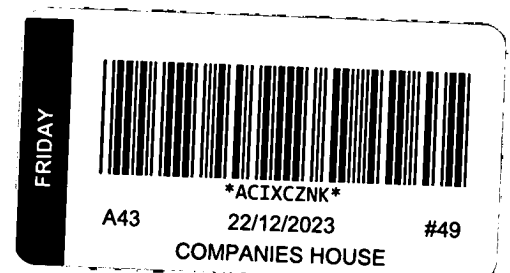


Registration number: 04007092

# Innocent Limited

Annual Report and Financial Statements  
for the Year Ended 31 December 2022



## **INNOCENT LIMITED**

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## **INNOCENT LIMITED**

### **Company Information**

<b>Directors</b>	JL Davenport NM Canney NJ Clare (appointed 15 June 2022)
<b>Company secretary</b>	JL Davenport
<b>Registered office</b>	Fruit Towers 342 Ladbroke Grove London W10 5BU
<b>Solicitors</b>	Joelson 2 Marylebone Road London NW1 4DF
<b>Bankers</b>	Citibank 1 Northwall Quay Dublin 1 Ireland
<b>Auditor</b>	Ernst & Young Harcourt Centre Harcourt Street Dublin 2 Ireland

## INNOCENT LIMITED

### Strategic Report for the Year Ended 31 December 2022

The Directors present their Strategic Report for the year ended 31 December 2022.

#### Principal Activities

The Company's principal activities during the year continued to be the distribution of natural healthy drinks.

#### Company performance

The immediate parent undertaking of the Company is Fresh Trading Limited, which is better known as "innocent" ('innocent' or 'the Group'). This Annual Report and Financial Statements present information about Innocent Limited as an individual company and not about the innocent Group. To understand the performance of innocent, we would strongly encourage readers to refer to the strategic report in the financial statements of Fresh Trading Limited.

#### 2022 Performance highlights

The Company's key financial and other performance indicators during the year were as follows:

	2022	2021	Change
	£'000	£'000	£'000
Turnover (continuing operations)	186,239	200,672	(14,433)
Operating profit	5,834	10,716	(4,882)
Profit for financial year	7,981	11,960	(3,979)
Shareholder's equity	119,870	111,889	7,981

Included within turnover, Sales of goods decreased from £185m for the prior year to £177m for the current year, a 5% decrease which can be attributed to the drop in service performance. As a result of the reduction in sales of goods, a corresponding reduction can be seen in the drop in operating profit for the period, and a reduction in overall profit for the financial year which decreased by 3%, helped by a marginal increase in interest received during the period. Shareholder's equity has increased by the profit for the financial year.

#### Looking to the future

We remain extremely confident about the long-term prospects for the business. We believe that our ability to continue to innovate against a growing health and wellness trend provides us with lots of potential growth opportunities as we return to more normalised trading conditions. In addition, with increasing consumer focus on how companies operate, our long-term commitment to our purpose and our status as a B Corp means we are well placed for the future. The Group has gone "live" on key long-term transformational projects.

#### Section 172(1) statement

A key element of the Board's strategy to comply with Section 172 (1) of the Companies Act 2006 is the Company's B Corp certification. The way we do business is also a fundamental part of our operation. As a B Corp we are fully committed to continually improving the way we run the business to balance profit delivery with purpose, people and the planet. In 2022, we published our "Good all round" report setting out in detail our approach to this leadership model. This report does not form part of the Annual Report. Our aim is not only to share our successes but also our failures and our learnings. As more and more businesses look to transition to a more progressive leadership model it is vital we all learn from each other in a spirit of open collaboration, this is the only way we will be able to steer the world to a fairer and more sustainable future.

The policies and practices that are adopted across the innocent Group are fully applied to our UK subsidiary Innocent Limited, and include:

## **INNOCENT LIMITED**

### **Strategic Report for the Year Ended 31 December 2022 (continued)**

#### **Section 172(1) statement (continued)**

- Creating a welcoming environment for the many talented people who work for innocent. Over 50% of our current B Corp score comes from ‘people’ focused measures alone. These measures involve our employee review processes, flexible working environment, policies around career development and a volunteering programme where each employee has a “volunteering day” to use to support charities and local communities.
- The Company follows the innocent Group’s human rights policy based on international standards, which prohibits any form of forced labour and includes guidelines on factors such as workplace health and working hours. The Group has put programmes in place to ensure recognition of where we can improve and have put human rights standards into our supplier contracts. We do our due-diligence and visit our suppliers to check for any risks of modern slavery, and we make sure that all our employees are trained on human rights.
- The innocent Group gives 10% of its profits to charity, and the profits from Innocent Limited contribute to that. The money goes to support the innocent foundation, whose mission is to “helps the worlds hungry” as well as support regional causes through campaigns like our Big Knit, which gets our drinkers involved too. In 2022, the innocent group donated £1.7m to charity in total.
- A Company code of business conduct which sets out our commitment to doing business in a fair way. Every employee must sign it to agree to compliance with it. This means treating everyone including customers and suppliers with honesty, integrity, and respect. It’s available on our intranet for all our employees to access at any time.

Please see the streamlined and energy carbon reporting section of the Directors’ Report for our disclosures relating to carbon emissions and our approach to combatting climate change.

#### **Principal risks and uncertainties**

##### *Financial risks*

The Company has established a risk and financial management framework whose primary objectives are to protect the Company from events that hinder the achievement of the Company’s performance objectives. The objectives aim to limit undue counterparty exposure, ensure sufficient working capital management and to reduce the impact of price fluctuations, whether due to the demand for raw materials or foreign currency fluctuations.

##### *Credit risk*

Credit risk is the risk that one party to a financial instrument will cause a financial loss to the other party by failing to discharge an obligation. The Company’s policies are aimed at minimising such losses, and require that deferred terms are only granted to customers who demonstrate an appropriate payment history and satisfy creditworthiness procedures.

##### *Liquidity risk*

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Company aims to mitigate liquidity risk by managing cash generation by its operations.

##### *Cash flow risk*

Cash flow risk is the risk of exposure to variability in cash flows that is attributable to a particular risk associated with a recognised asset or liability. The Company aims to manage cash flow risk by monitoring and reviewing working capital.

##### *Competitive risks*

Competitive risks have continued to increase with the introduction of new competitors and supermarket own brand chilled juice drinks and the level of promotional activity and discounts in the market. The Company aims to mitigate competitive risks by launching new products to markets to meet drinkers changing needs.

## **INNOCENT LIMITED**

### **Strategic Report for the Year Ended 31 December 2022 (continued)**

#### **Principal risks and uncertainties (continued)**

##### *Litigation*

Litigation or legal proceedings could expose us to significant liabilities and damage the Company's brand and reputation. The Company evaluates any litigation, claims and legal proceedings to assess the likelihood of unfavourable outcomes and to estimate, if possible, the amount of potential losses and put in place procedures to mitigate such losses.

##### *Laws and regulations*

Changes in, or failure to comply with, the laws and regulations applicable to our business operations could increase our costs or reduce our net operating revenues. The Company will review any changes in laws and regulations that might impact the business to mitigate any such impacts.

Approved by the Board on 20 December 2023 and signed on its behalf by:



.....  
**JL Davenport**  
Company secretary and Director

## **INNOCENT LIMITED**

### **Directors' Report for the Year Ended 31 December 2022**

Registered No. 04007092

The Directors present their report and audited financial statements for the year ended 31 December 2022.

#### **Results for the year and state of affairs at 31 December 2022**

The Profit and Loss Account and Balance Sheet for the year ended 31 December 2022 are set out on pages 13 and 14 respectively.

During the year, the Company made a profit of £7,981,000 (2021: £11,960,000).

Shareholder's funds at 31 December 2022 amounted to £119,870,000 (2021: £111,889,000).

#### **Directors of the Company**

The Directors, who held office during the year, were as follows:

JL Davenport - Company secretary and director

NM Canney

NJ Clare (appointed 15 June 2022)

PA Ford (resigned 4 February 2022)

DR Lamont (resigned 31 July 2022)

#### **Principal activity**

The Company's principal activities during the year continued to be distribution of natural healthy drinks.

#### **Dividends**

The Directors do not propose any dividend in respect of the financial year ended 31 December 2022 (2021: £Nil).

#### **Charitable donations**

During the year the Company made donations of £308,000 (2021: £119,000).

#### **Employment of disabled persons**

The Company gives full consideration to applications for employment from disabled persons where the candidate's particular aptitudes and abilities are consistent with adequately meeting the requirements of the job. Opportunities are available to disabled employees for training, career development and promotion.

Where existing employees become disabled, it is the Company's policy to provide continuing employment wherever practicable in the same or an alternative position and to provide appropriate training to achieve this aim.

#### **Employee involvement**

The Company operates a framework for employee information and consultation which complies with the requirements of the Information and Consultation of Employees Regulations 2005. During the year, the policy of providing employees with information, including information relating to the economic and financial factors affecting the performance of the Company, has been continued through the weekly and quarterly updates in which employees have also been encouraged to present their suggestions and views on the Company's performance. Regular meetings are held between local management and employees to allow a free flow of information and ideas.

## **INNOCENT LIMITED**

### **Directors' Report for the Year Ended 31 December 2022 (continued)**

#### **Fostering the Company's business relationships with suppliers, customers and others**

The Directors recognise the need to foster the Company's business relationships with suppliers, customers and other stakeholders. Our approach to partnerships and engaging with our key stakeholders aims to drive progress on our priority issues. We continue to evolve our stakeholder engagement, applying the principles of transparency, inclusiveness, consistency and accountability to promote positive impact and create virtuous cycle of collaboration.

#### **Future developments**

The Company intends to continue operating in line with current activity.

#### **Research and development**

The Company carries out research and development necessary to support its principal activity of developing, manufacturing, and distributing natural healthy drinks.

#### **Political donations**

No political donations were made during the year 2022 or 2021.

#### **Branches outside the United Kingdom**

The Company holds a branch in Ireland. The results of the branch are included within the Company results presented herein.

#### **Streamlined energy and carbon reporting**

This statement is made in compliance with UK Streamlined Energy and Carbon Reporting policies under the Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 201.

Creating a fairer and more sustainable world is a challenge. Not only do we all need to play a part individually, but businesses need to make brave and bold commitments to lead the agenda. Climate change is one of the biggest challenges facing humankind right now and we are keen to be bold and demonstrate leadership in this area. That is why in 2019 we joined a community of more than 500 B Corps to announce our commitment to being carbon neutral by 2030. Alongside that we want to make sure that we keep the carbon footprint of our drinks as low as possible.

#### **Methodology**

The emissions and energy data noted below has been collated, calculated and presented using the methodology set out in the UK Government Environmental Reporting Guidelines (March 2019).

#### **Renewable energy**

When reporting emissions related to electricity consumption, the appropriate years' UK government grid average emissions conversion factors have been applied to all electricity purchased, including those from renewable sources, non-renewable sources and those where the source is unknown e.g. landlord supplied electricity. The firm purchases 100% renewable electricity and green gas for all UK offices where it can control the energy supply and appropriate tariffs are available. This is procured backed by recognised certification schemes (i.e. REGOs, GGCS), which provide evidence that the energy is from appropriately accredited renewable sources.

#### **Energy efficiency actions taken**

We have not made any major changes to our energy sourcing, the Company aims to buy electric vehicles from 2023 in light of their scope 1 + 2 target of 100% reduction by 2030. Below are our figures for 2022.



**INNOCENT LIMITED****Directors' Report for the Year Ended 31 December 2022 (continued)****Additional voluntary reporting activities**

The majority of our business emissions are scope 3 emissions associated with the growing, transportation and packaging of our drinks. As this is the biggest area of our emissions it is where we have been focussing a lot of our attention. However this data is outside the scope of 'Energy and Carbon Report' but we do talk about all that we've been up to in our Good all round report. Energy use and emissions have increased on 2021 due to a reduction in covid measures and employees returning to the office and normal routines.

**Energy use**

Fuel/energy type	2021 kWh	2022 kWh
Natural Gas	191,281	141,203
Purchased electricity	282,662	381,238
Transport fuel	40,840	41,651
Employee vehicles	-	44,279
<b>Total</b>	<b>514,783</b>	<b>608,371</b>
<b>Energy KPI (per UK employee)</b>	<b>1,422</b>	<b>1,449</b>

**Emissions**

Fuel/energy type	2021 tCO2e	2022 tCO2e
Natural gas (Scope 1)	44	29
Purchased electricity (Scope 2, Location based)	60	74
Transport miles - Employee-owned cars (Scope 3)	1	11
Transport fuel - innocent owned/leased (Scope 1)	9	10
<b>Total</b>	<b>114</b>	<b>124</b>
<b>Emissions KPI (per UK employee)</b>	<b>0.32</b>	<b>0.29</b>

## **INNOCENT LIMITED**

### **Directors' Report for the Year Ended 31 December 2022 (continued)**

#### **Going concern**

The Company's business activities, together with the factors likely to affect its future development, its financial position, financial risk management objectives and its exposures to risk are described in the Strategic Report on pages 2 to 4.

The financial statements have been prepared on a going concern basis as, having reviewed the current position and cash flow projections of the Company (including those of its subsidiaries), the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future at the time of approving the financial statements. Innocent Limited has received a letter of support from its ultimate parent company, The Coca-Cola Company, stating its commitment to provide continuing financial support to enable the Company to meet financial obligations as and when they fall due covering a period of twelve months from the date of approval of the financial statements, but only to the extent that money is not otherwise available to meet such liabilities.

Further details regarding the adoption of the going concern basis, in preparing the financial statements, can be found in the Accounting Policies.

#### **Events after the balance sheet date**

There have been no significant adjusting or non-adjusting events between the Balance Sheet date and the date of signing of the financial statements.

#### **Disclosure of information to the auditor**

Each Director has taken 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 auditor is aware of that information. The Directors confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

#### **Reappointment of auditor**

The auditor, Ernst & Young Chartered Accountants, is deemed to be reappointed under section 487(2) of the Companies Act 2006.

Approved by the Board on 20 December 2023 and signed on its behalf by:



.....  
JL Davenport  
Company secretary and Director

## **INNOCENT LIMITED**

### **Statement of Directors' Responsibilities**

The Directors are responsible for preparing the Strategic Report, Directors' Report and the financial statements in accordance with applicable UK law and regulations.

UK 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), including FRS 101 'Reduced Disclosure Framework' ('FRS 101'). Under UK 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 apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on a going concern basis, unless they consider that to be inappropriate.

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.

Approved by the Board on 20 December 2023 and signed on its behalf by:



.....  
JL Davenport  
Company secretary and Director



## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INNOCENT LIMITED**

### **Opinion**

We have audited the financial statements of Innocent Limited for the year ended 31 December 2022 which comprise the Profit and Loss Account, the Balance Sheet, the Statement of Changes in Equity and the related notes 1 to 23, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 101 "Reduced Disclosure Framework (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the company's affairs as at 31 December 2022 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.

### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Conclusions relating to going concern**

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report. 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.

### **Other information**

The other information comprises the information included in the annual report and financial statements, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.



## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INNOCENT LIMITED (Continued)**

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 course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- 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; and
- the strategic report and directors' report have been prepared in accordance with applicable legal requirements.

### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or directors' report.

We have nothing to report in respect of the following matters in relation to which 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.

### **Responsibilities of directors**

As explained more fully in the directors' responsibilities statement set out on page 9, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors 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.

### **Auditor's 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 auditor's 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.



## **INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INNOCENT LIMITED (Continued)**

### ***Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud***

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the company and determined that the most significant are those that relate to the reporting framework (FRS 101 and the Companies Act 2006) and the relevant direct and indirect tax legislation in the United Kingdom. In addition, the Company should comply with laws and regulations relating to its operations, including health and safety, employees, data protection, and anti-bribery and corruption.
- We understood how the Company is complying with those frameworks by making enquiries of management to understand how the company determines and implements its policies and procedures in these areas and corroborated this by reviewing supporting documentation. We reviewed correspondence with relevant authorities. We reviewed board minutes to identify non-compliance with laws and regulations, and we reviewed significant contracts and agreements impacting the company in the financial year.
- We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur by considering the risk of management override.
- Based on this understanding we designed our audit procedures to identify noncompliance with such laws and regulations. Our procedures involved auditing journals identified by specific risk criteria.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

### **Use of our report**

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.

Dermot Daly (Senior statutory auditor)

for and on behalf of Ernst & Young Chartered Accountants, Statutory Auditor  
Dublin

Date: 20 December 2023

**INNOCENT LIMITED****Profit and Loss Account**  
for the Year Ended 31 December 2022

	Note	2022 £ 000	2021 £ 000
Turnover	5	186,239	200,672
Cost of sales		<u>(120,680)</u>	<u>(132,541)</u>
<b>Gross profit</b>		<b>65,559</b>	<b>68,131</b>
Distribution costs		(21,669)	(30,101)
Administrative expenses		(38,373)	(27,314)
Research and development credits		<u>317</u>	<u>-</u>
<b>Operating profit</b>	6	<b>5,834</b>	<b>10,716</b>
Interest receivable and similar income	9	9,772	2,600
Interest payable and similar charges	10	<u>(7,561)</u>	<u>(1,287)</u>
<b>Profit before tax</b>		<b>8,045</b>	<b>12,029</b>
Tax charge on profit on ordinary activities	11	<u>(64)</u>	<u>(69)</u>
<b>Profit for the year</b>		<b>7,981</b>	<b>11,960</b>
Other comprehensive income		<u>-</u>	<u>-</u>
<b>Total comprehensive income</b>		<b><u>7,981</u></b>	<b><u>11,960</u></b>

The above results were derived from continuing operations.

**INNOCENT LIMITED****Balance Sheet**  
as at 31 December 2022

	Note	31 December 2022 £ 000	31 December 2021 £ 000
<b>Fixed assets</b>			
Intangible assets	12	31,003	30,970
Tangible assets	13	853	1,096
Investments	14	5,995	5,785
		<u>37,851</u>	<u>37,851</u>
<b>Current assets</b>			
Stock	15	6,269	4,303
Trade and other debtors	16	194,442	172,693
Cash at bank and in hand		40,754	70,510
		<u>241,465</u>	<u>247,506</u>
<b>Creditors: Amounts falling due within one year</b>	17	<u>(159,446)</u>	<u>(172,868)</u>
<b>Net current assets</b>		<u>82,019</u>	<u>74,638</u>
<b>Total assets less current liabilities</b>		119,870	112,489
<b>Creditors: Amounts falling due after more than one year</b>	17	<u>-</u>	<u>(600)</u>
<b>Net assets</b>		<u>119,870</u>	<u>111,889</u>
<b>Capital and reserves</b>			
Capital contribution reserve		51,746	51,746
Retained earnings		68,124	60,143
<b>Shareholder's funds</b>		<u>119,870</u>	<u>111,889</u>

Approved by the Board on 20 December 2023 and signed on its behalf by:



.....  
JL Davenport  
Company secretary and director



**INNOCENT LIMITED****Statement of Changes in Equity for the Year Ended 31 December 2022**

	<b>Called-up share capital £ 000</b>	<b>Capital contribution reserve £ 000</b>	<b>Retained earnings £ 000</b>	<b>Total £ 000</b>
At 1 January 2021	-	51,746	48,183	99,929
Profit for the year	-	-	11,960	11,960
Total comprehensive income	-	-	11,960	11,960
At 31 December 2021	-	51,746	60,143	111,889

	<b>Called-up share capital £ 000</b>	<b>Capital contribution reserve £ 000</b>	<b>Retained earnings £ 000</b>	<b>Total £ 000</b>
At 1 January 2022	-	51,746	60,143	111,889
Profit for the year	-	-	7,981	7,981
Total comprehensive income	-	-	7,981	7,981
At 31 December 2022	-	51,746	68,124	119,870

The capital contribution reserve relates to an intercompany payable to the Company's parent, Fresh Trading Limited, that was forgiven.

## **INNOCENT LIMITED**

### **Notes to the Financial Statements for the Year Ended 31 December 2022**

#### **1 Authorisation of financial statements & statement of compliance with FRS 101**

The financial statements of Innocent Limited (the "Company") for the year ended 31 December 2022 were authorised for issue by the Board on 20 December 2023. Innocent Limited is a private company, limited by shares, incorporated and domiciled in England and Wales.

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101) issued by the Financial Reporting Council ('FRC') and UK statute comprising the Companies Act 2006.

The accounting policies which follow set out those policies which apply in preparing the financial statements for the year ended 31 December 2022. The financial statements are prepared in Pound Sterling, which is the Company's functional currency, and are rounded to the nearest Pounds (£ 000).

#### **2 General information**

The address of its registered office is:  
Fruit Towers  
342 Ladbroke Grove  
London  
W10 5BU

#### **3 Accounting policies**

##### **Summary of significant accounting policies and key accounting estimates**

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.

##### **Exemption from preparing group accounts**

Group financial statements have not been prepared as the Company is exempt from preparing such financial statements under section 401(1) of the Companies Act 2006. The Company's financial statements present information about it as an individual company and not about its group. The parent undertaking of the smallest and largest group of undertakings for which group financial statements are drawn up and of which the Company is a member and the ultimate controlling party, is The Coca-Cola Company. Copies of the group financial statements are available to the public from The Coca-Cola Company, PO Box 1734, Atlanta, Georgia 30301, United States of America. Copies of the financial statements can be obtained from the Company's registered office.

##### **Basis of preparation**

These financial statements were prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework.

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of UK adopted International Accounting Standards, but make amendments where necessary in order to comply with Companies Act 2006 and has set out below where advantage of the FRS 101 disclosure exemptions have been taken.

## **INNOCENT LIMITED**

### **Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)**

#### **3 Accounting policies (continued)**

The financial statements are prepared under the historical cost convention, except that as disclosed in the accompanying notes, derivative financial instruments are shown at fair value.

#### **Summary of disclosure exemptions**

The Company has taken advantage of the following disclosure exemptions under FRS 101:

- (a) the requirements of IFRS 7 Financial Instruments: Disclosures;
- (b) the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement;
- (c) the requirement in paragraph 38 of IAS 1 Presentation of Financial Statements to present comparative information in respect of:
  - (i) paragraph 79(a)(iv) of IAS 1;
  - (ii) paragraph 73(e) of IAS 16 Property, Plant and Equipment;
  - (iii) paragraph 118(e) of IAS 38 Intangible Assets;
- (d) the requirements of paragraphs 10(d), 10(f), 16, 38A to 38D, 40A to 40D and 134-136 of IAS 1 Presentation of Financial Statements;
- (e) the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors;
- (f) the requirements of paragraph 17 of IAS 24 Related Party Disclosures;
- (g) the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member;
- (h) the requirements of IAS 7 Statement of Cash Flows;
- (i) the requirements of the second sentence of paragraph 110 and paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127 and 129 of IFRS 15 Revenue from Contracts and Customers;
- (j) the requirements of paragraph 52, the second sentence of paragraph 89, and paragraphs 90, 91 and 93 of IFRS 16 Leases; and
- (k) the requirements of paragraph 58 of IFRS 16, provided that the disclosure of details of indebtedness required by paragraph 61(1) of Schedule 1 to the Regulations is presented separately for lease liabilities and other liabilities, and in total.

The exemptions which the Company has availed of are disclosed in the consolidated financial statements of the ultimate parent company, The Coca-Cola Company.

#### **Going concern**

The financial statements have been prepared on a going concern basis as, having reviewed the current position and cash flow projections of the Company (including those of its subsidiaries), the Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future at the time of approving the financial statements. Innocent Limited has received a letter of support from its ultimate parent company, The Coca-Cola Company, stating its commitment to provide continuing financial support to enable the Company to meet financial obligations as and when they fall due covering a period of twelve months from the date of approval of the financial statements, but only to the extent that money is not otherwise available to meet such liabilities.

Accordingly, we continue to adopt the going concern basis in preparing the annual reports and financial statements.

## **INNOCENT LIMITED**

### **Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)**

#### **3 Accounting policies (continued)**

##### **Changes in accounting policy**

None of the standards, interpretations and amendments effective for the first time from 1 January 2022 have had a material effect on the financial statements.

##### **Debtors**

Trade debtors, which generally have 30 day terms, are recognised and carried at the lower of their original invoiced value and recoverable amount. Where the time value of money is material, receivables are carried at amortised cost. The Company applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade debtors. To measure the expected credit losses, trade debtors have been grouped based on shared credit risk characteristics and the days past due, leveraging inflation rates for the purposes of determining expected future losses. The carrying amount of the assets is reduced through the use of an allowance account and the amount of the tax loss is recognised in the Profit and Loss Account within "Administration expenses".

When a trade debtor is uncollectible it is written off against the allowance account for trade debtors. Subsequent recoveries of amounts previously written off are credited against the same account in the Profit and Loss Account.

##### **Stock**

Stocks are stated at the lower of cost and net realisable value. Cost includes all costs incurred in bringing each product to its present location and condition as follows:

Finished goods - cost of direct materials, blending costs and attributable overheads, based on a normal level of activity

Net realisable value is based on estimated selling price less any further costs expected to be incurred to completion and disposal.

##### **Cash and cash equivalents**

Cash and cash equivalents include cash at bank and in hand and highly liquid interest-bearing securities with maturities of three months or less. Cash and cash equivalents and bank overdrafts in notional cash pooling arrangements are presented gross. Bank overdrafts are included within creditors amounts falling due within one year in the balance sheet.

##### **Provisions**

A provision is recognised when the Company has a legal or constructive obligation as a result of a past event; it is probable that an outflow of economic benefits will be required to settle the obligation; and a reliable estimate can be made of the amount of the obligation.

Where the effect of the time value of money is material provisions are discounted.

Where the Company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a separate asset but only when recovery is virtually certain.

##### **Dividends**

Dividend distribution to the Company's shareholder is recognised as a liability in the Company's financial statements in the period in which the dividends are approved by the Company's shareholder.

## **INNOCENT LIMITED**

### **Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)**

#### **3 Accounting policies (continued)**

##### **Revenue recognition**

###### *Recognition*

The Company earns revenue from distributing natural healthy drinks and the provision of marketing, promotional and technical services to Fresh Trading Limited group of companies. In addition, the Company provides supply chain management services to Fresh Trading Supply B.V. a fellow subsidiary undertaking of Fresh Trading Limited. This revenue is recognised in the accounting period when the performance obligations have been satisfied, at an amount that reflects the consideration to which the Company expects to be entitled for fulfilling its performance obligations.

The principles in IFRS are applied to revenue recognition criteria using the following 5 step model:

1. Identify the contracts with the customer
2. Identify the performance obligations in the contract
3. Determine the transaction price
4. Allocate the transaction price to the performance obligations in the contract
5. Recognise revenue when or as the entity satisfies its performance obligations

###### *Fee arrangements*

Below are details of fee arrangements and how these are measured and recognised, for revenue from sale of goods:

Revenue from the sale of goods is recognised in line with the contract when the significant risks and rewards of the ownership of the goods have been passed onto the buyer, usually on receipt by the buyer of the goods.

###### *Transaction price*

The transaction price is the retail price of the product less discounts, rebates, value added taxes and other sales taxes and duties.

The transaction price for variable payments is based on management's assessment of the most likely amount of consideration.

###### *Rendering of services*

Rendering of services revenue is recognised, based on the stage of completion of the contract and control of a right to be compensated for the services has been attained.

###### *Principal versus agent*

The Company has arrangements whereby it needs to determine if it acts as a principal or an agent as more than one party is involved in providing the goods to the customer. The Company acts as a principal if it controls a promised good before transferring that good or service to the customer. The Company is an agent if its role is to arrange for another entity to provide the goods or services. Factors considered in making this assessment are most notably the discretion the Company has in establishing the price for the specified good, whether the Company has inventory risk and whether the Company is primarily responsible for fulfilling the promise to deliver the service or good.

Where the Company is acting as a principal, revenue is recorded on a gross basis. Where the Company is acting as an agent revenue is recorded at a net amount reflecting the margin earned.

## **INNOCENT LIMITED**

### **Notes to the Financial Statements** for the Year Ended 31 December 2022 (continued)

#### **3 Accounting policies (continued)**

##### **Revenue recognition (continued)**

###### *Payments to customer*

On certain contracts payments to customers are made. These mainly comprise of listing fees, slotting fees and customer investments. Payments for the Company's product to be listed on-shelf are deducted from net revenue. Where the payments relate to a distinct good or service and its fair value is measurable, these are treated as separate costs.

###### **Tax**

The tax expense for the year comprises current and deferred tax.

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities based on tax rates and laws that are enacted or substantively enacted by the balance sheet date.

Deferred income tax is recognised on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements, with the following exceptions:

- where the temporary difference arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss;
- in respect of taxable temporary differences associated with investments in subsidiaries, associates and joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future; and
- deferred income tax assets are recognised only to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, carried forward tax credits or tax losses can be utilised.

Deferred income tax assets and liabilities are measured on an undiscounted basis at the tax rates that are expected to apply when the related asset is realised or liability is settled, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date.

Where a group undertaking transferred losses to the Company for no consideration is reflected as a reconciling item in the effective tax reconciliation in Note 11.

###### **Tangible Assets**

Tangible assets are stated at cost less accumulated depreciation and accumulated impairment losses. Cost comprises the aggregate amount paid and the fair value of any other consideration given to acquire the asset and includes costs directly attributable to making the asset capable of operating as intended.

The carrying values of tangible assets are reviewed for impairment if events or changes in circumstances indicate the carrying value may not be recoverable, and are written down immediately to their recoverable amount. Useful lives and residual values are reviewed annually and where adjustments are required these are made prospectively.

A tangible asset is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on de-recognition of the asset is included in the Profit and Loss Account in the period of de-recognition.

## INNOCENT LIMITED

### Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)

#### 3 Accounting policies (continued)

##### Tangible Assets (continued)

###### Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class	Depreciation method and rate
Office equipment	4-12 years straight line
Motor vehicles	4 years straight line

###### Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Costs associated with the development phase of an internally generated intangible asset are capitalised. IAS 38 prescribes that such assets only be recognised where the costs meet the definition of an identifiable non-monetary asset without physical substance, that is controlled by the entity as a result of past events, and from which future economic benefits are expected. Software assets considered integral to the related hardware assets are included within property, plant and equipment.

Amortisation is captured in the administrative expenses in the profit and loss and is provided on intangible assets so as to write off the cost, less any estimated residual value, over their expected useful economic life as follows:

Asset class	Amortisation method and rate
Software	3-10 years straight line

###### Defined contribution pension obligation

The Company makes contributions to a defined contribution scheme on behalf of its employees. A defined contribution scheme is a pension scheme under which the Company pays fixed contributions into a separate entity. Once the contributions have been paid the Company has no further payment obligations.

Contributions are charged to the Profit and Loss Account as they become due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Company in independently administered funds.

###### Deferred bonus accounting

The senior management team had a rolling 3 year bonus incentive plan, which originally commenced on 1st January 2016. The incentive plan at each grant date comprised of four distinct awards, each with separate service periods, of one, two and three years. The cost of each distinct award was recognised on a straight line basis over the relevant service period. The scheme was wound up and the final payments related to the 2020 awards were made on 25th January 2023.

###### Foreign currency transactions and balances

Transactions in foreign currencies are initially recorded at the functional currency rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into the respective functional currency of the entity at the rates prevailing on the reporting period date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the initial transaction dates.

Non-monetary items measured in terms of historical cost in a foreign currency are not retranslated.

## **INNOCENT LIMITED**

### **Notes to the Financial Statements** for the Year Ended 31 December 2022 (continued)

#### **3 Accounting policies (continued)**

##### **Financial instruments**

###### **Initial recognition**

Financial assets and financial liabilities comprise all assets and liabilities reflected in the Balance Sheet, although excluding tangible assets, investment properties, intangible assets, deferred tax assets, prepayments, deferred tax liabilities and employee benefits plan.

The Company recognises financial assets and financial liabilities in the Balance Sheet when, and only when, the Company becomes party to the contractual provisions of the financial instrument.

Financial assets are initially recognised at fair value. Financial liabilities are initially recognised at fair value, representing the proceeds received net of premiums, discounts and transaction costs that are directly attributable to the financial liability.

All regular way purchases and sales of financial assets and financial liabilities classified as fair value through profit or loss ("FVTPL") are recognised on the trade date, i.e. the date on which the Company commits to purchase or sell the financial assets or financial liabilities. All regular way purchases and sales of other financial assets and financial liabilities are recognised on the settlement date, i.e. the date on which the asset or liability is received from or delivered to the counterparty. Regular way purchases or sales are purchases or sales of financial assets that require delivery within the time frame generally established by regulation or convention in the market place.

Subsequent to initial measurement, financial assets and financial liabilities are measured at either amortised cost or fair value.

###### **Classification and measurement**

Financial instruments are classified at inception into one of the following categories, which then determine the subsequent measurement methodology:-

Financial assets are classified into one of the following three categories:-

- financial assets at amortised cost;
- financial assets at fair value through other comprehensive income (FVTOCI); or
- financial assets at fair value through the profit or loss (FVTPL).

Financial liabilities are classified into one of the following two categories:-

- financial liabilities at amortised cost; or
- financial liabilities at fair value through the profit or loss (FVTPL).

The classification and the basis for measurement are subject to the Company's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets, as detailed below:-



## **INNOCENT LIMITED**

### **Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)**

#### **3 Accounting policies (continued)**

##### **Financial instruments (continued)**

###### **Financial assets at amortised cost**

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:-

- the assets are held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

If either of the above two criteria is not met, the financial assets are classified and measured at fair value through the profit or loss (FVTPL).

If a financial asset meets the amortised cost criteria, the Company may choose to designate the financial asset at FVTPL. Such an election is irrevocable and applicable only if the FVTPL classification significantly reduces a measurement or recognition inconsistency.

###### **Financial assets at fair value through other comprehensive income (FVTOCI)**

A financial asset is measured at FVTOCI only if it meets both of the following conditions and is not designated as at FVTPL:-

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in fair value in OCI. This election is made on an investment-by-investment basis.

If an equity investment is designated as FVTOCI, all gains and losses, except for dividend income, are recognised in other comprehensive income and are not subsequently included in the statement of income.

###### **Financial assets at fair value through the profit or loss (FVTPL)**

Financial assets not otherwise classified above are classified and measured as FVTPL.

###### **Financial liabilities at amortised cost**

All financial liabilities, other than those classified as financial liabilities at FVTPL, are measured at amortised cost using the effective interest rate method.

###### **Financial liabilities at fair value through the profit or loss**

Financial liabilities not measured at amortised cost are classified and measured at FVTPL. This classification includes derivative liabilities.

## **INNOCENT LIMITED**

### **Notes to the Financial Statements** for the Year Ended 31 December 2022 (continued)

#### **3 Accounting policies (continued)**

##### **Financial instruments (continued)**

##### **Derecognition**

###### *Financial assets*

The Company derecognises a financial asset when;

- the contractual rights to the cash flows from the financial asset expire,
- it transfers the right to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred; or
- the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

On derecognition of a financial asset, the difference between the carrying amount of the asset and the sum of the consideration received is recognised as a gain or loss in the profit or loss.

Any cumulative gain or loss recognised in OCI in respect of equity investment securities designated as FVTOCI is not recognised in profit or loss on derecognition of such securities. Any interest in transferred financial assets that qualify for derecognition that is created or retained by the Company is recognised as a separate asset or liability.

###### *Financial liabilities*

The Company derecognises a financial liability when its contractual obligations are discharged, cancelled, or expire.

##### **Modification of financial assets and financial liabilities**

###### **Financial assets**

Derivative financial instruments are contracts, the value of which is derived from one or more underlying financial instruments or indices, and include futures, forwards, swaps and options in the interest rate, foreign exchange, equity and credit markets.

Derivative financial instruments are recognised in the statement of financial position at fair value. Fair values are derived from prevailing market prices, discounted cash flow models or option pricing models as appropriate.

In balance sheet, derivative financial instruments with positive fair values (unrealised gains) are included as assets and derivative financial instruments with negative fair values (unrealised losses) are included as liabilities.

The changes in the fair values of derivative financial instruments entered into for trading purposes are included in trading income.

## **INNOCENT LIMITED**

### **Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)**

#### **3 Accounting policies (continued)**

##### **Financial instruments (continued)**

##### **Modification of financial assets and financial liabilities (continued)**

###### *Financial liabilities*

If the terms of a financial liabilities are modified, the Company evaluates whether the cash flows of the modified asset are substantially different. If the cash flows are substantially different, then the contractual obligations from the cash flows from the original financial liabilities are deemed to expire. In this case the original financial liabilities are derecognised and new financial liabilities are recognised at either amortised cost or fair value.

If the cash flows are not substantially different, then the modification does not result in derecognition of the financial liabilities. In this case, the Company recalculates the gross carrying amount of the financial liabilities and recognises the amount arising from adjusting the gross carrying amount as a modification gain or loss in the statement of income.

##### **Impairment of financial assets**

###### *Measurement of Expected Credit Losses*

The Company recognises loss allowances for expected credit losses (ECL) on financial instruments that are not measured at FVTPL, namely:

- Financial assets that are debt instruments
- Accounts and other receivables
- Financial guarantee contracts issued; and
- Loan commitments issued.

The Company classifies its financial instruments into stage 1, stage 2 and stage 3, based on the applied impairment methodology, as described below:

Stage 1: for financial instruments where there has not been a significant increase in credit risk since initial recognition and that are not credit-impaired on origination, the Company recognises an allowance based on the 12-month ECL.

Stage 2: for financial instruments where there has been a significant increase in credit risk since initial recognition but they are not credit-impaired, the Company recognises an allowance for the lifetime ECL.

Stage 3: for credit-impaired financial instruments, the Company recognises the lifetime ECL.

The Company measures loss allowances at an amount equal to the lifetime ECL.

A 12-month ECL is the portion of the ECL that results from default events on a financial instrument that are probable within 12 months from the reporting date.

Provisions for credit-impairment are recognised in the statement of income and are reflected in accumulated provision balances against each relevant financial instruments balance.

## **INNOCENT LIMITED**

### **Notes to the Financial Statements for the Year Ended 31 December 2022 (continued)**

#### **3 Accounting policies (continued)**

##### **Financial instruments (continued)**

##### **Impairment of financial assets (continued)**

Evidence that the financial asset is credit-impaired include the following;

- Significant financial difficulties of the borrower or issuer;
- A breach of contract such as default or past due event;
- The restructuring of the loan or advance by the Company on terms that the Company would not consider otherwise;
- It is becoming probable that the borrower will enter bankruptcy or other financial reorganisation;
- The disappearance of an active market for the security because of financial difficulties; or
- There is other observable data relating to a group of assets such as adverse changes in the payment status of borrowers or issuers in the Company or economic conditions that correlate with defaults in the Company

For trade receivables, the Company applies the simplified approach, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due. The contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same types of contracts. The Company has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

The expected loss rates are based on the payment profiles of sales over a period of 36 month before 31 December 2022 and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Company has identified the GDP and the unemployment rate of the countries in which it sells its goods and services to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

## **INNOCENT LIMITED**

### **Notes to the Financial Statements** for the Year Ended 31 December 2022 (continued)

#### **3 Accounting policies (continued)**

##### **Borrowings**

All borrowings are initially recorded at the amount of proceeds received, net of transaction costs. Borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the income statement over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in finance costs.

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

#### **4 Critical accounting judgements and key sources of estimation uncertainty**

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates.

Judgements or key sources of estimation uncertainty that have a material impact on these financial statements include:

##### **Estimation of useful lives of assets**

The Company determines the estimated useful lives and related depreciation and amortisation charges for its intangible and tangible fixed assets, respectively. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charges will increase where the useful lives are less than previously estimated, or have been written down in value.

##### **Recognition of commercial accruals**

Management review the detailed quantification of the Company's commercial accruals on an ongoing basis, using judgement based on specific customer arrangements and policies, historical experience and other factors that are considered to be relevant. As a result, the Directors are satisfied that these costs have been appropriately accounted for.

##### **Impairment of non-financial assets**

The Company assesses impairment of non-financial assets at each reporting date by evaluating conditions specific to the Company and to the particular asset that may lead to impairment. If an impairment trigger exists, the recoverable amount of the asset is determined. This involves fair value less costs of disposal or value-in-use calculations, which incorporate a number of key estimates and assumptions.

##### **Allowance for expected credit losses of trade debtors**

The allowance for expected credit losses assessment requires a degree of estimation and judgement. It is based on the payment profiles of sales over a period of 36 months before the reporting date and the corresponding historical credit losses experienced within this period. The historical loss rates are also adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables.

**INNOCENT LIMITED****Notes to the Financial Statements**  
for the Year Ended 31 December 2022 (continued)**5 Turnover**

Turnover, which is stated net of value added tax, represents the invoiced amounts of goods sold to third parties, net of credits and discounts, and recharges to other group entities. Turnover is attributable to the Company's continuing principal activity.

The analysis of the Company's turnover for the year from continuing operations is as follows:

	<b>2022</b>	<b>2021</b>
	<b>£ 000</b>	<b>£ 000</b>
Sales of goods	177,134	185,041
Supply chain income	2,156	7,568
Group marketing recharges	6,949	8,063
	<u>186,239</u>	<u>200,672</u>

The analysis of the Company's turnover for the year by destination is as follows:

	<b>2022</b>	<b>2021</b>
	<b>£ 000</b>	<b>£ 000</b>
Europe	23,666	31,302
UK	162,573	169,370
	<u>186,239</u>	<u>200,672</u>

Turnover by origin and destination are not materially different.

**INNOCENT LIMITED****Notes to the Financial Statements**  
for the Year Ended 31 December 2022 (continued)**6 Operating profit**

Operating profit is arrived at after charging/(crediting)

	<b>2022</b>	<b>2021</b>
	<b>£ 000</b>	<b>£ 000</b>
<b><i>Included in administrative expenses:</i></b>		
Depreciation of tangible fixed assets	380	430
Amortisation expense	3,371	526
Loss on disposal of fixed assets	8	1
<b><i>Included in cost of sales:</i></b>		
Cost of inventories and consumables used	99,396	116,935
Foreign exchange (gains)/losses	(1,123)	(1,211)
<b><i>Auditor's remuneration</i></b>		
Audit services	103	99
Taxation services	84	181

**7 Staff costs**

The aggregate payroll costs (including Directors' remuneration) were as follows:

	<b>2022</b>	<b>2021</b>
	<b>£ 000</b>	<b>£ 000</b>
Wages and salaries	19,444	20,802
Social welfare costs	2,310	2,856
Other pension costs	894	844
	<u>22,648</u>	<u>24,502</u>

The average number of employees (including Directors) during the year was made up as follows:

	<b>2022</b>	<b>2021</b>
	<b>No.</b>	<b>No.</b>
Administration and support	144	142
Sales, marketing and distribution	213	237
	<u>357</u>	<u>379</u>

£498,680 (2021: £1,462,259) of staff costs, which are not included in the above costs, have been capitalised within intangible assets in the year. Other pension costs relate to contributions under a defined contribution scheme.

**INNOCENT LIMITED****Notes to the Financial Statements**  
for the Year Ended 31 December 2022 (continued)**8 Directors' remuneration**

The Directors' remuneration for the year was as follows:

	<b>2022</b>	<b>2021</b>
	<b>£ 000</b>	<b>£ 000</b>
Aggregate remuneration in respect to qualifying services *	793	791
Aggregate contribution to pension scheme	13	28
Aggregate amounts receivable under deferred bonus scheme **	202	573
	<u>1,008</u>	<u>1,392</u>

In respect of the highest paid Director:

	<b>2022</b>	<b>2021</b>
	<b>£ 000</b>	<b>£ 000</b>
Aggregate remuneration in respect to qualifying services *	259	343
Aggregate contribution to pension scheme	-	17
Aggregate amounts receivable under deferred bonus scheme **	104	282
	<u>363</u>	<u>642</u>

The Directors of the Company are also directors of Fresh Trading Limited and fellow subsidiaries (excluding NJ Clare). The Directors received total remuneration as disclosed in this note. The Directors do not believe that it is practicable to apportion this amount between their services as Directors of the Company and their services as Directors of the holding and fellow subsidiary companies.

All remuneration costs shown here are incurred in Fresh Trading Limited, the parent entity of Innocent Limited.

\* £13,000 (2021: £28,000) of remuneration includes cash supplements in lieu of pension contributions. The total amount in respect of the highest paid director was £Nil (2021: £17,000)

\*\*This is the current year portion of the bonus awarded for 2022 as well as a retrospective element from 2020 which had not been fully approved at the end of 2021. The total amount paid out in January 2023 in respect of the highest paid director was £104,000 (2021: £282,000)



**INNOCENT LIMITED****Notes to the Financial Statements**  
for the Year Ended 31 December 2022 (continued)**9 Interest receivable and similar income**

	<b>2022</b>	<b>2021</b>
	<b>£ 000</b>	<b>£ 000</b>
Interest income on bank deposits	2,255	133
Interest income on loans to fellow group subsidiaries	7,517	2,467
	<u>9,772</u>	<u>2,600</u>

**10 Interest payable and similar charges**

	<b>2022</b>	<b>2021</b>
	<b>£ 000</b>	<b>£ 000</b>
Bank interest payable	372	262
Interest paid to group undertakings	7,189	1,025
	<u>7,561</u>	<u>1,287</u>

**11 Taxation**

Tax charged/(credited) in the profit and loss account

	<b>2022</b>	<b>2021</b>
	<b>£ 000</b>	<b>£ 000</b>
<b>Current income tax</b>		
UK corporation tax on profits for the year	1,275	2,183
Group relief recoverable for no payment	(1,275)	(2,165)
R&D tax credits	-	(18)
Total current tax	<u>-</u>	<u>-</u>
Foreign tax	64	64
Foreign tax adjustment to prior periods	-	5
	<u>64</u>	<u>69</u>
Tax expense in the profit and loss account	<u>64</u>	<u>69</u>

**INNOCENT LIMITED****Notes to the Financial Statements**  
**for the Year Ended 31 December 2022 (continued)****11 Taxation (continued)**

The tax on profit for the year is the same as the standard rate of corporation tax in the UK of 19% (2021: 19%).

The differences are reconciled below:

	<b>2022</b> <b>£ 000</b>	<b>2021</b> <b>£ 000</b>
Profit before tax	<u>8,045</u>	<u>12,029</u>
Corporation tax at standard rate	1,529	2,286
Decrease from other timing differences	-	(25)
Decrease from effect of expenses not allowable for tax purposes	(88)	-
Increase/(decrease) from effect of expenses not deductible in determining taxable profit (tax loss)	9	(77)
Decrease arising from group relief tax reconciliation	(1,275)	(2,165)
Increase from effect of adjustments in respect of prior periods overseas tax	-	10
Increase arising from overseas tax suffered	64	58
Decrease in current tax from unrecognised tax loss or credit	(153)	-
Deferred tax credit from unrecognised tax loss or credit	(2)	-
Deferred tax expense from unrecognised temporary difference from a prior period	37	-
Decrease from effect of adjustment in research development tax credit	(60)	-
Increase from effect of rollover relief on profit on disposal of fixed assets	3	-
Other tax effects for reconciliation between accounting profit and tax expense (income)	<u>-</u>	<u>(18)</u>
Total tax charge	<u>64</u>	<u>69</u>

Upon review of forecast financial performance for the overall group, no deferred tax asset has been recognised.

The Directors are not aware of any factors that will materially affect the rate of corporation tax in the foreseeable future.

At Budget 2021, the government announced that the Corporation Tax would increase to 25% from 1 April 2023. This rate had been enacted on 10 June 2021 when the Finance Bill 2021 received Royal Assent.

The closing deferred tax asset has been calculated at 25%, being the United Kingdom corporation tax rate applicable to the periods during which it is expected to materialise.

**INNOCENT LIMITED****Notes to the Financial Statements**  
for the Year Ended 31 December 2022 (continued)**11 Taxation (continued)**

The deferred tax included in the balance sheet is as follow:

	<b>31 December 2022 £ 000</b>	<b>31 December 2021 £ 000</b>
<b>Deferred tax assets</b>		
Accelerated capital allowances	925	987
Deferred tax asset not recognised	(818)	(923)
Other timing differences	(107)	(64)
	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>
 Net asset disclosed in the balance sheet	 <u>-</u>	 <u>-</u>

**12 Intangible assets**

	<b>Software £ 000</b>	<b>Total £ 000</b>
<b>Cost or valuation</b>		
At 1 January 2022	31,705	31,705
Additions	3,422	3,422
Disposals	(132)	(132)
	<u>34,995</u>	<u>34,995</u>
At 31 December 2022	<u>34,995</u>	<u>34,995</u>
<b>Depreciation</b>		
At 1 January 2022	735	735
Charge for the year	3,371	3,371
Eliminated on disposal	(114)	(114)
	<u>3,992</u>	<u>3,992</u>
At 31 December 2022	<u>3,992</u>	<u>3,992</u>
<b>Carrying amount</b>		
At 31 December 2022	<u>31,003</u>	<u>31,003</u>
At 31 December 2021	<u>30,970</u>	<u>30,970</u>

The remaining amortisation period for intangibles assets ranges between 3 to 10 years.

**INNOCENT LIMITED****Notes to the Financial Statements**  
for the Year Ended 31 December 2022 (continued)**13 Tangible assets**

	<b>Buildings &amp; office equipment £ 000</b>	<b>Motor vehicles £ 000</b>	<b>Total £ 000</b>
<b>Cost or valuation</b>			
At 1 January 2022	2,348	183	2,531
Additions	348	82	430
Disposals	(618)	(59)	(677)
At 31 December 2022	<u>2,078</u>	<u>206</u>	<u>2,284</u>
<b>Depreciation</b>			
At 1 January 2022	1,252	183	1,435
Charge for the year	374	6	380
Eliminated on disposal	(325)	(59)	(384)
At 31 December 2022	<u>1,301</u>	<u>130</u>	<u>1,431</u>
<b>Carrying amount</b>			
At 31 December 2022	<u>777</u>	<u>76</u>	<u>853</u>
At 31 December 2021	<u>1,096</u>	<u>-</u>	<u>1,096</u>

**14 Investments**

<b>Subsidiaries</b>	<b>£ 000</b>
<b>Cost or valuation</b>	
At 1 January 2022	5,785
Additions	<u>210</u>
At 31 December 2022	<u>5,995</u>
<b>Carrying amount</b>	
At 31 December 2022	<u>5,995</u>
At 31 December 2021	<u>5,785</u>

**INNOCENT LIMITED****Notes to the Financial Statements**  
for the Year Ended 31 December 2022 (continued)**14 Investments (continued)**

Details of the subsidiaries as at 31 December 2022 are as follows:

Name of subsidiary	Principal activity	Country of incorporation and principal place of business	Proportion of ownership interest and voting rights held	
			2022	2021
Innocent ApS	Drinks sales and distribution	Denmark	100%	100%
Innocent AB	Drinks sales and distribution	Sweden	100%	100%
Innocent Alps GmbH	Drinks sales and distribution	Austria	100%	100%
Innocent Deutschland GmbH	Drinks sales and distribution	Germany	100%	100%
Innocent SAS	Drinks sales and distribution	France	100%	100%
Innocent BV	Drinks sales and distribution	Netherlands	100%	100%
Innocent Italia S.r.l.	Drinks sales and distribution	Italy	100%	100%
Innocent Iberia S.L.U.	Drinks sales and distribution	Spain	100%	100%
Innocent AS	Drinks sales and distribution	Norway	100%	100%
Innocent BE SRL	Drinks sales and distribution	Belgium	100%	0%

In the opinion of the Directors, the value of investments is not less than the carrying amount at which they are stated in the balance sheet.

**15 Stock**

	31 December 2022 £ 000	31 December 2021 £ 000
Finished goods and goods for resale	6,269	4,303

The replacement cost of stocks is not significantly different to the Balance Sheet amount.

**INNOCENT LIMITED****Notes to the Financial Statements**  
for the Year Ended 31 December 2022 (continued)**16 Trade and other debtors**

	<b>31 December</b>	<b>31 December</b>
	<b>2022</b>	<b>2021</b>
	<b>£ 000</b>	<b>£ 000</b>
Trade debtors	36,904	40,622
Amounts due from parent undertaking	153,193	126,828
Amounts due from group undertakings	-	2,396
Prepayments	1,911	1,547
Other debtors	339	1,300
VAT	2,038	-
Corporation tax asset	57	-
Total current trade and other receivables	<u>194,442</u>	<u>172,693</u>

Amounts due from group undertakings are interest bearing and repayable on demand. The Company has confirmed in writing that it will not call for payment of the amounts due unless the parent undertaking has sufficient funds available.

**17 Trade and other creditors**

	<b>31 December</b>	<b>31 December</b>
	<b>2022</b>	<b>2021</b>
	<b>£ 000</b>	<b>£ 000</b>
Trade creditors	4,099	3,992
Accrued expenses and deferred income	13,845	19,170
Amounts payable to group undertakings	109,426	111,617
Social security and other taxes	801	1,359
Other taxes	-	4,978
Other creditors	620	668
Corporation tax liability	-	72
Bank overdrafts	<u>30,655</u>	<u>31,612</u>
	<u>159,446</u>	<u>173,468</u>
Less non-current portion	<u>-</u>	<u>(600)</u>
Total current liabilities	<u>159,446</u>	<u>172,868</u>

Amounts falling due after more than one year included in the above are accruals for the employee bonus scheme of £nil (2021: £599,776).

**INNOCENT LIMITED****Notes to the Financial Statements**  
for the Year Ended 31 December 2022 (continued)**18 Share capital****Allotted, called up and fully paid shares**

	<b>2022</b>		<b>2021</b>	
	<b>No.</b>	<b>£</b>	<b>No.</b>	<b>£</b>
Ordinary shares of £1 each	<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>

**19 Loans and borrowings**

	<b>31 December 2022 £ 000</b>	<b>31 December 2021 £ 000</b>
<b>Current loans and borrowings</b>		
Bank overdrafts	<u>30,655</u>	<u>31,612</u>

**20 Pension and other schemes****Defined contribution pension scheme**

The Company operates a defined contribution pension scheme. The pension cost charge for the year represents contributions payable by the Company to the scheme and amounted to £893,782 (2021: £843,825).

**21 Related party transactions**

The Company has taken advantage of the exemptions under FRS101 not to disclose transactions with wholly owned subsidiaries or key management personnel.

**22 Parent and ultimate parent undertaking**

The immediate parent company and immediate controlling company is Fresh Trading Limited, a company incorporated in the UK. The ultimate parent company and ultimate controlling party is The Coca-Cola Company, a company incorporated in Delaware, USA, and registered on the New York Stock Exchange. The Coca-Cola Company is the largest group and smallest group which includes the Company and for which consolidated financial statements are prepared.

Copies of the consolidated financial statements for The Coca-Cola Company are available upon request from The Coca-Cola Company, PO Box 1734, Atlanta, Georgia 30301, United States of America.

**23 Events after the financial period**

There have been no significant adjusting or non-adjusting events between the Balance Sheet date and the date of signing of the financial statements.