

DON'T
STAPLE

OS AA01

Statement of details of parent law and other
information for an overseas company

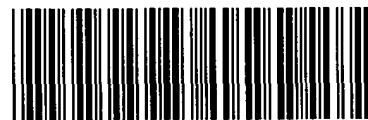


Companies House

✓ What this form is for
You may use this form to
accompany your accounts
disclosed under parent law.

✗ What this form is NOT
You cannot use this form
an alteration of manner of
with accounting requirements

THURSDAY



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26/08/2021

#218

COMPANIES HOUSE

Part 1 Corporate company name

Corporate name of
overseas company ①

NEW ZEALAND (UK FINANCE) LIMITED

UK establishment
number

B R 0 0 6 3 6 7

→ Filling in this form

Please complete in typescript or in
bold black capitals.

All fields are mandatory unless
specified or indicated by *

① This is the name of the company in
its home state.

Part 2 Statement of details of parent law and other information for an overseas company

A1 Legislation

Please give the legislation under which the accounts have been prepared and
audited.

Legislation ②

Companies Act 1993 & Financial Reporting Act 2013

② This means the relevant rules or
legislation which regulates the
preparation of accounts.

A2 Accounting principles

Accounts

Have the accounts been prepared in accordance with a set of generally accepted
accounting principles?

Please tick the appropriate box.

☐ No. Go to Section A3.

☒ Yes. Please enter the name of the organisation or other
body which issued those principles below, and then go to Section A3.

Name of organisation
or body ③

EXTERNAL REPORTING BOARD

③ Please insert the name of the
appropriate accounting organisation
or body.

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Statement of details of parent law and other information for an overseas company

A3**Audited accounts**

Audited accounts

Have the accounts been audited in accordance with a set of generally accepted auditing standards?

Please tick the appropriate box.

☐ No. Go to **Part 3 'Signature'**.☒ Yes. Please enter the name of the organisation or other body which issued those standards below, and then go to **Part 3 'Signature'**.

❶ Please insert the name of the appropriate accounting organisation or body.

Name of organisation or body ❶

New Zealand Institute of Chartered Accountants

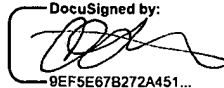
Part 3**Signature**

I am signing this form on behalf of the overseas company.

Signature

Signature

X

DocuSigned by:

9EF5E67B272A451...

X

This form may be signed by:
Director, Secretary, Permanent representative.

OS AA01

Statement of details of parent law and other information for an overseas company

**Presenter information**

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name	COMPANY SECRETARIAL									
Company name	BRITISH AMERICAN TOBACCO									
Address	GLOBE HOUSE									
	4 TEMPLE PLACE									
Post town	LONDON									
County/Region										
Postcode		W	C	2	R		2	P	G	
Country	UNITED KINGDOM									
DX										
Telephone										

**Checklist**

We may return forms completed incorrectly or with information missing.

Please make sure you have remembered the following:

- ☐ The company name and, if appropriate, the registered number, match the information held on the public Register.
- ☐ You have completed all sections of the form, if appropriate.
- ☐ You have signed the form.

**Important information**

Please note that all this information will appear on the public record.

**Where to send**

You may return this form to any Companies House address:

England and Wales:

The Registrar of Companies, Companies House,
Crown Way, Cardiff, Wales, CF14 3UZ.
DX 33050 Cardiff.

Scotland:

The Registrar of Companies, Companies House,
Fourth floor, Edinburgh Quay 2,
139 Fountainbridge, Edinburgh, Scotland, EH3 9FF.
DX ED235 Edinburgh 1

Northern Ireland:

The Registrar of Companies, Companies House,
Second Floor, The Linenhall, 32-38 Linenhall Street,
Belfast, Northern Ireland, BT2 8BG.
DX 481 N.R. Belfast 1.

**Further information**

For further information, please see the guidance notes on the website at www.gov.uk/companieshouse or email enquiries@companieshouse.gov.uk

This form is available in an alternative format. Please visit the forms page on the website at www.gov.uk/companieshouse



New Zealand (UK Finance) Limited

Financial Statements for Year Ended 31 December 2020

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The Board of Directors is pleased to present the Annual Report of New Zealand (UK Finance) Limited, ("the Company") incorporating the financial statements and auditor's report, for the year ended 31 December 2020.

With the unanimous agreement of all shareholders, the Company has taken advantage of the reporting concessions available to it under Section 211(3) of the Companies Act 1993.

The Board of Directors of New Zealand (UK Finance) Limited authorised these financial statements for issue on 26 May 2021.

D.P.I. Booth
Director

A.M.H. Cohn
Director

New Zealand (UK Finance) Limited

Financial Statements

Directors' Responsibility Statement

For the year ended 31 December 2020

The Directors are responsible for ensuring that the financial statements present fairly in all material respects the financial position of the Company as at 31 December 2020 and its financial performance and cash flow for the year then ended.

The Directors consider that the financial statements of the Company have been prepared using the appropriate accounting policies, consistently applied and supported by reasonable judgements and estimates and that all financial reporting and accounting standards have been followed.

The Directors believe that proper accounting records have been kept which enable, with reasonable accuracy, the determination of the financial position of the Company and facilitate compliance of the financial statements with the Financial Reporting Act 2013.

The Directors consider they have taken adequate steps to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

The Directors have pleasure in presenting the financial statements, set out on pages 4 to 9, of New Zealand (UK Finance) Limited for the year ended 31 December 2020.

For and on behalf of the Board.



D.P.I. Booth
Director



A.M.H. Cohn
Director



Independent Auditor's Report

To the shareholder of New Zealand (UK Finance) Limited

Report on the audit of the financial statements

Opinion

In our opinion, the accompanying financial statements of New Zealand (UK Finance) Limited (the 'company') on pages 4 to 9:

- i. present fairly in all material respects the company's financial position as at 31 December 2020 and its financial performance and cash flows for the year ended on that date; and
- ii. comply with New Zealand Equivalents to International Financial Reporting Standards Reduced Disclosure Regime.

We have audited the accompanying financial statements which comprise:

- the statement of financial position as at 31 December 2020;
- the statements of comprehensive income, changes in equity and cash flows for the year then ended; and
- notes, including a summary of significant accounting policies and other explanatory information.



Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (New Zealand) ('ISAs (NZ)'). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

We are independent of the company in accordance with Professional and Ethical Standard 1 International Code of Ethics for Assurance Practitioners (Including International Independence Standards) (New Zealand) issued by the New Zealand Auditing and Assurance Standards Board and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) ('IESBA Code'), and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

Our responsibilities under ISAs (NZ) are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

Other than our capacity as auditor we have no relationship with, or interest in, the company.



Other information

The Directors, on behalf of the company, are responsible for the other information included in the entity's Financial Statements. Our opinion on the financial statements does not cover any other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.



Use of this independent auditor's report

This independent auditor's report is made solely to the shareholder as a body. Our audit work has been undertaken so that we might state to the shareholder those matters we are required to state to them in the independent 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 shareholder as a body for our audit work, this independent auditor's report, or any of the opinions we have formed.



Responsibilities of the Directors for the financial statements

The Directors, on behalf of the company, are responsible for:

- the preparation and fair presentation of the financial statements in accordance with generally accepted accounting practice in New Zealand (being New Zealand Equivalents to International Financial Reporting Standards Reduced Disclosure Regime);
- implementing necessary internal control to enable the preparation of a set of financial statements that is fairly presented and free from material misstatement, whether due to fraud or error; and
- assessing the ability to continue as a going concern. This includes disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless they either intend to liquidate or to cease operations, or have no realistic alternative but to do so.



Auditor's responsibilities for the audit of the financial statements

Our objective is:

- 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 independent 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 NZ will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error. They are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of these financial statements is located at the External Reporting Board (XRB) website at:

<http://www.xrb.govt.nz/standards-for-assurance-practitioners/auditors-responsibilities/audit-report-8/>

This description forms part of our independent auditor's report.

KPMG

KPMG
Auckland

26 May 2021

New Zealand (UK Finance) Limited

Statement of Comprehensive Income For the year ended 31 December 2020

	Note	2020 £'000	2019 £'000
REVENUE	1	85	433
PROFIT BEFORE INCOME TAX		85	433
Income tax expense	2	-	-
PROFIT ATTRIBUTABLE TO THE COMPANY'S EQUITY HOLDERS		85	433
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO THE COMPANY'S EQUITY HOLDERS		85	433

Statement of Changes in Equity For the year ended 31 December 2020

Attributable to equity holders of the Company

	Share capital £'000	Retained Earnings £'000	Total equity £'000
Balance as at 1 January 2019	1,087	105,892	106,979
Comprehensive income for the year	-	433	433
Total comprehensive income	1,087	106,325	107,412
Balance at 31 December 2019	1,087	106,325	107,412
Balance as at 1 January 2020	1,087	106,325	107,412
Comprehensive income for the year	-	85	85
Total comprehensive income	1,087	106,410	107,497
Balance at 31 December 2020	1,087	106,410	107,497

The above statements should be read in conjunction with the accompanying notes.

For and on behalf of the Board.



D.P.I. Booth
Director
26 May 2021



A.M.H. Cohn
Director
26 May 2021



New Zealand (UK Finance) Limited

Statement of Financial Position

As at 31 December 2020

	Note	2020 £'000	2019 £'000
ASSETS			
Current assets			
Amounts owed by Group undertakings	3	107,497	107,412
Total current assets		<u>107,497</u>	<u>107,412</u>
TOTAL ASSETS		<u>107,497</u>	<u>107,412</u>
EQUITY			
Share capital	4	1,087	1,087
Retained earnings	5	106,410	106,325
Total shareholders' funds		<u>107,497</u>	<u>107,412</u>
TOTAL EQUITY		<u>107,497</u>	<u>107,412</u>

Statement of Cash Flow

For the year ended 31 December 2020

	2020 £'000	2019 £'000
Cash Flows From Operating Activities	-	-
Net cash flow from/ (used in) operating activities		
Cash Flows From Investing Activities		
Cash was provided from:		
Interest received	<u>85</u>	<u>433</u>
Net cash flow from/ (used in) investing activities	<u>85</u>	<u>433</u>
Cash Flows From Financing Activities		
Net cash flow from/ (used in) financing activities		
Net change in cash and cash equivalents	<u>85</u>	<u>433</u>
Cash and cash equivalents, beginning of year	<u>107,412</u>	<u>106,979</u>
Cash and cash equivalents at end of year	<u>107,497</u>	<u>107,412</u>

The above statement should be read in conjunction with the accompanying notes.



New Zealand (UK Finance) Limited

Notes to the Financial Statements For the year ended 31 December 2020

A GENERAL ACCOUNTING POLICIES

New Zealand (UK Finance) Limited is a company incorporated in New Zealand and registered under the Companies Act 1993. The financial statements have been prepared in accordance with the requirements of the Financial Reporting Act 2013 and the Companies Act 1993.

Statement of compliance with NZ IFRS

The financial statements have been prepared in accordance with Generally Accepted Accounting Practice in New Zealand (NZ GAAP). They comply with the New Zealand Equivalents to International Financial Reporting Standards – Reduced Disclosure Regime (“NZ IFRS RDR”) as a Tier 2 for-profit entity in accordance with XRB A1 Accounting Standards Framework (For-Profit Entities Update), and other applicable Financial Reporting Standards as appropriate to profit-oriented entities. The Company qualifies to report under Tier 2 as it has no public accountability, is not a large for-profit entity and elects to be in Tier 2. The Company is a reporting entity for the purposes of the Financial Reporting Act 2013 and its financial statements comply with the Act. These financial statements have been prepared under the historical cost convention.

B PRINCIPAL ACCOUNTING POLICIES

The following principal accounting policies, which materially affect the measurement of financial performance and the financial position of the Company, have been consistently applied to all the periods presented.

(i) Revenue

Revenue shown in the Statement of Comprehensive Income is comprised of amounts received and receivable as interest on loans and subsequently deposits provided to fellow undertakings of the British American Tobacco p.l.c. Group (the “Group”).

(ii) Taxation

Income tax expense recognised for the year is determined using tax rules. The Company is tax resident in the UK. As a UK resident wholly-owned subsidiary of the Group, the Company is eligible to surrender tax losses to, or claim tax losses from, fellow members of the same UK group for the purposes of calculating corporation tax due in the UK (“group relief”).

It is Group policy that tax losses are surrendered unless the entity generating the losses has a particular requirement to carry the losses forward. It is also Group policy not to reimburse entities for group relief surrendered unless, on a stand-alone basis and assuming the entity were not in the Group, those losses are judged to have value to the entity generating the loss.

(iii) Foreign currencies

Foreign currency transactions are recorded at the exchange rates in effect at the date of the transaction except where forward currency contracts have been taken out to cover short term forward currency commitments. Where short term currency contracts have been taken out, the transaction is translated at the rate contained in the contract. Monetary assets and liabilities arising from trading transaction or overseas borrowings are translated at the closing rates. Gains and losses due to currency fluctuations on these items are included in the Statement of Comprehensive Income.



New Zealand (UK Finance) Limited

Notes to the Financial Statements For the year ended 31 December 2020

(iv) Financial instruments

The Company's business model for managing financial assets is set out in the BAT Group Treasury Manual which notes that the primary objective with regard to the management of cash and investments is to protect against the loss of principal. The majority of financial assets are held in order to collect contractual cash flows (typically debtors). Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the relevant instrument and derecognised when it ceases to be a party to such provisions. Such assets and liabilities are classified as current if they are expected to be realised or settled within 12 months after the balance sheet date. If not, they are classified as non-current. Financial instruments are initially recognised at fair value plus directly attributable transaction costs where applicable, with subsequent measurement as set out below. The Company's financial assets (amounts owed by Group undertakings) are subsequently carried at amortised cost. Non-derivative financial liabilities, including creditors, are subsequently carried at amortised cost using the effective interest method. Where interest bearing receivables and payables have their floating rates based on benchmark rates, such as LIBOR, the Company will account for the application of replacement benchmark rates in accordance with the Amendments to IFRS 9 Financial Instruments published in 2019 (phase 1) and 2020 (phase 2) when applicable.

(v) Impairment of financial assets

Loss allowances for expected credit losses on financial assets which are held at amortised cost are recognised on the initial recognition of the underlying asset. Allowances in respect of loans and other receivables (debtors) are initially recognised at an amount equal to 12-month expected credit losses. Where the credit risk on the receivables has increased significantly since initial recognition, allowances are measured at an amount equal to the lifetime expected credit loss.

C FUNCTIONAL AND PRESENTATIONAL CURRENCY

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates (the 'functional currency'). The financial statements are presented in British pounds, which is the Company's functional and presentational currency.

D REGISTERED OFFICE

The Company's registered office is

Mint Advisory Limited,
Suite 6, 8 Turva Street
St. Heliers, Auckland, 1071,
New Zealand

E PRINCIPAL ACTIVITY

The Company's principal activity is the provision of interest-bearing loans and subsequently deposits to other Group companies.

F PARENT UNDERTAKINGS

The Company's ultimate parent undertaking and ultimate controlling party is British American Tobacco p.l.c. being incorporated in the United Kingdom and registered in England and Wales. Its immediate parent undertaking is British American Tobacco International Holdings (UK) Limited being incorporated in the United Kingdom and registered in England and Wales. Group financial statements are prepared only at the British American Tobacco p.l.c. level.



New Zealand (UK Finance) Limited

Notes to the Financial Statements For the year ended 31 December 2020

1 REVENUE

	2020 £'000	2019 £'000
Interest income (Note 6)	85	433

None of the Directors received any remuneration in respect of their services to the Company during the year (2019: £nil). The Company considers that there is no practicable method to allocate a portion of the emoluments the Directors receive from their respective Group company employer for any qualifying services in respect of the Company, as these are considered to be incidental and part of the Directors overall management responsibilities within the Group.

2 INCOME TAX EXPENSE

A UK corporation tax rate of 19% (effective 1 April 2020) was substantively enacted on 17 March 2020, reversing the previously enacted reduction in the rate from 19% to 17%. This will increase the company's future current tax charge accordingly. It has been announced that the rate will increase to 25% with effect from 1 April 2023, although this has not yet been substantively enacted.

The taxation charge for the year differs from the charge that would be expected based on the statutory 19% (2019: 19%) rate of corporation taxation in the UK. The major causes of this difference are listed below:

	2020 £'000	2019 £'000
The provision has been calculated as follows:		
Profit for the year	85	433
Tax on profits at 19% (2019: 19%)	16	82
Permanent differences	(2)	(2)
Group relief claimed for nil consideration	(14)	(80)
Tax charge for the year	-	-

The Group has not recognised deferred tax assets as there are no deductible temporary differences (2019: £nil).

3 AMOUNTS OWED BY GROUP UNDERTAKINGS

	2020 £'000	2019 £'000
Other Group companies (Note 6)	107,497	107,412

In accordance with the requirements of NZ IFRS 7, the Company has only one classification of financial assets which is financial assets carried at amortised cost. Amounts owed by Group undertakings are the only item included in this classification and are unsecured, interest bearing and repayable on demand. The interest rate is based on LIBOR. The Company has amounts receivable from fellow Group subsidiaries where the variable interest rate is based on a recognised benchmark rate which is due to be reformed and replaced in the near future. For example, the London InterBank Interest Rate ("LIBOR") is unlikely to be offered after the end of 2021. The receivable is subject to standard lending agreements within the Group which are scheduled to be revised during 2021 to take account of global benchmark interest rate reform. The interest rate to be applied in future will be in accordance with the changes to the Group's intercompany lending agreements, and the Company will apply the relevant Amendments to IFRS 9 Financial Instruments at that time. The Company does not believe that it would be materially adversely affected by these changes.



New Zealand (UK Finance) Limited

Notes to the Financial Statements For the year ended 31 December 2020

4 SHARE CAPITAL

	2020 £'000	2019 £'000
Issued and paid in capital:		
1,400,000 (2019: 1,400,000) Ordinary shares of NZD 2.00 each	795	795
513,661 (2019: 513,661) Non-participating Preference shares of NZD 2.00 each	<u>292</u>	<u>292</u>
	<u>1,087</u>	<u>1,087</u>

The share capital is denominated in New Zealand dollars.

The Non-participating Preference shares shall rank on liquidation as to the amount of capital paid up or credited as paid up on them respectively in priority to the Ordinary shares, but shall not confer any further or other right to participate in the profits or assets of the Company in liquidation or otherwise. The Non-participating Preference shares do not confer on the holders the right to receive notices of or attend or vote either in person or by proxy or representative at any general meeting of the Company except at a separate general meeting of the holders of Non-participating Preference shares.

5 RETAINED EARNINGS

	2020 £'000	2019 £'000
Balance as at 1 January	106,325	105,892
Profit for the year	<u>85</u>	<u>433</u>
Balance as at 31 December	<u>106,410</u>	<u>106,325</u>

6 RELATED PARTY TRANSACTIONS

Included within the amounts owing by Group undertakings is an amount of £107,497,000 (2019: £107,412,000) deposited with B.A.T. International Finance p.l.c. This generated the interest income set out in note 1.

Term	Repayable on demand
Interest rate	0.079% (2019: 0.400%)

7 CONTINGENT LIABILITIES

There are no material contingent liabilities at the reporting date (2019: £nil).

8 EVENTS OCCURRING AFTER BALANCE SHEET DATE

There have been no significant events after the reporting date which has not been adjusted for in these financial statements (2019: £nil).

