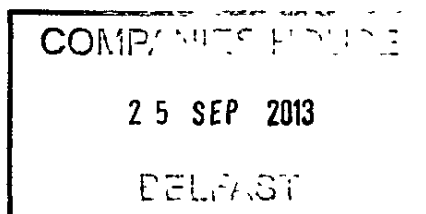


Registered number: 1861142

COCA-COLA INTERNATIONAL SALES LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2012



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COMPANIES HOUSE

COCA-COLA INTERNATIONAL SALES LIMITED

COMPANY INFORMATION

DIRECTORS

B Gerber (resigned 30 August 2012)
D Kearney
S Guha
I Panizio
S Roche
J Woods
L Johnson (appointed 23 April 2012)
R Thompson (appointed 15 April 2012)
G Ruiz (appointed 22 May 2013)

COMPANY NUMBER

1861142

REGISTERED OFFICE

1 Queen Caroline Street
London
W6 9HQ

AUDITORS

Ernst & Young LLP
Bedford House
16 Bedford Street
Belfast
BT2 7DT

COCA-COLA INTERNATIONAL SALES LIMITED

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COCA-COLA INTERNATIONAL SALES LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2012

The directors present their report and the financial statements for the year ended 31 December 2012

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing 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 the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards 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 these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgments 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, 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.

PRINCIPAL ACTIVITIES

The principal activities of the company are the manufacture and procurement of soft drinks in the UK.

KEY PERFORMANCE INDICATORS

The company's key performance indicators are the level of turnover, reflecting the volume of products sold, and the level of operating profit. The turnover for the year was £24,643,422 (2011 - £22,227,146) and operating profit was £913,879 (2011 - £1,171,054).

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £730,638 (2011 - £903,994).

Dividends for the amount of £2,000,000 were paid during the year (2011 - £NIL).

COCA-COLA INTERNATIONAL SALES LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2012

DIRECTORS

The directors who served during the year were

B Gerber (resigned 30 August 2012)
D Kearney
S Guha
I Panizio
S Roche
J Woods
L Johnson (appointed 23 April 2012)
R Thompson (appointed 15 April 2012)

PRINCIPAL RISKS AND UNCERTAINTIES

The Company has two principal customers with whom it has agreements. Should there be a termination of these agreements or a change in business relationships, the turnover of the company could decrease by a material amount.

FUTURE DEVELOPMENTS

It is anticipated that Coca-Cola International Sales Limited will continue its current business.

CREDITOR PAYMENT POLICY

The Company recognises the importance of maintaining good business relations with its suppliers and is committed to paying all invoices within agreed terms.

At 31 December 2012, the Company had an average of 39 days (2011 - 40 days) purchases outstanding in trade creditors.

PROVISION OF INFORMATION TO AUDITORS

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that

- so far as that director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any information needed by the Company's auditors in connection with preparing their report and to establish that the Company's auditors are aware of that information.

COCA-COLA INTERNATIONAL SALES LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2012**

AUDITORS

The auditors, Ernst & Young LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006

This report was approved by the board and signed on its behalf



D Kearney
Director

Date 18 September 2013

COCA-COLA INTERNATIONAL SALES LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COCA-COLA INTERNATIONAL SALES LIMITED

We have audited the financial statements of Coca-Cola International Sales Limited for the year ended 31 December 2012, which comprise the Profit and loss account, the Balance sheet and the related notes 1 to 16. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 Auditors' 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.

RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITOR

As explained more fully in the Directors' responsibilities statement on page 1, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the Company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements

- give a true and fair view of the state of the Company's affairs as at 31 December 2012 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.

OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

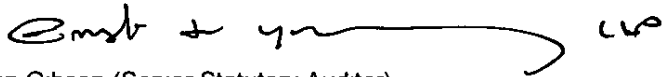
COCA-COLA INTERNATIONAL SALES LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF COCA-COLA INTERNATIONAL SALES LIMITED

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where 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


Ian Gibson (Senior Statutory Auditor)

for and on behalf of
Ernst & Young LLP, Statutory Auditor

Belfast

Date 19 September 2013

COCA-COLA INTERNATIONAL SALES LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2012**

	Note	2012 £	2011 £
TURNOVER	1,2	24,643,422	22,227,146
Cost of sales		<u>(23,636,589)</u>	<u>(21,422,369)</u>
GROSS PROFIT		1,006,833	804,777
Administrative expenses		(92,954)	(695,608)
Other operating income	3	<u>-</u>	<u>1,061,885</u>
OPERATING PROFIT		913,879	1,171,054
Interest receivable and similar income	5	<u>31,458</u>	<u>25,593</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		945,337	1,196,647
Tax on profit on ordinary activities	6	<u>(214,699)</u>	<u>(292,653)</u>
PROFIT FOR THE FINANCIAL YEAR	12	<u>730,638</u>	<u>903,994</u>

All amounts relate to continuing operations

There were no recognised gains and losses for 2012 or 2011 other than those included in the Profit and loss account. Consequently no statement of recognised gains and losses is provided.

There is also no difference between the profit on ordinary activities before taxation and the profit (2011 profit) for the financial period stated above, and their historical cost equivalents.

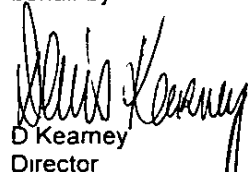
The notes on pages 8 to 13 form part of these financial statements.

COCA-COLA INTERNATIONAL SALES LIMITED
REGISTERED NUMBER 1861142

BALANCE SHEET
AS AT 31 DECEMBER 2012

	Note	£	2012 £	£	2011 £
CURRENT ASSETS					
Debtors	7	11,482,346		6,480,311	
Cash at bank		1,845,635		7,989,221	
		<u>13,327,981</u>		<u>14,469,532</u>	
CREDITORS. amounts falling due within one year	8	<u>(2,908,273)</u>		<u>(2,780,462)</u>	
NET CURRENT ASSETS			10,419,708		11,689,070
NET ASSETS			10,419,708		11,689,070
CAPITAL AND RESERVES					
Called up share capital	11		9,148,686		9,148,686
Profit and loss account	12		1,271,022		2,540,384
SHAREHOLDERS' FUNDS	13		10,419,708		11,689,070

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


D Kearney
Director

Date 18 September 2013

The notes on pages 8 to 13 form part of these financial statements

COCA-COLA INTERNATIONAL SALES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

1 ACCOUNTING POLICIES

1.1 Basis of preparation of financial statements

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

1.2 Going concern

No material uncertainties that cast significant doubt about the ability of the Company to continue as a going concern have been identified by the directors. On the basis of their assessment of the Company's financial position, the Company's directors have a reasonable expectation that the Company will be able to continue in operational existence for the foreseeable future. Therefore, they continue to adopt the going concern basis of accounting in preparing the annual financial statements

1.3 Cash flow

The Company, being a subsidiary undertaking where 90% or more of the voting rights are controlled within the group whose consolidated financial statements are publicly available, is exempt from the requirement to draw up a cash flow statement in accordance with FRS 1

1.4 Revenue recognition

Revenue is recognised to the extent that the Company obtains the right to consideration in exchange for its performance. Revenue is measured at the fair value of the consideration received, excluding discounts, rebates, VAT and other sales taxes or duty

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on dispatch of the goods

Interest income is recognised as interest accrues using the effective interest method

1.5 Deferred taxation

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or right to pay less or to receive more tax in the future at the balance sheet date

Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted

Deferred tax is measured on a undiscounted basis at the tax rates that are expected to apply in the periods in which timing difference reverse, based on tax laws enacted or substantively enacted at the balance sheet date

COCA-COLA INTERNATIONAL SALES LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2012

1. ACCOUNTING POLICIES (continued)

1.6 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction

Exchange gains and losses are recognised in the profit and loss account

2. TURNOVER

Revenue is measured at the fair value of the consideration received, excluding discounts, rebates, VAT and other sales, taxes or duty. The whole of the turnover is attributable to the promotion and sale of soft drinks

All turnover arose within the United Kingdom

3. OPERATING PROFIT

The operating profit is stated after charging

	2012 £	2011 £
Depreciation of owned fixed assets	-	9,379
Profit on sale of tangible fixed assets	-	1,061,885
Auditor's remuneration		
- audit services	19,888	21,500
- non-audit services (taxation)	7,770	8,400
Foreign exchange gain	(10,939)	

4. STAFF COSTS

The Company has no employees other than the directors, who did not receive any remuneration (2011 - £NIL). All staff costs are borne by the fellow subsidiary, Beverage Services Limited, from which they are paid

5. INTEREST RECEIVABLE AND SIMILAR INCOME

	2012 £	2011 £
Interest income	31,458	25,593

COCA-COLA INTERNATIONAL SALES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2012**

6. TAXATION

	2012 £	2011 £
Analysis of tax charge in the year		
Current tax (see note below)		
UK corporation tax charge on profit for the year	212,080	288,990
Deferred tax (see note 9)		
Origination and reversal of timing differences	2,619	3,663
Tax on profit on ordinary activities	<u>214,699</u>	<u>292,653</u>

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2011 - *higher than*) the standard rate of corporation tax in the UK of 24.5% (2011 - 26.5%). The differences are explained below

	2012 £	2011 £
Profit on ordinary activities before tax	945,337	1,196,647
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 24.5% (2011 - 26.5%)	231,608	317,111
Effects of		
Disallowed expenses and non-taxable income	1,335	(155,007)
Capital allowances for year in excess of depreciation	(1,898)	(2,774)
Capital gains (effects of indexation, rebasing, etc.)	-	129,660
Adjustments to tax charge in respect of prior periods	(18,965)	-
Current tax charge for the year (see note above)	<u>212,080</u>	<u>288,990</u>

Factors that may affect future tax charges

The total future tax charge is expected to follow the UK statutory rate corporation tax, after allowing for expenses which are not deductible against tax

A number of changes to the UK Corporation tax system were announced in the March 2012 and March 2013 UK Budget Statements. Legislation to reduce the main rate of corporation tax from 23% to 21% from 1 April 2014 and to 20% from 1 April 2015 is expected to be included in future Finance Bills. These further changes had not been substantively enacted at the balance sheet date. Consequently, deferred tax has been measured at 23% (2011 - 25%) at the year end date.

COCA-COLA INTERNATIONAL SALES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2012**

7. DEBTORS

	2012	2011
	£	£
Due after more than one year		
Amounts owed by group undertakings	7,987,476	3,000,000
Due within one year		
Trade debtors	197,082	-
Amounts owed by group undertakings	2,616,661	2,226,569
Other debtors	673,279	1,243,275
Deferred tax asset (see note 9)	7,848	10,467
	<u>11,482,346</u>	<u>6,480,311</u>

The long - term amounts owed by group undertakings are made of two loans issued by Coca-Cola International Sales Limited

In 2009, Coca-Cola International Sales Limited entered into a loan agreement with its parent company, Coca-Cola Holdings (UK) Limited wherein the Company lent a sum of £3,000,000 to be repaid on 19 December 2014. This loan bears interest at the 3-month LIBOR rate with an initial rate of interest set at 0.60563%. This rate shall be reset on a quarterly basis thereafter to reflect the then current 3-month LIBOR rate. On each reset, all accrued and unpaid interest shall be added to the principal sum such that it shall thereafter itself bear interest.

In 2012 Coca-Cola International Sales Limited entered into an additional loan agreement with its parent company, Coca-Cola Holdings (United Kingdom) Limited wherein the Company agreed to lent a sum of \$10,000,000 with the option for the amount to be withdrawn in multiple tranches of \$100,000 minimum. The loan is to be repaid on 31 August 2013 and bears interest at the 3-month LIBOR rate. This rate shall be reset on a quarterly basis thereafter to reflect the then current 3-month LIBOR rate. On each reset, all accrued and unpaid interest shall be added to the principal sum such that it shall thereafter itself bear interest. At 31 December, Coca-Cola Holdings (United Kingdom) Limited had drawn down an amount of £ 4,987,476.

8. CREDITORS:

Amounts falling due within one year

	2012	2011
	£	£
Trade creditors	2,508,528	2,363,279
Amounts owed to group undertakings	220,041	19,756
Corporation tax	141,001	247,795
Accruals and deferred income	38,703	149,632
	<u>2,908,273</u>	<u>2,780,462</u>

COCA-COLA INTERNATIONAL SALES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2012**

9 DEFERRED TAX ASSET

	2012	2011
	£	£
At beginning of year	10,467	14,130
Charge for year	(2,619)	(3,663)
	<hr/>	<hr/>
At end of year (Note 7)	7,848	10,467
	<hr/>	<hr/>

The deferred tax asset is made up as follows

	2012	2011
	£	£
Decelerated capital allowances	7,848	10,467
	<hr/>	<hr/>

10. PROVISIONS

Provision for contractual obligations movement

	2012	2011
	£	£
At beginning of year	-	323,064
Utilisation	-	(323,064)
	<hr/>	<hr/>
At end of year	-	-
	<hr/>	<hr/>

The provision for contractual obligations related to the termination of various property leases as a result of the discontinuation of the sale of water to the local bottler at the Colwall site. The provision was fully utilised in 2011.

11. SHARE CAPITAL

	2012	2011
	£	£
Allotted, called up and fully paid		
9,148,686 Ordinary shares of £1 each	9,148,686	9,148,686
	<hr/>	<hr/>

COCA-COLA INTERNATIONAL SALES LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2012**

12. RESERVES

	Profit and loss account £
At 1 January 2012	2,540,384
Profit for the year	730,638
Dividends paid (Note 14)	(2,000,000)
	<hr/>
At 31 December 2012	1,271,022
	<hr/>

13. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	2012 £	2011 £
Opening shareholders' funds	11,689,070	10,785,076
Profit for the year	730,638	903,994
Dividends paid (Note 14)	(2,000,000)	-
	<hr/>	<hr/>
Closing shareholders' funds	10,419,708	11,689,070
	<hr/>	<hr/>

14. DIVIDENDS

	2012 £	2011 £
Dividends paid on equity capital	2,000,000	-
	<hr/>	<hr/>

15. RELATED PARTY TRANSACTIONS

As the Company is a wholly-owned subsidiary of Coca-Cola Holdings (United Kingdom) Limited, a company registered in England and Wales which prepares group financial statements, the company, pursuant to FRS 8 'Related Party Disclosures', has not included details of transactions with other companies which are wholly owned subsidiaries of the Coca-Cola group

16. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The immediate parent undertaking is Coca-Cola Holdings (United Kingdom) Limited. The parent undertaking of the largest group of undertakings for which group financial statements are drawn up, and of which the company is a member, is The Coca-Cola Company, incorporated in Delaware, USA. The parent undertaking of the smallest such group is Coca-Cola Holdings (United Kingdom) Limited, registered in England and Wales. Copies of both companies' financial statements can be obtained from this company's registered office.