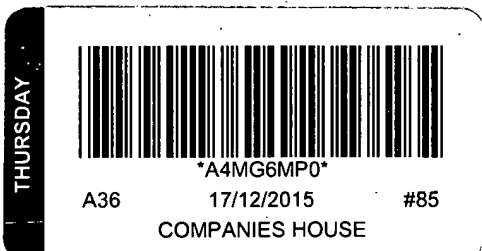


Dairy Crest France Holdings 1 Limited

Report and Financial Statements

31 March 2015



Dairy Crest France Holdings 1 Limited

Registered No: 03215320

Directors

M Allen
T A Atherton
R P Miller
R T A Willock

Company Secretary

R P Miller

Auditors

Ernst & Young LLP
1 More London Place
London
SE1 2AF

Registered office

Claygate House
Littleworth Road
Esher
Surrey
KT10 9PN

Registered No: 03215320

Contents

Strategic report	3
Directors' report	4
Statement of Directors' responsibilities in respect of the financial statements	5
Independent auditor's report	6
Profit and loss account	7
Statement of total recognised gains and losses	7
Balance sheet	8
Notes to the financial statements	9

Registered No: 03215320

Strategic report

The Directors present their Strategic report for the year ended 31 March 2015.

Principal activities

Dairy Crest France Holdings 1 Limited (the 'Company') acts as a holding company of Dairy Crest (Services) Limited and Dairy Crest France Holdings 2 Limited.

Business Review

The loss after taxation for the year amounted to £387,000 (2014: loss £374,000). No dividends were paid in the year ended 31 March 2015 (2014: £nil).

Key performance indicators

Refer to the financial statements of Dairy Crest Group plc for the key performance indicators for the Group.

Future developments

The Company will continue to hold its investments and manage its net debt with group undertakings.

Principal risks and uncertainties

Interest Risk - The Company is exposed to interest rate risk on its intercompany loan balances as these are at floating rates based on LIBOR. These risks, along with the wider Dairy Crest Group interest rate risks are continuously monitored.

On behalf of the board



R P Miller
Company Secretary

11/12/2015

Registered No: 03215320

Directors' report

The Directors present their annual report and audited financial statements for the year ended 31 March 2015.

Directors

The Directors of the Company were as follows:

M Allen
T A Atherton
R P Miller
R T A Willock

Items disclosed in Strategic report

Future developments and exposure to interest rate risk are disclosed in the Strategic report on page 3.

Directors' and officers' indemnities and insurance

The Company maintains liability insurance for its Directors and Officers. The Directors, Secretary and other Officers of the Company are indemnified by the Company to the extent permitted by company law. That indemnity provision has been in place during the year and remains in force.

Dividends

No dividends were paid in the year ended 31 March 2015 (2014: £nil).

Going concern

It should be recognised that any consideration of the foreseeable future involves making a judgement, at a particular point in time, about future events which are inherently uncertain. Nevertheless, at the time of preparation of these accounts and after making appropriate enquiries, the Directors have a reasonable expectation that the Company has adequate resources to continue operating for the foreseeable future. For this reason they continue to adopt the going concern basis in preparing the accounts.

As the Company has net current liabilities, a letter of support has been obtained by the Directors from Dairy Crest Group plc, the Company's ultimate parent undertaking.

Disclosure of information to 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. Each Director has taken all the steps that they ought to have taken as Directors to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

In accordance with section 485 of the Companies Act 2006, a resolution has been passed to dispense with the obligation to appoint auditors annually. Accordingly Ernst & Young LLP shall be deemed to be re-appointed as auditors 28 days after the accounts are sent to members.

On behalf of the board



R P Miller
Company Secretary

11/12/2015

Registered No: 03215320

Statement of Directors' responsibilities in respect of the financial statements

The Directors are responsible for preparing the Strategic report, 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 the profit or loss of the Company for that period.

In preparing those financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting 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.

Registered No: 03215320

Independent auditor's report to the members of Dairy Crest France Holdings 1 Limited

We have audited the financial statements of Dairy Crest France Holdings 1 Limited for the year ended 31 March 2015 which comprise the Profit and loss account, the Statement of total recognised gains and losses, the Balance sheet and the related notes 1 to 12. 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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of Directors and auditors

As explained more fully in the Directors' responsibilities statement set out on page 5, 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 (APB'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 financial statements to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with the knowledge acquired by us in the course of performing the audit. 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 March 2015 and of its loss 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 Strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

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.

Ernst & Young LLP

Alison Duncan (Senior statutory auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
London

15 December 2015

Registered No: 03215320

Profit and loss account
for the year ended 31 March 2015

	<i>Notes</i>	<i>2015</i> <i>£000</i>	<i>2014</i> <i>£000</i>
Net interest payable	4	(387)	(374)
<i>Loss on ordinary activities before taxation</i>		(387)	(374)
Tax on loss on ordinary activities	5	-	-
<i>Loss for the year</i>		(387)	(374)

The profit and loss account relates to continuing operations.

Statement of total recognised gains and losses

There are no recognised gains or losses other than the loss of £387,000 attributable to the shareholders for the year ended 31 March 2015 (2014: loss £374,000).

Registered No: 03215320

Balance sheet
at 31 March 2015

		2015 £000	2014 £000
	<i>Notes</i>		
Fixed Assets			
Investments	6	364,188	364,188
		<u>364,188</u>	<u>364,188</u>
Current Assets			
Debtors	7	118,108	116,292
		<u>118,108</u>	<u>116,292</u>
Creditors: amounts falling due within one year	8	(143,235)	(141,032)
		<u>(25,127)</u>	<u>(24,740)</u>
Net current liabilities			
		<u>(25,127)</u>	<u>(24,740)</u>
Total assets less current liabilities		<u>339,061</u>	<u>339,448</u>
Capital and reserves			
Share capital	9	337,895	337,895
Retained profit	10	1,166	1,553
		<u>339,061</u>	<u>339,448</u>
Shareholders' funds	10	<u>339,061</u>	<u>339,448</u>

The financial statements were approved by the Board of Directors and signed on its behalf by:



T A Atherton
Director

11 December 2015

Notes to the financial statements

at 31 March 2015

1. Accounting policies

Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards (United Kingdom Generally Accepted Accounting Practice).

Cash flow statement

The Directors have taken advantage of the exemption in Financial Reporting Standard No 1 (revised) "Cash flow statements" from including a cash flow statement in the financial statements on the grounds that the Company is wholly owned and its parent publishes consolidated financial statements.

Investments

Investments are carried at lower of cost or net realisable value.

Consolidated financial statements

The financial statements represent those of the Company. Consolidated financial statements have not been prepared as the Company is a subsidiary of a UK parent undertaking which itself prepares consolidated financial statements (Section 400, Companies Act 2006)

Dividends

In accordance with FRS 21, 'Events after the balance sheet date', the Company recognises dividends in the period in which they are declared.

Financial instruments

The Company has adopted the presentational requirements of FRS 25, "Financial Instruments; Disclosure and Presentation". This results in dividends paid being recognised directly into reserves instead of the profit and loss account.

2. Operating profit

Auditor remuneration

	2015	2014
	£000	£000
Remuneration of the auditors is further analysed as follows:		
Audit of the financial statements	3	3
Auditor's remuneration is borne by another group undertaking.		

3. Staff costs

The Directors are Directors of other undertakings within the Dairy Crest Group. The Directors' remuneration for the year was paid by other undertakings as qualifying services in relation to the Company were minimal. The Directors do not believe that it is practical to apportion this amount between their services as Directors of the Company and their services as Directors of the fellow subsidiary undertakings.

4. Net interest payable

	2015	2014
	£000	£000
Group undertakings - payable	(2,203)	(2,134)
- receivable	1,816	1,760
	(387)	(374)

Notes to the financial statements

at 31 March 2015

5. Tax

(a) Tax on profit on ordinary activities

The tax charge is made up as follows:

	2015 £000	2014 £000
<i>Current tax:</i>		
UK corporation tax	-	-
Total current tax (note 5(b))	-	-

(b) Factors affecting current tax charge

The differences are reconciled below:

	2015 £000	2014 £000
Loss on ordinary activities before taxation	(387)	(374)
Loss on ordinary activities multiplied by the standard rate of corporation tax in the UK of 21% (2014: 23%)	(81)	(86)
Losses surrendered to group companies	81	86
Total current tax (note 5(a))	-	-

Factors that may affect the future tax charges:

The UK corporation tax rate reduced to 23% from April 2013. A further 2% reduction has been enacted, taking the rate to 21% from April 2014, as has an additional 1% reduction, taking the rate to 20% from April 2015.

6. Investments

*Share in Group
undertakings
£000*

Net book value at 31 March 2014 and 31 March 2015 364,188

The Company owns 95% of the issued share capital of Dairy Crest France Holdings 2 Limited and owns 100% of the issued share capital of Dairy Crest Services Limited.

The principal place of operation and country of incorporation is England and Wales.

7. Debtors

	2015 £000	2014 £000
Amounts owed by group undertakings	118,108	116,292
	118,108	116,292

8. Creditors: amounts falling due within one year

	2015 £000	2014 £000
Amounts owed to group undertakings	143,235	141,032
	143,235	141,032

Registered No: 03215320

Notes to the financial statements

at 31 March 2015

9. Share capital

		2015 £000		2014 £000 <i>Authorised</i>
	No.		No.	
Ordinary Shares of £1 each	390,000,000	390,000	390,000,000	390,000
		2015 £000		2014 £000 <i>Allotted called up and fully paid</i>
	No.		No.	
Ordinary shares of £1 each	337,895,280	337,895	337,895,280	337,895

10. Reconciliation of shareholders' funds and movement on reserves

	Share capital £000	Profit and loss account £000	Total shareholders' funds £000
At 31 March 2013	337,895	1,927	339,822
Loss for the year	-	(374)	(374)
At 31 March 2014	337,895	1,553	339,448
Loss for the year	-	(387)	(387)
At 31 March 2015	337,895	1,166	339,061

11. Related party transactions

As the Company is a wholly owned subsidiary of Dairy Crest Group plc, it is exempt under the terms of FRS 8 "Related Party Disclosures" from disclosing transactions with other Group undertakings, joint ventures or associated companies. All entities party to such transactions are wholly owned by Dairy Crest Group Plc.

12. Parent undertakings

The Company's immediate parent undertaking is Dairy Crest Limited. The Company's ultimate parent undertaking is Dairy Crest Group plc, whose financial statements are available from its registered office at Claygate House, Littleworth Road, Esher, Surrey, KT10 9PN.

The largest and smallest group preparing consolidated accounts for the year ended 31 March 2015 which include Dairy Crest France Holdings 1 Limited is Dairy Crest Group plc.