

Wotsits Brands Limited

**Directors' report and financial
statements**

Registered number 4316348

Period ended 29 December 2012



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Directors' report

The directors present their annual report and the audited financial statements for the period ended 29 December 2012

Principal activities

The company is a wholly owned subsidiary of Walkers Snack Services Limited and holds intercompany loans but did not trade in the period

Business Review

The company did not trade in the period

Principal risks and uncertainties

As can be seen from the balance sheet, the company has net liabilities. To eliminate any uncertainty regarding the future operational existence of the company, it continues to receive financial support from its ultimate parent company PepsiCo Inc. The company keeps its parent fully informed of its financial position through the submission of monthly management accounts. The parent company has provided a letter of support to the company confirming that it will continue to support the company until 30 September 2014.

Proposed Dividend

The directors do not recommend the payment of a dividend (2011: £nil)

Directors

The directors who served during the period and subsequently were as follows:

C R Jones	(resigned 2 March 2012)
J K Averiss	
A J Macleod	
J L Sigalos	(appointed 12 July 2012)

Disclosure of information to auditor

The directors who held office at the date of approval of this Directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditor is unaware, and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

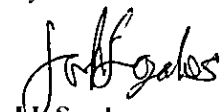
Political and charitable contributions

The company did not make any political or charitable contributions during the period (2011: £nil)

Auditor

Pursuant to Section 487 of the Companies Act 2006, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

By order of the board



J L Sigalos
Director
23 July 2013

1600 Arlington Business Park
Theale
Reading
Berkshire
RG7 4SA

Statement of Directors' responsibilities in respect of the Directors' report and the financial statements

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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice)

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements the directors are required to

- select suitable accounting policies and then apply them consistently
- make judgments and estimates that are reasonable and prudent
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.



KPMG LLP

Arlington Business Park
Theale
Reading
RG7 4SD
United Kingdom

Independent auditor's report to the members of Wotsits Brands Limited

We have audited the financial statements of Wotsits Brands Limited for the period ended 29 December 2012 set out on pages 5 to 10. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's (FRC) website at www.frc.org.uk/apb/scope/private.cfm.

Opinion on financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 29 December 2012 and of the company's profit for the period then ended,
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

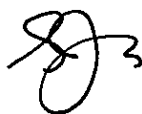
In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Independent auditor's report to the members of Wotsits Brands Limited *(continued)*

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us, or
- the company 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



Simon Haydn-Jones (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
Arlington Business Park,
Theale,
Reading
RG7 4SD

26 July 2013

Profit and loss account
for the period ended 29 December 2012

	<i>Note</i>	2012 £000	2011 £000
Profit on ordinary activities before taxation		-	-
Tax receivable on profit on ordinary activities	4	10	17
Profit for the period	8	10	17

There were no recognised gains or losses in either period other than the (loss)/profit for the period which was entirely derived from continuing activities

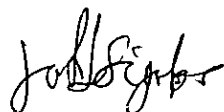
There is no difference between the company's results as reported and on an historical cost basis. Accordingly, no note of historical cost profit and loss has been prepared.

Balance sheet

at 29 December 2012

	Note	2012 £000	2011 £000
Current assets			
Debtors	5	68	58
Cash		-	-
Creditors amounts falling due within one year	6	(3,106)	(3,106)
Net liabilities		<u>(3,038)</u>	<u>(3,048)</u>
Capital and reserves			
Called up share capital	7	-	-
Profit and loss account	8	<u>(3,038)</u>	<u>(3,048)</u>
Equity shareholder deficit	9	<u>(3,038)</u>	<u>(3,048)</u>

The financial statements of Wotsits Brands Limited company number 4316348 were approved by the board of directors on 23 July 2013 and were signed on its behalf by



J L Sigalos
Director

Notes

(forming part of the financial statements)

1 Accounting policies

The following accounting policies have been applied consistently in dealing with items, which are considered material in relation to the company's financial statements except as noted below

Basis of preparation

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

The comparative figures cover the period to 31 December 2011 as permitted by the Companies Act 2006 Section 390

Under Financial Reporting Standard 1 (revised) the company is exempt from the requirement to prepare a cash flow statement on the grounds that a parent undertaking includes the cashflows of the company within its own published consolidated financial statements

The company's business activities together with the factors likely to affect its future development and position are set out in the Business Review in the Directors' Report. The financial position of the company, its cash flows, liquidity position and borrowing facilities are directly related to the consolidated position of Pepsico Inc. As such details of this Group wide position are described in the consolidated financial statements of Pepsico Inc, available to the public from the address in note 10.

In addition the notes to the consolidated financial statements of Pepsico Inc include the Group's objectives, policies and processes for managing its capital, its financial risk management objectives, details of its financial instruments and hedging activities, and its exposures to credit risk and liquidity risk.

As can be seen from the balance sheet the company has net current liabilities. To eliminate any uncertainty regarding the future operational existence of the company it continues to receive financial support from its ultimate parent company PepsiCo Inc. The company keeps its parent fully informed of its financial position through the submission of monthly management accounts to its parent. The parent company has provided a letter of support to the company confirming that it will continue to support the company until 30 September 2014. As such the company's directors have a reasonable expectation that the company will be able to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Taxation

The charge for taxation is based on the results for the period and takes into account taxation deferred because of timing differences between the treatment of certain items for taxation and accounting purposes.

Deferred tax is recognised without discounting, in respect of all timing differences between the treatment of certain items for taxation and accounting purposes which have arisen but not reversed by the balance sheet date, except as otherwise required by Financial Reporting Standard 19.

Related party transactions

Under Financial Reporting Standard 8, the company is exempt from the requirement to disclose related party transactions with members of the same group on the grounds that 100% of the voting rights are controlled within the group.

2 Auditor's remuneration

The auditor's remuneration has been borne in both periods by a fellow group company. The audit fee allocated to Wotsits Brands Limited for the period is £3,700 (2011 £3,700) and no additional non-audit services were received during the period (2011 £nil).

3 Staff numbers and costs and directors' emoluments

The company had no employees in either period.

The directors principally work for other group companies. Their emoluments in both periods have been borne by the group company where the majority of the directors' time is expended.

Notes (continued)

4 Taxation

Analysis of credit in period

	2012 £000	2011 £000
<i>UK corporation tax</i>		
Current tax credit on result for the period	10	17
	<hr/>	<hr/>
Total current tax credit	10	17
	<hr/>	<hr/>
Tax on result on ordinary activities	10	17
	<hr/>	<hr/>

Factors affecting the tax credit for the period

The current tax credit for the period is higher (2011 higher) than the standard rate of corporation tax in the UK of 24.51% (2011 26.51%)

	2012 £000	2011 £000
<i>Current tax reconciliation</i>		
Profit on ordinary activities before tax	-	-
	<hr/>	<hr/>
Current tax at 24.51% (2011 26.51%)	-	-
	<hr/>	<hr/>
<i>Effects of</i>		
Tax effect of deemed loan interest with fellow group company	10	17
	<hr/>	<hr/>
Total current tax credit (see above)	10	17
	<hr/>	<hr/>

Factors that may affect future tax credits

The 2012 UK Budget on 21 March 2012 announced that the UK corporation tax rate will reduce to 22% by 2014. The December 2012 UK Autumn Statement announced a planned further reduction to 21% by 2014 and the 2013 UK Budget on 20 March 2013 announced that the UK corporation tax rate will reduce to 20% by 2015. A reduction in the rate from 26% to 25% (effective from 1 April 2012) was substantively enacted on 5 July 2011 and further reductions to 24% (effective from 1 April 2012) and 23% (effective from 1 April 2013) were substantively enacted on 26 March 2012 and 3 July 2012 respectively. Further reductions to 21% (effective from 1 April 2014) and 20% (effective from 1 April 2015) were substantively enacted on 2 July 2013.

This will reduce the company's future current tax charge accordingly.

It has not yet been possible to quantify the full anticipated effect of the further rate reductions although this will further reduce the company's future current tax charge.

5 Debtors

	2012 £000	2011 £000
Amounts owed by group undertakings	58	41
Corporation tax recoverable	10	17
	<hr/>	<hr/>
	68	58
	<hr/>	<hr/>

Notes (continued)

6 Creditors' amounts falling due within one year

	2012 £000	2011 £000
Amounts owed to group undertakings	3,106	3 106
	<u>3,106</u>	<u>3 106</u>

The amounts owed to group undertakings relate to loans and other borrowings which are repayable either on demand or within one year

7 Called up share capital

	2012 £	2011 £
<i>Allotted, called up and fully paid</i>		
1 Ordinary share of £1	1	1
	<u>1</u>	<u>1</u>

8 Reserves

	Profit and loss £000
At beginning of period	(3 048)
Profit for the period	10
	<u>(3,038)</u>
At end of period	<u>(3,038)</u>

9 Reconciliation of movements in equity shareholder deficit

	2012 £000	2011 £000
Opening equity shareholder deficit	(3,048)	(3 065)
Profit for the period	10	17
	<u>(3,038)</u>	<u>(3 048)</u>
Closing equity shareholder deficit	<u>(3,038)</u>	<u>(3 048)</u>

Notes *(continued)*

10 Ultimate holding company and parent undertaking of a larger group of which the company is a member

The company's ultimate parent company is PepsiCo, Inc. a company registered and incorporated in the United States of America

The results of the company are consolidated in the group financial statements of PepsiCo, Inc. whose registered office is at 700 Anderson Hill Road Purchase New York 10577 United States of America

The consolidated financial statements of this group are available to the public and may be obtained from their registered office as noted above