251	1,153,827

Amounts owed by Diageo Finance plc comprise a loan which is unsecured, repayable on demand and bears interest at a floating rate.

Amounts owed by Diageo plc consists of a loan which grants Diageo plc the contractual right to defer the repayment by one year and one day, therefore this amount is classified as due after one year. The loan is unsecured and bears interest at a floating rate.

NOTES TO THE FINANCIAL STATEMENTS (continued)

6. TRADE AND OTHER PAYABLES

	30 June 2019	30 June 2018
	£ 000	£ 000
Accruals and deferred income	—	1,411
	<u>—</u>	<u>1,411</u>

Other payables and accruals represented additional development costs that had been accrued in respect of the Park Royal site, that were reversed during the year-ended 30 June 2019, as the development obligations were satisfied.

7. DEFERRED TAX ASSETS

Unrecognised deferred tax assets

Deferred tax assets have been recognised to the extent that it is considered more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted. Where this is not the case, deferred tax assets have not been recognised, as set out below:

	30 June 2019	30 June 2018
	£ 000	£ 000
Capital losses	<u>1,757</u>	<u>1,757</u>

8. SHARE CAPITAL

Allotted, called up and fully paid:

	30 June 2019
	£ 000
1,156,100,000 (2018 - 1,156,100,000) ordinary shares of £1 each	<u>1,156,100</u>

9. IMMEDIATE AND ULTIMATE PARENT UNDERTAKING

The immediate and ultimate parent undertaking of the company is Diageo plc which is the ultimate controlling party of the group. Diageo plc is incorporated and registered in England. The consolidated financial statements of Diageo plc can be obtained from the registered office at Lakeside Drive, Park Royal, London, NW10 7HQ.