

**Company Number: 3270528**

**GALACTOGEN PRODUCTS LIMITED**

**ANNUAL REPORT AND FINANCIAL STATEMENTS**

**For the year ended 31 December 2015**

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## **Galactogen Products Limited**

### **Annual report and financial statements 2015**

#### **Officers and professional advisers**

<b>Board of Directors</b>	Mrs T J Gale Mr A Gundle
<b>Company Secretary</b>	Cadbury Nominees Limited
<b>Registered Office</b>	Cadbury House Sanderson Road Uxbridge Middlesex, UB8 1DH
<b>Independent auditors</b>	PricewaterhouseCoopers LLP Chartered Accountants and Statutory Auditors Cornwall Court 19 Cornwall Street Birmingham B3 2DT
<b>Bankers</b>	Barclays Bank PLC London

## **Galactogen Products Limited**

### **Directors' Report**

The Directors present their annual report, together with the audited financial statements of Galactogen Products Limited, ("the Company") for the year ended 31 December 2015.

#### **Principal activities, ultimate parent and future developments**

The Company is a wholly owned subsidiary of Reading Scientific Services Limited and the ultimate parent company is Mondelez International Inc.

Mondelez International Inc. is the parent undertaking of the smallest and largest group of undertakings to consolidate these financial statements at 31 December 2015. The consolidated financial statements are available from their registered address of Three Parkway North, Deerfield, Illinois, 60015, USA.

The Company did not trade in the year. Prior to this the Company developed and prepared sports drinks.

The financial statements have been prepared on a going concern basis.

The Company will continue in a non-trading status but will continue to consider its activities in accordance with the requirements of the Mondelez International group.

#### **Results and dividends**

The profit for the financial year was £51 (2014: profit of £12,996). No dividends were proposed or paid during the financial year (2014: £nil).

#### **Financial risk management objectives and policies**

The Directors meet periodically to discuss financial risks. The Directors do not feel that the Company is exposed to significant price risk, credit risk, liquidity risk or cash flow risk. No hedging arrangements have been entered into.

#### **Directors**

The Directors at the date of this report and who held office throughout the year are as stated on page 1.

Qualifying third party indemnity insurance was provided to the Directors and Officers of Galactogen Products Limited for the entire period covered by these financial statements by the Company's ultimate parent company (see note 5). This cover has continued to the date of approval of these financial statements.

#### **Going Concern**

The directors believe that preparing the financial statements on the going concern basis is appropriate due to the continued financial support of the immediate parent company Reading Scientific Services Limited and Mondelez UK Holdings & Services Limited. The directors have received confirmation that Reading Scientific Services Limited and Mondelez UK Holdings & Services Limited intend to support the company for at least one year after these financial statements are signed.

#### **Credit and liquidity risk**

**Credit risk:** The Company is not exposed to significant credit related losses. The exposure to credit loss of liquid assets is equivalent to the carrying value on the balance sheet. Receivables are with other members of the Mondelez International Group, the Directors therefore believe there is no significant credit risk arising from receivables.

**Liquidity risk:** The Company seeks to achieve a balance between certainty of funding even at difficult times for the markets or the Company, and a flexible, cost-effective borrowings structure for the Group and the Company. The Company operates a flexible borrowing mechanism with Mondelez International Inc.

## **Galactogen Products Limited**

### **Directors' Report**

#### **Disclosure of information to auditors**

Each of the persons who is a Director at the date of approval of this annual report confirms that:

- so far as the Director is aware, there is no relevant audit information of which the Company's auditors are unaware; and
- the Director has taken all the steps that he/she ought to have taken as a Director in order to make himself/herself aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of S418 of the Companies Act 2006

The Company has also elected to dispense with the obligation to hold Annual General Meetings and to lay the financial statements before the Company in General Meeting.

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and a resolution to re-appoint them will be proposed at the Annual General Meeting.

#### **Small company provisions**

This report of the directors has been prepared in accordance with the special provisions relating to small companies within part 15 of the Companies Act 2006.

#### **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 prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102), 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 judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements;
- notify its shareholders in writing about the use of disclosure exemptions, if any, of FRS 102 used in the preparation of 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.

On behalf of the Board



Alan Gundle  
Director

Approved by the directors on 22 September 2016

## **Galactogen Products Limited**

### **Independent Auditors' report to the members of Galactogen Products Limited**

#### **Report on the financial statements**

##### **Our opinion**

In our opinion, Galactogen Products Limited's financial statements (the "financial statements"):

- give a true and fair view of the state of the company's affairs as at 31 December 2015 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.

##### **What we have audited**

The financial statements, included within the Annual Report and financial statements (the "Annual Report"), comprise:

- the statement of financial position as at 31 December 2015;
- the statement of comprehensive income for the year then ended;
- the statement of changes in equity for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is United Kingdom Accounting Standards comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

##### **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.

##### **Other matters on which we are required to report by exception**

##### **Adequacy of accounting records and information and explanations received**

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, 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.

We have no exceptions to report arising from this responsibility.

##### **Directors' remuneration**

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. 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 in preparing the Directors' Report; and take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.

##### **Responsibilities for the financial statements and the audit**

##### **Our responsibilities and those of the directors**

As explained more fully in the Directors' Responsibilities Statement set out on page 3, 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) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the parent 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.

## **Galactogen Products Limited**

### **Independent Auditors' report to the members of Galactogen Products Limited (continued)**

#### **What an audit of financial statements involves**

We conducted our audit in accordance with ISAs (UK & Ireland). 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.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

In addition, we read all the financial and non-financial information in the Annual Report 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 implication for our report.



Ian Wall (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Birmingham  
22nd September 2016

# Galactogen Products Limited

## Statement of Comprehensive Income For the year ended 31 December 2015

	Notes	2015 £	2014 £
Administrative expenses		-	-
<b>OPERATING PROFIT / (LOSS)</b>		<u>-</u>	<u>-</u>
Interest receivable		51	67
Other income		-	12,929
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>	6	<u><b>51</b></u>	<u><b>12,996</b></u>
Tax on profit on ordinary activities	11	-	-
<b>PROFIT FOR THE FINANCIAL YEAR AND TOTAL COMPREHENSIVE INCOME</b>		<u><u><b>51</b></u></u>	<u><u><b>12,996</b></u></u>

The Company has no other comprehensive income for either year as set out above. All operations of the Company were discontinued in 2005 and the company continues as non trading in the current year.

The notes on pages 9 to 11 form an integral part of these financial statements.

**Galactogen Products Limited**

**Statement of Changes in Equity  
For the year ended 31 December 2015**

	Called up Share Capital £	Share premium account £	Capital redemption reserve £	Profit and loss account £	Total £
<b>At 1 January 2014</b>	<b>46,470</b>	<b>1,369,885</b>	<b>2,151</b>	<b>(4,775,386)</b>	<b>(3,356,880)</b>
Profit for the year	-	-	-	12,996	<b>12,996</b>
Other comprehensive income for the year	-	-	-	-	-
<b>Total comprehensive income for the year</b>	-	-	-	12,996	<b>12,996</b>
<b>Total investments by and distributions to owners</b>	-	-	-	-	-
<b>At 31 December 2014</b>	<b>46,470</b>	<b>1,369,885</b>	<b>2,151</b>	<b>(4,762,390)</b>	<b>(3,343,884)</b>
Profit for the year	-	-	-	51	<b>51</b>
Other comprehensive income for the year	-	-	-	-	-
<b>Total comprehensive income for the year</b>	-	-	-	51	<b>51</b>
<b>Total investments by and distributions to owners</b>	-	-	-	-	-
<b>At 31 December 2015</b>	<b>46,470</b>	<b>1,369,885</b>	<b>2,151</b>	<b>(4,762,339)</b>	<b>(3,343,833)</b>

The notes on pages 9 to 11 form an integral part of these financial statements.



# Galactogen Products Limited

## Statement of Financial Position As at 31 December 2015

	Notes	2015 £	2014 £
<b>CURRENT ASSETS</b>			
Cash at bank and in hand		136,204	136,153
<b>CURRENT LIABILITIES</b>			
Creditors: Amounts falling due within one year	10	(3,480,037)	(3,480,037)
<b>NET CURRENT LIABILITIES</b>		<b>(3,343,833)</b>	<b>(3,343,884)</b>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>(3,343,833)</b>	<b>(3,343,884)</b>
<b>NET LIABILITIES</b>		<b>(3,343,833)</b>	<b>(3,343,884)</b>
<b>CAPITAL AND RESERVES</b>			
Called-up share capital	12	46,470	46,470
Share premium account	13	1,369,885	1,369,885
Capital redemption reserve	13	2,151	2,151
Profit and loss account	13	(4,762,339)	(4,762,390)
<b>TOTAL SHAREHOLDERS' DEFICIT</b>		<b>(3,343,833)</b>	<b>(3,343,884)</b>

The notes on pages 9 to 11 form an integral part of these financial statements.

The financial statements of Galactogen Products Limited (registered number 3270528) were approved by the Board of Directors.



Alan Gundle  
Director

Approved by the directors on 22 September 2016

# Galactogen Products Limited

## Notes to the financial statements

### 1. General information

The company is a private company limited by shares and is incorporated and domiciled in England. The address of its registered office is: Cadbury House, Sanderson Road, Uxbridge, Middlesex, UB8 1DH.

### 2. Statement of compliance

These financial statements have been prepared in compliance with United Kingdom Accounting Standards including FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', and The Companies Act 2006.

### 3. Accounting policies

The principal accounting policies are summarised below. They have been applied consistently throughout the current year and preceding year.

#### a) **Basis of preparation**

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.

These financial statements are prepared on a going concern basis, under historical cost convention. The company did not trade in the year but have the continued financial support of the immediate parent company Reading Scientific Services Limited, who intend to support the Company for at least one year after these financial statements are signed.

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) **Transition to FRS 102**

The entity transitioned from previous UK GAAP to FRS 102 as at 1 January 2014. Details of how FRS 102 has affected the reported financial position and financial performance are given in note 14.

#### c) **Disclosure exemptions**

The entity satisfies the criteria of being a qualifying entity as defined in FRS 102. Its financial statements are consolidated into the financial statements of Mondelēz International Inc., which can be obtained from the Company Secretary, Cadbury House, Sanderson Road, Uxbridge, UB8 1DH. As such, advantage has been taken of the following disclosure exemptions under paragraph 1.12 of FRS 102:

- (a) No cash flow statement has been presented for the company
- (b) Disclosures in respect of financial instruments have not been presented

#### d) **Cash flow statement**

The Company has taken advantage of the exemption, under FRS 102 paragraph 1.12(b), from preparing a statement of cash flows, on the basis that it is a qualifying entity and its ultimate parent company, Mondelēz International Inc, includes the Company's cash flows in its own consolidated financial statements.

#### e) **Related party transactions**

The Company discloses transactions with related parties which are not wholly owned within the same group. It does not disclose transactions with members of the same group that are wholly owned.

#### f) **Taxation**

Corporation tax payable is provided on the taxable profit at the current rate. Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date.

A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as 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 at the average tax rates that are expected to apply to the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

## Galactogen Products Limited

### Notes to the financial statements (continued)

#### 4. Critical accounting judgements and estimation uncertainty

In the preparation of these financial statements it has not been necessary for the company to apply any critical accounting judgements nor make any assumptions or estimates significant to the financial statements.

Due to the simple nature of the business, the directors have not identified any critical accounting judgements or estimates.

#### 5. Ultimate parent Company

The Company's immediate parent undertaking at 31 December 2015 was Reading Scientific Services Limited.

At 31 December 2015, and throughout the year, the company's ultimate parent company and controlling party was Mondelez International Inc., incorporated in the United States of America. This is the parent company of the smallest and largest group to consolidate these financial statements. Copies of the consolidated financial statements of Mondelez International Inc. are available on application from the Company Secretary, Cadbury House, Sanderson Road, Uxbridge, UB8 1DH.

#### 6. Profit on ordinary activities before taxation

	2015 £	2014 £
<b>Profit is after charging:</b>		
Auditors' remuneration for the audit of the Company's financial statements	-	-
Audit fees have been borne by Reading Scientific Services Limited.		

#### 7. Directors' emoluments and employees

The Directors are remunerated by Reading Scientific Services Limited for their services to the group as a whole. No remuneration was made to them specifically in respect of the Company (2014: £nil).

#### 8. Employees

The Company had no employees in the current or prior year.

#### 9. Capital commitments

The company had no capital commitments as at 31 December 2015 (2014: £nil)

#### 10. Creditors - Amounts falling due within one year

	2015 £	2014 £
Amounts owed to Group undertakings	2,830,037	2,830,037
Other creditors	650,000	650,000
Accruals and deferred income	-	-
	<b>3,480,037</b>	<b>3,480,037</b>

Amounts due to group undertakings are unsecured, interest free, have no fixed date of repayment and are repayable on demand.

# Galactogen Products Limited

## Notes to the financial statements (continued)

### 11. Tax on profit on ordinary activities

	2015 £	2014 £
<u>Current Tax</u>		
UK corporation tax	-	-
Adjustment in respect of prior years - corporation tax	-	-
<b>Total tax charge</b>	<u>-</u>	<u>-</u>

The tax assessed for the year is lower (2014: lower) than the standard rate of corporation tax in the UK (20.25%).

The table below reconciles the UK corporation tax rate applicable in each year to the effective rate obtained by computing the current tax charge as a percentage of profit before tax.

	2015 £	2014 £
Profit on ordinary activities before taxation	<u>51</u>	<u>12,996</u>
Profit multiplied by the standard rate of tax in the UK of 20.25% (2014: 21.5%)	10	2,794
Effects of:		
Group relief not paid	<u>(10)</u>	<u>(2,794)</u>
<b>Total charge</b>	<u>-</u>	<u>-</u>

#### Tax rate changes:

The tax rate for the current period is lower than the prior period due to changes in the UK Corporation tax rate which decreased from 21% to 20% from 1 April 2015.

Further reductions to the UK Corporation tax rates were enacted as part of the Finance (No 2) Act 2015 which received royal assent on 18 November 2015. These reduce the main Corporation tax rate to 19% from 1 April 2017 and 18% from 1 April 2020.

### 12. Called up share capital

	2015 £	2014 £
<b>Authorised:</b>		
2015 and 2014: 2,000,000 Ordinary shares of £0.10 each	<u>200,000</u>	<u>200,000</u>
<b>Allotted, called-up and fully paid:</b>		
2015 and 2014: 464,696 Ordinary shares of £0.10 each	<u>46,470</u>	<u>46,470</u>

### 13. Reserves

For the full list of reserve balances please refer to page 7 'Statement of changes in equity' for further details.

### 14. Transition to FRS 102

These are the first financial statements that comply with FRS 102. The company transitioned to FRS 102 on 1 January 2014. No transitional adjustments which reconcile profit for the financial year ended 31 December 2014 and the total equity as at 1 January 2014 and 31 December 2014 have been presented as no material changes were identified.