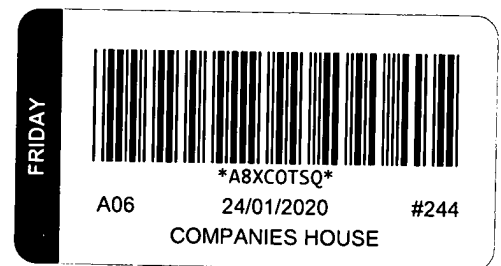


Company registered no: 02865761

**Cott Retail Brands Limited**  
**Annual report and financial statements**  
**for the 52 week period ended 29 December 2018**



# **Cott Retail Brands Limited**

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# **Cott Retail Brands Limited**

## **Board of directors and advisers**

### **Directors**

Jason Ausher  
Claire Duffy  
Steven Kitching  
Matthew Vernon

### **Company Secretary**

Squire Patton Boggs Secretarial Services Limited

### **Company number**

02865761

### **Registered office**

C/O Aimia Foods Limited  
Penny Lane  
Haydock  
St Helens  
England  
WA11 0QZ

### **Independent auditors**

PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
No 1 Spinningfields  
Hardmann Square  
Manchester  
M33EB

# **Cott Retail Brands Limited**

## **Strategic report for the 52 week period ended 29 December 2018**

The directors present their strategic report and the audited financial statements for the 52 week period ended 29 December 2018.

### **Principal activities and future developments**

Cott Retail Brands Limited is a limited company and acts primarily as an intermediate holding company. This is expected to continue for the foreseeable future.

### **Results**

Details of the development and performance of the business of the company during the financial year and the position of the company at the year-end are disclosed in the directors' report.

### **Principal risks and uncertainties**

Due to the size and nature of the entity the directors do not consider that any commentary on the principal risks and uncertainties facing the entity is required.

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



Claire Duffy  
Director  
22 January 2020

# **Cott Retail Brands Limited**

## **Directors' report for the 52 week period ended 29 December 2018**

The directors present their directors' report and audited financial statements for the 52 week period ended 29 December 2018.

### **Results, dividends and business review**

The statement of comprehensive income for the period is set out on page 8. The profit for the 52 week period ended 29 December 2018 is £149,783,000 (52 week period ended 30 December 2017: profit of £9,841,000).

The company paid a cash dividend of £22,764,000 during the year (52 week period ended 30 December 2017: £nil).

A business review using key performance indicators is not considered appropriate given the nature of the entity.

### **Donations**

The Company made charitable donations totalling £nil to national charities (52 week period ended 30 December 2017: nil).

### **Directors**

The directors, who held office during the period and up to the date of signing these financial statements, unless otherwise stated, are given below:

Jason Ausher  
Claire Duffy  
Steven Kitching  
Matthew Vernon – appointed 30 January 2019

Qualifying third-party indemnity insurance was held by all the directors during the period and currently continues to be held by all directors.

### **Future developments**

The company will continue as a holding company for the foreseeable future.

### **Going concern**

As at 29 December 2018, the company was in a net current liabilities position (£283,000), with total net assets of £439,407,000. The company received confirmation from Cott Corporation, the ultimate parent undertaking of its intention not to demand payment of the amounts owed to group undertakings for a period of at least one year following the signing of the financial statements, unless the company has adequate resources with which to settle the debt. The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The company therefore continues to adopt the going concern basis in preparing its financial statements.

# **Cott Retail Brands Limited**

## **Directors' report**

**for the 52 week period ended 29 December 2018 (continued)**

### **Statement of directors' responsibilities**

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

Company law requires the directors to prepare financial statements for each financial 52 week period. 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 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", 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 102, 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 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.

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.

In the case of each director in office at the date the Directors' report is approved:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

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



Claire Duffy  
Director  
22 January 2020

***Independent auditors' report to the members of Cott Retail Brands Limited***

**Report on the audit of the financial statements**

**Opinion**

In our opinion, Cott Retail Brands Limited's financial statements:

- give a true and fair view of the state of the company's affairs as at 29 December 2018 and of its profit for the 52 week period (the "period") then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", 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 Annual report and financial statements (the "Annual Report"), which comprise: the balance sheet as at 29 December 2018; the statement of comprehensive income and the statement of changes in equity for the 52 week period 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.

## ***Independent auditors' report to the members of Cott Retail Brands Limited***

### **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 Strategic Report and 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.

### **Strategic Report and Directors' Report**

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic Report and Directors' Report for the period ended 29 December 2018 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 Strategic Report and 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, 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.



## ***Independent auditors' report to the members of Cott Retail Brands Limited***

### **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](http://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.

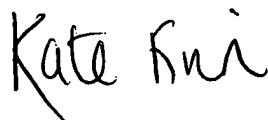
### **Other required reporting**

#### **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.



Kate Finn (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Manchester  
22 January 2020

# Cott Retail Brands Limited

## Statement of Comprehensive income for the 52 week period ended 29 December 2018

	Note	Period ended 29 December 2018 £'000	Period ended 30 December 2017 £'000
Gain on sale of business	10	97,616	-
Reversal of impairment on investments	10	27,982	-
Administrative (expense) / income		(7)	7
<b>Operating profit</b>		<b>125,591</b>	<b>7</b>
Income from shares in group undertakings	6	22,369	15,146
<b>Profit before interest and tax</b>		<b>147,960</b>	<b>15,153</b>
Net interest receivable (payable)	8	547	(5,312)
<b>Profit before tax</b>		<b>148,507</b>	<b>9,841</b>
Tax on profit	9	1,276	-
<b>Profit for the financial period</b>		<b>149,783</b>	<b>9,841</b>
Other comprehensive income		-	-
<b>Total comprehensive income for the period</b>		<b>149,783</b>	<b>9,841</b>

All items dealt with in arriving at the profit on ordinary activities before taxation relate to continuing activities.

The company has no other comprehensive income other than that included in the results above, and therefore no separate statement of other comprehensive income has been presented.

# Cott Retail Brands Limited

## Balance Sheet as at 29 December 2018

	Note	29 December 2018 £'000	30 December 2017 £'000
<b>Fixed assets</b>			
Investments	10	440,694	669,115
		<b>440,694</b>	<b>669,115</b>
<b>Current assets</b>			
Debtors	11	8,913	191
Cash at bank and in hand		65	-
		<b>8,978</b>	<b>191</b>
<b>Creditors: amounts falling due within one year</b>	12	<b>(9,261)</b>	<b>(92,928)</b>
<b>Net current assets</b>		<b>(283)</b>	<b>(92,737)</b>
<b>Creditors: amounts falling due after more than one year</b>		<b>(1,004)</b>	<b>-</b>
<b>Net assets</b>		<b>439,407</b>	<b>576,378</b>
<b>Capital and reserves</b>			
Called up share capital	13	609	609
Share premium account	13	139,058	-
Other reserve	13	61,622	46,207
Profit and loss account		238,118	529,562
<b>Total equity</b>		<b>439,407</b>	<b>576,378</b>

The notes on pages 11 to 20 are an integral part of these financial statements.

The financial statements on pages 8 to 20 were approved by the board of directors on 22 January 2020 and were signed on its behalf by:



Claire Duffy  
Director

Registered company number: 02865761

# Cott Retail Brands Limited

## Statement of changes in equity for the 52 week period ended 29 December 2018

	Called up share capital £'000	Share premium account £'000	Other reserve £'000	Profit and loss account £'000	Total equity £'000
Balance as at 1 January 2017	60,918	425,693	46,207	33,719	566,537
Profit and total comprehensive income for the financial period	-	-	-	9,841	9,841
Capital Reduction	(60,309)	(425,693)	-	486,002	-
<b>Balance as at 30 December 2017</b>	<b>609</b>	<b>-</b>	<b>46,207</b>	<b>529,562</b>	<b>576,378</b>
Balance as at 31 December 2017	609	-	46,207	529,562	576,378
Profit and total comprehensive income for the financial period	-	-	-	149,783	149,783
Share allotments (note 13)	-	139,058	-	-	139,058
Capital contributions (note 13)	-	-	15,415	-	15,415
Dividend in specie (note 14)	-	-	-	(418,463)	(418,463)
Dividends (note 14)	-	-	-	(22,764)	(22,764)
<b>Balance as at 29 December 2018</b>	<b>609</b>	<b>139,058</b>	<b>61,622</b>	<b>238,118</b>	<b>439,407</b>

**Called up Share Capital** – represents the nominal value of shares that have been issued

**Share Premium Account** – represents additional paid in capital; not distributable

**Other Reserve** – represents the contribution from the parent undertakings

# Cott Retail Brands Limited

## Notes to the financial statements for the 52 week period ended 29 December 2018

### 1. General Information

Cott Retail Brands Limited acts primarily as an intermediate holding company.

The company is a private company limited by shares and is incorporated and domiciled in the United Kingdom. The address of its registered office is Penny Lane, Haydock, St Helens, England, WA11 0QZ.

### 2. Statement of compliance

The individual financial statements of Cott Retail Brands Limited have been prepared in compliance with United Kingdom Accounting Standards, including Financial Reporting Standard 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" ("FRS 102") and the Companies Act 2006.

### 3. Summary of significant accounting policies

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

#### (a) Basis of preparation

These financial statements are prepared on a going concern basis, under the historical cost convention, and in accordance with Companies Act 2006 and applicable accounting standards in the United Kingdom.

The preparation of financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 4.

#### (b) Basis of consolidation

These financial statements contain information about Cott Retail Brands Limited as an individual company and do not contain consolidated financial information. The company is exempt under section 401 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it is a wholly owned subsidiary of Cott Corporation, a company incorporated in Canada, and it and its subsidiary undertakings are included in the consolidated financial statements of its ultimate parent, which are publicly available.

These financial statements are the company's separate financial statements.

#### (c) Exemptions for qualifying entities under FRS 102

FRS102 allows a qualifying entity certain disclosure exemptions. These exemptions are:

- (i) a reconciliation of the number of shares outstanding at the beginning and end of the period. (FRS 102 para 4.12 (a) (iv)) ;
- (ii) the requirement to prepare a statement of cash flows. (section 7 of FRS 102 and para 3.17 (d)) ;
- (iii) certain financial instrument disclosures providing equivalent disclosures are included in the consolidated financial statements of the group in which the entity is consolidated. (FRS 102 paras 11.41(b), 11.41(c), 11.41(e), 11.41 (f), 11.42, 11.44, 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b), 11.48(c), 12.26, 12.27, 12.9(b) and 12.29A)

# Cott Retail Brands Limited

## Notes to the financial statements for the 52 week period ended 29 December 2018 (continued)

### 3. Summary of significant accounting policies (continued)

#### Exemptions for qualifying entities under FRS 102 (continued)

- (iv) certain disclosure requirements of section 26 in respect of share based payments provided that (i) for a subsidiary the share based payment concerns equity instruments of another group entity; or (ii) for an ultimate parent the share based concerns its own equity instruments and its separate financial statements are presented alongside the consolidated financial statements of the group; and in both cases the equivalent disclosures are included in the consolidated financial statements of the group in which the entity is consolidated. (FRS 102 paras 26.18 (b), 26.19 – 26.21, 26.23)
- (v) the non disclosure of key management personnel compensation in total (FRS 102 para 33.7)

The company has taken advantage of these exemptions on the basis that it is a qualifying entity and its ultimate parent company Cott Corporation, includes this information about the company in its own consolidated financial statements which can be obtained free of charge on their website at [www.cott.com](http://www.cott.com).

#### (d) Taxation

The charge for taxation is based on the profits for the period as adjusted for disallowable items.

Deferred taxation has been recognised as a liability or asset if transactions have occurred at the balance sheet date that give rise to an obligation to pay more taxation in future, or a right to pay less taxation in future. Deferred tax balances are not discounted and are recognised to the extent that it is regarded more than likely that there will be suitable taxable profits against which these assets can be recovered in future periods. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

No payment is made for tax losses transferred under group relief.

#### (e) Going concern

As at 29 December 2019, the company was at net current liabilities position. The company received confirmation from Cott Corporation, the ultimate parent undertaking of its intention not to demand payment of the amounts owed to group undertakings for a period of at least one year following the signing of the financial statements, unless the company has adequate resources with which to settle the debt. The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The company therefore continues to adopt the going concern basis in preparing its financial statements.

#### (f) Investments

Investments in subsidiary companies are held at cost less any accumulated impairment losses.

#### (g) Impairment of non-financial assets

At each year-end date non-financial assets not carried at fair value are assessed to determine whether there is an indication that the asset (or asset's cash generating unit) may be impaired. Non-financial assets are reviewed for impairment if events or changes in circumstances indicate that the carrying value may not be recoverable. When a review for impairment is conducted, the recoverable amount is assessed by reference to the net asset position or if not sufficient, the net present value of expected future cash flows of the business, or disposal value if higher.

If the recoverable amount is estimated to be lower, an impairment loss is recognized in the profit and loss account.

# Cott Retail Brands Limited

## Notes to the financial statements for the 52 week period ended 29 December 2018 (continued)

### 3. Summary of significant accounting policies (continued)

#### (h) Foreign Currency

The company's functional and presentational currency is the pound sterling. Foreign currency transactions are translated into the functional currency using spot rates at the dates of the transactions. Foreign exchange gains and losses are recognised in the profit and loss account in the period in which they arise.

#### (i) Dividend Income

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

### 4. Critical accounting judgements and estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

#### Critical judgements in applying the entity's accounting policies

No critical judgements have been required to be made in applying the company's accounting policies.

#### Critical accounting estimates and assumptions

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

#### (i) Impairment of investments

The company states investments at cost less any accumulated impairment. Investments are reviewed for impairment if events or changes in circumstances indicate that the carrying value may not be recoverable. When a review for impairment is conducted, the recoverable amount is assessed by reference to the net asset position or if not sufficient, the net present value of expected future cash flows of the business, or disposal value if higher. See note 10 for details of the net carrying amount of investments and any associated impairment provision.

### 5. Result for the period

The fees for audit services provided by the company's auditors were £5,000 (period ended 29 December 2018: £2,000) and have been borne by another group company (Cott Corporation) and were not recharged to Cott Retail Brands Limited. The company's auditors did not provide any other services during the period.

### 6. Income from shares in group undertakings

	Period ended 29 December 2018 £'000	Period ended 30 December 2017 £'000
Income from shares in group undertakings	22,369	15,146

In July 2018, a dividend £4,500,000 was received from Cott Ventures UK Ltd. and in December 2018 a dividend of £17,868,542 was received from Cott Switzerland, GmbH, a subsidiary of Cott Retail Brands Limited.

# Cott Retail Brands Limited

## Notes to the financial statements for the 52 week period ended 29 December 2018 (continued)

### 7. Employees and Directors

#### Directors

Emoluments for the services of all directors were paid by other subsidiaries of the Cott Corporation group of companies and accordingly the emoluments of S Kitching and C Duffy have been paid by and are disclosed in the financial statements of Aimia Foods Limited, the emoluments of M Vernon have been paid by and are disclosed in the financial statements of Eden Springs and the emoluments of J Ausher have been paid by and are disclosed in the financial statements of Cott Corporation. These costs were not recharged to Cott Retail Brands Limited.

#### Employees

Cott Retail Brands Limited does not have any employees other than directors (period ended 29 December 2018:nil).

### 8. Net interest (receivable) payable

	Period ended 29 December 2018 £'000	Period ended 30 December 2017 £'000
Net interest (receivable) payable	(547)	5,312

Interest charges relate to interest on the discounted loan note issued on 15 November 2010, redeemable on 16 August 2018. In the current year, we adjusted interest charges to correct a prior year error which resulted in reversal of prior year interest charges.

### 9. Tax on Profit

#### (a) Tax included in profit or loss

	Period ended 29 December 2018 £'000	Period ended 30 December 2017 £'000
<b>Current tax:</b>		
UK Corporation tax for the financial period	(1,276)	-
<b>Total current tax</b>	<b>(1,276)</b>	-
<b>Deferred tax:</b>		
Origination and reversal of timing differences	-	-
<b>Tax on ordinary activities</b>	<b>(1,276)</b>	-

#### (b) Reconciliation of tax charge

Tax measured for the period is lower (period ended 30 December 2017: lower) than the standard rate of corporation tax in the UK for the period ended 29 December 2018 of 19.00% (period ended 31 December 2017:19.25%) the differences are explained below.



# Cott Retail Brands Limited

## Notes to the financial statements for the 52 week period ended 29 December 2018 (continued)

### 9. Tax on Profit (continued)

	Period ended 29 December 2018 £'000	Period ended 30 December 2017 £'000
<b>Profit before taxation</b>	<b>148,507</b>	<b>9,841</b>
Profit on ordinary activities before taxation multiplied by standard rate of corporation tax in UK of 19.00% (Period ended 31 December 2017: 19.25%)	28,216	1,894
Effect of:		
Gain on sale of business	(18,547)	-
Reversal of impairment on investments	(5,316)	-
Income not taxable	(4,250)	(2,916)
Impact of UK interest expense limitation	(1,276)	-
Surrender/(utilization) of group relief	(35)	1,022
Deferred tax not provided	(68)	-
<b>Tax for the period</b>	<b>(1,276)</b>	<b>-</b>

No payment is made for tax losses transferred under group relief.

#### (c) Tax rate changes

Changes to the UK corporation tax rates were substantively enacted as part of Finance Bill 2015 (on 26 October 2015) and Finance Bill 2017 (on 7 September 2017). These include reductions to the main rate to reduce the rate to 19% from 1 April 2018 and to 17% from 1 April 2020. Deferred taxes at the balance sheet date have been measured using these enacted tax rates and reflected in these financial statements.

### 10. Investments

Interest in group undertakings:

	£'000
<b>Cost</b>	
As at 30 December 2017	669,115
Additions	760,223
Reductions	(938,925)
Disposal	(77,701)
<b>As at 29 December 2018</b>	<b>466,129</b>
<b>Provision for diminution</b>	
As at 31 December 2017	(53,417)
Reversal of impairment	27,982
<b>As at 29 December 2018</b>	<b>(25,435)</b>
<b>Net book value</b>	
<b>As at 29 December 2018</b>	<b>440,694</b>
<b>As at 31 December 2017</b>	<b>669,115</b>

# Cott Retail Brands Limited

## Notes to the financial statements for the 52 week period ended 29 December 2018 (continued)

### 10. Investments (continued)

#### Movements

On 30 January 2018, we completed the sale of 100% of the shareholdings of Cott Beverages Ltd to Pride Foods Ltd. The consideration received was £175.2 million and total gain on sale recognised was £97.6 million.

The remaining movements in investments have been summarised below:

Description	Addition £m	Reduction £m
Cott Retail Brands Limited contributed £48.6 million of receivables it received from its parent to Cott Beverages Ltd.	48.6	-
Cott Beverages Ltd distributed to Cott Retail Brands Ltd certain receivables it received from its subsidiary totalling £104.0 million.	-	104.0
Cott Beverages Ltd made a £425.1 million distribution to Cott Retail Brands Ltd. The distribution included its investments in Cott Holdings Inc (£356.3 million), Cott Ventures UK Ltd (£11.3 million) and Cott Switzerland GmbH (£125.5 million) in exchange for Cott Retail Brands Ltd assuming a £68.0 million note that was subsequently repaid.	356.3 11.3 125.5	425.1
Cott Retail Brands makes other small contributions to Cott Beverages Ltd to clean up intercompany balances prior to sale	2.8	
Cott Retail Brands purchased the remaining shares of Cott Ventures UK Ltd from Cott Holdings Inc for £56.2 million in cash	56.2	-
Cott Retail Brands made a cash contribution of £53.5 million to Cott Holdings Inc	53.5	-
Cott Retail Brands distributes its investment in Cott Holdings Inc (£409.8 million) to its parent Cott UK Acquisition Ltd in exchange for Cott UK Acquisition Ltd assumption of a discount note (see note 12)	-	409.8
Contribution of £15.4 million contribution to Cott Ventures UK Ltd. The same amount was received by Cott Retail Brands Ltd from Cott UK Acquisition Ltd.	15.4	-
Cott Retail Brands Ltd contributed its interest in Cott Cayman (£89.9 million) to Cott Switzerland GmbH. The same participation interest was contributed to Cott Retail Brands Ltd from Cott UK Acquisition.	89.9	-
Cott Retail Brands Ltd contributed £0.7 million to Cott Switzerland GmbH help fund working capital needs.	0.7	-
Total	760.2	938.9

The Directors believe that the carrying value of the remaining investments is supported by their underlying net assets.

# Cott Retail Brands Limited

## Notes to the financial statements for the 52 week period ended 29 December 2018 (continued)

### 10. Investments (continued)

A detailed schedule of the subsidiaries of Cott Retail Brands Limited is included below:

Name of subsidiary	Registered Address	Country of incorporation	Principal activity	Ordinary share ownership
Cott Limited*	Penny Lane Haydock Merseyside WA110QZ	England and Wales	Dormant	100%
Cott Europe Trading Limited*	Penny Lane Haydock Merseyside WA110QZ	England and Wales	Dormant	100%
Cott Switzerland GmbH*	Alpenstrasse 15 6300 Zug, Switzerland	Switzerland	Holding Company	100%
Cott Cayman	190 Elgin Avenue George Town Grand Cayman, KY1-9005	Cayman Islands	Financing Company	99.9%
Cott Ventures UK Limited*	Penny Lane Haydock Merseyside WA110QZ	England and Wales	Holding Company	100%
Total Water Solutions Limited	Penny Lane Haydock Merseyside WA110QZ	England and Wales	Dormant	100%
Decante Mineral Water Limited	Penny Lane Haydock Merseyside WA110QZ	England and Wales	Manufacture of drinks	100%
Aimia Foods Holdings Limited	Penny Lane Haydock Merseyside WA110QZ	England and Wales	Holding Company	100%
Aimia Foods EBT Company Limited	Penny Lane Haydock Merseyside WA110QZ	England and Wales	Employee Benefits Trust	100%
Aimia Foods Group Limited	Penny Lane Haydock Merseyside WA110QZ	England and Wales	Holding Company	100%
Aimia Foods Limited	Penny Lane Haydock Merseyside WA110QZ	England and Wales	Food and Beverage manufacture and distribution	100%
John Farrer & Company	9 Shap Road Industrial Estate Off Shap Road Kendal, Cumbria LA9 6NZ	England and Wales	Tea & Coffee Merchant	100%
Stockpack Limited	Penny Lane Haydock Merseyside WA110QZ	England and Wales	Dormant	100%
Associated Coffee Merchants (Int'l Ltd)	Corinthian House 17 Lansdowne Road Croydon, England CR0 2BX	England and Wales	Dormant	49%

\*Indicates direct subsidiary

# Cott Retail Brands Limited

## Notes to the financial statements for the 52 week period ended 29 December 2018 (continued)

### 11. Debtors

	Period ended 29 December 2018 £'000	Period ended 30 December 2017 £'000
Amounts owed by group undertakings	8,913	191

The amounts owed by group undertakings shown as falling due within one year are unsecured, repayable on demand and non-interest bearing.

### 12. Creditors: amounts falling due within one year

	Period ended 29 December 2018 £'000	Period ended 30 December 2017 £'000
Amounts owed to group undertakings	9,261	92,928

The amounts owed to group undertakings are unsecured, repayable on demand and non-interest bearing.

Included within the prior year amounts owed to group undertakings is a balance of £49.0 million relating to the principal of the discounted loan note issued on 15 November 2010, redeemable on 16 August 2018. The effective rate of unwinding of the debt is 8.2% and the debt was unsecured. Interest charges of £38.0 million are also accrued on the balance. During January 2018 the intercompany loans, due for repayment in August 2018, were transferred to Cott UK Acquisition Limited in exchange for the transfer of the investment in Cott Holdings Inc (see note 10).

### Creditors: amounts falling due after more than one year

	29 December 2018 £'000	30 December 2017 £'000
Tax provision	1,004	-

### 13. Capital and reserves

#### Called up Share Capital

Called up share capital represents the nominal value of shares that have been issued. During the 52 week period ended 29 December 2018 the Company allotted 4 shares to its sole shareholder Cott UK Acquisition Limited at 1 pence per share.

	29 December 2018 £'000	30 December 2017 £'000
<b>Allotted and fully paid</b>		
60,918,348 (30 December 2017: 60,918,344) ordinary shares of £0.01 each	609	609

# Cott Retail Brands Limited

## Notes to the financial statements for the 52 week period ended 29 December 2018 (continued)

### 13. Capital and reserves (continued)

#### Share Premium Account

Share premium account represents additional paid in capital and is not distributable. During the 52 week period ended 29 December 2018 the Company allotted 4 shares to its sole shareholder Cott UK Acquisition Limited. Additional paid in capital recorded for these shares totalled £139.1 million.

	£'000
<b>Share Premium Account</b>	
As at 31 December 2017	-
Share allotment 30 January 2018	48,567
Share allotment 30 October 2018	585
Share allotment 21 December 2018	89,906
<b>As at 29 December 2018</b>	<b>139,058</b>

#### Other Reserve

Other reserve represents the contribution from the parent undertakings. A contribution of £15.4 million was received from Cott UK Acquisition Limited during the 52 week period ended 29 December 2018 and was subsequently contributed to the company's subsidiary Cott UK Ventures Ltd.

#### Rights attributable to ordinary shares

##### Capital rights

On a return of assets on liquidation or capital reduction or otherwise, the assets of the company remaining after the payment of its liabilities shall belong to and be paid to the holders of ordinary shares in proportion to the number of ordinary shares held by them.

##### Dividends

The profits of the company available for distribution shall be distributed amongst the holders of the ordinary shares in proportion to the number of ordinary shares held by each such shareholder.

##### Voting rights

The holder of the ordinary shares has the right to receive notice of, attend and speak at any general meetings of the company. On a vote by way of a show of hands, the holders of ordinary shares present shall be entitled to one vote, and on a vote by poll shall be entitled to one vote per ordinary share held by each such shareholder.

# Cott Retail Brands Limited

## Notes to the financial statements for the 52 week period ended 29 December 2018 (continued)

### 14. Dividends Paid

Dividends	Period ended 29 December 2018 £'000	Period ended 30 December 2017 £'000
<b>Equity – ordinary</b>		
Dividend in specie	418,463	-
Cash dividend paid £0.37 per share (30 December 2017: nil) per share	22,764	-
<b>Total dividend paid</b>	<b>441,227</b>	<b>-</b>

On 30 January 2018, the company distributed to its sole shareholder, Cott UK Acquisition Limited, certain receivables it received from its subsidiary totalling £95.2 million.

In addition, on 30 January 2018, the company's sole shareholder assumed all of the shares of Cott Holdings for consideration in the form of the assumption of the company's discount note with the excess being recorded as a capital contribution of £323.3 million (see note 10).

### 15. Contingent liabilities

The company, together with certain other Cott Corporation Group Companies are party to a cross guarantee to secure financing facilities. These are summarised below:

Facility	Expiry	Interest Rate (%)	Outstanding Balance (\$m)
Senior notes due in 2024	2024	5.500	\$513.1
Senior notes due in 2025	2025	5.500	\$750.0
ABL Facility	2019	5.00	\$81.1

### 16. Related party disclosures

The company is exempt from disclosing other related party transactions as they are with other companies that are wholly owned within the Group.

See note 7 for disclosure of directors' emoluments.

### 17. Controlling Parties

The directors consider Cott UK Acquisition Limited, a company registered in England and Wales, as the immediate parent company of Cott Retail Brands Limited.

The ultimate parent undertaking and controlling party is Cott Corporation, which is the parent undertaking of the smallest and largest group to consolidate these financial statements. Copies of Cott Corporation consolidated financial statements can be obtained free of charge on their website at [www.cott.com](http://www.cott.com).