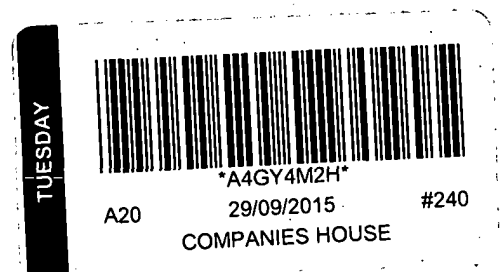


**COMPANY REGISTRATION NUMBER 00155256**

**CADBURY UK LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**TO 31 DECEMBER 2014**



**CADBURY UK LIMITED**  
**FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2014**

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**CADBURY UK LIMITED**  
**STRATEGIC REPORT**  
**YEAR ENDED 31 DECEMBER 2014**

The directors have pleasure in presenting their strategic report for the year ended 31 December 2014.

**Principal activities and business review**

The principle activity of the company during the year was that of a trademark owner. The company receives royalty income and incurs research and development costs, relating to these trademarks, from fellow Mondelez group subsidiaries. The company is also an employer of production employees and makes a recharge for their services to Mondelez UK Confectionery Production Limited.

Due to the straightforward nature of the business the company's directors are of the opinion that a detailed analysis using additional Key Performance Indicators is not necessary for an understanding of the development, performance or position of the business.

**Results and dividends**

The profit for the financial year, after taxation, amounted to £96,460,000 (2013 - £83,683,000).

The net assets of the company increased to £282,603,000 (2013 - £186,143,000).

The directors do not recommend a dividend to be paid (2013 - £592,395,000). Particulars of these dividends are detailed in note 9 to the financial statements.

The 2014 profit includes an exceptional item within operating profit that is the rebill of one off historical costs, and is not expected to be repeated in future financial statements.

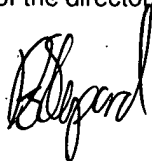
**Principal risks and uncertainties**

As the company provides services to Mondelez UK Confectionery Production Limited and ultimately Mondelez Europe GmbH it has limited exposure to price risk, credit risk, liquidity risk and cash flow risk. These are not considered to be material for the assessment of the assets, liabilities and financial position of the company.

As a subsidiary of the Mondelez International Inc. the directors also consider the business risk and uncertainties to be minimal and are further detailed in the financial statements of the ultimate parent company, which are publicly available.

Signed on behalf of the directors

D J Shepard  
Director



Approved by the directors on 23 September 2015

# **CADBURY UK LIMITED**

## **DIRECTORS' REPORT**

**YEAR ENDED 31 DECEMBER 2014**

The directors have pleasure in presenting their annual report and the audited financial statements of the company for the year ended 31 December 2014.

### **Dividends**

Particulars of dividends are detailed in the strategic report.

### **Future outlook**

The directors expect the business to continue in line with the current year.

### **Financial Risk Management**

Particulars of risk are detailed in the strategic report.

### **Directors**

The directors who served the company during the year and to the date of the financial statements being approved unless otherwise stated were as follows:

C Daw  
D Harding-Smith  
D J Shepard

D J Shepard was appointed as a director on 3 July 2014.

C Daw resigned as a director on 31 January 2014.

### **Qualifying indemnity provisions**

Qualifying third party indemnity provisions and pension scheme indemnity provisions are in force for the company's directors as of the date of this report and were in force for the duration of 2014.

### **Statement of directors' responsibilities**

The directors are responsible for preparing the strategic report, directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that year.

In preparing these financial statements, the directors are required to:

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

# **CADBURY UK LIMITED**

## **DIRECTORS' REPORT** *(continued)*

**YEAR ENDED 31 DECEMBER 2014**

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.

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

Each of the persons who is a director at the date of approval of this report confirm that:

- so far as each director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- each director has taken all 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 auditors are aware of that information.

### **Disabled employees**

The company gives full consideration to applications for employment from disabled persons where the requirements of the job can be adequately fulfilled by a handicapped or disabled person. Where existing employees become disabled, it is the company's policy wherever practicable to provide continuing employment under normal terms and conditions and to provide training and career development and promotion to disabled employees wherever appropriate.

### **Employee policies and involvement**

It is the company's policy to ensure that no employee or job applicant is treated less favourably than another on the grounds of religion, sexual orientation, disability, race, creed, colour, nationality, ethnic or national origins, sex or marital status.

The company recognises the need to create and support a flexible working environment incorporating, where possible, family friendly policies.

The company believes in and supports the development of a working environment which encourages employee involvement in the business. Information about the company and its business is provided to all employees on matters likely to be of concern to them in team briefings, a company newsletter, an annual report and by other communications. Trade Union representatives and other employee groups regularly receive information about the business.

There are formal agreements with Trade Unions regarding consultation, discussion and negotiation. Joint consultative committees discuss safety and pension matters. Ad hoc consultative working parties consider particular issues.

Employee involvement in the company's performance is encouraged through an employee bonus scheme.

# **CADBURY UK LIMITED**

## **DIRECTORS' REPORT** *(continued)*

**YEAR ENDED 31 DECEMBER 2014**

### **Independent auditors**

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

Signed on behalf of the directors

D J Shepard  
Director



Approved by the directors on 23 September 2015

# **CADBURY UK LIMITED**

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CADBURY UK LIMITED**

**YEAR ENDED 31 DECEMBER 2014**

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

#### **Our opinion**

In our opinion, Cadbury UK Limited's financial statements ("the financial statements"):

- give a true and fair view of the state of the company's affairs as at 31 December 2014 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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

The financial statements comprise:

- the balance sheet as at 31 December 2014;
- the profit and loss account for the year then ended;
- the note of historical cost profits and losses; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

#### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion, the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

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

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

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

#### **Directors' remuneration**

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

# **CADBURY UK LIMITED**

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CADBURY UK LIMITED (continued)**

**YEAR ENDED 31 DECEMBER 2014**

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

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

As explained more fully in the statement of directors' responsibilities set out on pages 2 to 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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

We conducted our audit in accordance with ISAs (UK and Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the directors; and
- the overall presentation of the financial statements.

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

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




# **CADBURY UK LIMITED**

## **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF CADBURY UK LIMITED (continued)**

**YEAR ENDED 31 DECEMBER 2014**

In addition, we read all the financial and non-financial information in the annual report and financial statements to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

  
Phil Harrold (Senior Statutory Auditor)  
For and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants & Statutory Auditors  
Birmingham

..... 25 September 2015

**CADBURY UK LIMITED**  
**PROFIT AND LOSS ACCOUNT**  
**YEAR ENDED 31 DECEMBER 2014**

		Year ended 31 Dec 14	Period from 30 Dec 12 to 31 Dec 13
	Note	£000	£000
<b>Turnover</b>	<b>2</b>	<b>143,452</b>	<b>153,438</b>
Cost of sales		(35,173)	(63,409)
<b>Gross profit</b>		<b>108,279</b>	<b>90,029</b>
Administrative expenses		(30,806)	(41,970)
Other operating income	<b>3</b>	<b>21,351</b>	<b>33,194</b>
<b>Operating profit</b>	<b>4</b>	<b>98,824</b>	<b>81,253</b>
Attributable to:			
Operating profit before exceptional items		<b>81,890</b>	<b>81,253</b>
Exceptional items	<b>4</b>	<b>16,934</b>	<b>—</b>
		<b>98,824</b>	<b>81,253</b>
Interest receivable and similar income	<b>6</b>	<b>455</b>	<b>5,633</b>
Interest payable and similar charges	<b>7</b>	<b>(1)</b>	<b>(102)</b>
<b>Profit on ordinary activities before taxation</b>		<b>99,278</b>	<b>86,784</b>
Tax on profit on ordinary activities	<b>8</b>	<b>(2,818)</b>	<b>(3,101)</b>
<b>Profit for the financial year</b>		<b>96,460</b>	<b>83,683</b>

All of the activities of the company are classed as continuing.

The company has no recognised gains or losses other than the results for the year as set out above.

The notes on pages 11 to 21 form part of these financial statements.

# CADBURY UK LIMITED

## NOTE OF HISTORICAL COST PROFITS AND LOSSES

YEAR ENDED 31 DECEMBER 2014

	Year ended 31 Dec 14	Period from 30 Dec 12 to 31 Dec 13
	£000	£000
Reported profit on ordinary activities before taxation	99,278	86,784
Realisation of gains recognised in previous periods	(1,037)	(249)
Historical cost profit on ordinary activities before taxation	<u>98,241</u>	<u>86,535</u>
Historical cost profit for the year after taxation	<u>95,423</u>	<u>83,434</u>

The notes on pages 11 to 21 form part of these financial statements.

# CADBURY UK LIMITED

## BALANCE SHEET

31 DECEMBER 2014

	Note	2014 £000	2013 £000
<b>Fixed assets</b>			
Intangible assets	10	7,240	7,679
Tangible assets	11	131	135
Investments	12	31,049	31,049
		<u>38,420</u>	<u>38,863</u>
<b>Current assets</b>			
Debtors	13	292,606	193,287
Cash at bank and in hand		—	3
		<u>292,606</u>	<u>193,290</u>
<b>Creditors: Amounts falling due within one year</b>	14	<u>(45,235)</u>	<u>(42,922)</u>
<b>Net current assets</b>		247,371	150,368
<b>Total assets less current liabilities</b>		<u>285,791</u>	<u>189,231</u>
<b>Provisions for liabilities</b>			
Other provisions	15	<u>(3,188)</u>	<u>(3,088)</u>
<b>Net assets</b>		<u>282,603</u>	<u>186,143</u>
<b>Capital and reserves</b>			
Called up share capital	17	49,675	49,675
Revaluation reserve	18	5,422	6,459
Profit and loss account	18	227,506	130,009
<b>Total shareholders' funds</b>	18	<u>282,603</u>	<u>186,143</u>

These financial statements were approved by the directors and authorised for issue on 23 September 2015 and are signed on their behalf by:

D J Shepard

Director



Company Registration Number: 00155256

The notes on pages 11 to 21 form part of these financial statements.

# **CADBURY UK LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2014**

### **1. Accounting policies**

#### **Basis of accounting**

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of certain fixed assets and in accordance with applicable UK accounting standards.

The financial statements are also prepared on the going concern basis and in accordance with the Companies Act 2006. The principal accounting policies which have been applied consistently throughout the year are set out below.

The 2013 "Financial Year" is represented by the period from 30 December 2012 to 31 December 2013.

#### **Consolidation**

The company was, at the end of the year, a wholly-owned subsidiary of Mondelez International Inc., a company incorporated outside the EEA and in accordance with Section 401 of the Companies Act 2006, is not required to produce, and has not published, consolidated financial statements.

#### **Cash flow statement**

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from including a cash flow statement in the financial statements on the grounds that the company is wholly owned and its ultimate parent, Mondelez International Inc., publishes a consolidated cash flow statement.

#### **Related parties transactions**

The company is a wholly owned subsidiary of Mondelez International Inc., the consolidated financial statements of which are publicly available. Accordingly, the company has taken advantage of the exemption in FRS 8 from disclosing transactions with members of the Mondelez group.

#### **Turnover**

The turnover shown in the profit and loss account represents amounts invoiced and accrued during the year.

#### **Other Operating Income**

Other operating income comprises amounts invoiced to Mondelez Europe GmbH. Income is recognised at the date of invoice.

#### **Intangible assets**

Purchased Intellectual Property is capitalised in the year in which it arises and amortised over its useful economic life.

#### **Amortisation**

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Intellectual Property                      -    20 years

# CADBURY UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2014

### 1. Accounting policies *(continued)*

#### **Tangible fixed assets**

Tangible fixed assets are stated at historic cost less accumulated depreciation except for certain assets which have been revalued as outlined within the revaluation reserve accounting policy on page 12. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use.

#### **Depreciation**

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful economic life of that asset as follows:

Freehold Property	- 40 years
Plant & Machinery	- 3 - 20 years

Capital work in progress and freehold land are not depreciated.

An amount equal to the excess of the annual depreciation charge on revalued assets over the notional historical cost depreciation charge on those assets is transferred annually from the revaluation reserve to the profit and loss reserve.

#### **Impairment**

The company carries out an impairment review of its intangible and tangible assets when a change in circumstances or situation indicates that those assets may have suffered an impairment loss. Impairment is measured by comparing the carrying amount of the asset with the recoverable amount of the associated income generating unit on a value-in-use basis. Value-in-use is calculated by discounting the expected future cash flows.

#### **Operating lease agreements**

Rentals applicable to operating leases where substantially all of the benefits and risks of ownership remain with the lessor are charged against profits on a straight line basis over the period of the lease.

#### **Pension costs**

The company is a participating employer in the Cadbury Pension Fund, a group operated defined benefit scheme for the benefit of the majority of its employees. The assets of the scheme are held separately from those of the company in an independently administered fund. As the company is not able to separately identify its share of the assets and liabilities of the Group scheme it accounts for contributions as if they were to a defined contribution pension scheme. Contributions to the scheme are charged to the profit and loss account in the financial year to which they relate.

#### **Provisions for liabilities**

Provisions are recognised where there is a legal or constructive obligation to transfer economic benefits as a result of a past event. The effect of the time value of money on the provisions are not discounted unless material.

# **CADBURY UK LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2014**

### **1. Accounting policies *(continued)***

#### **Foreign currencies**

Transactions denominated in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange gains and losses on settled transactions are reported in the profit and loss account. Monetary assets and liabilities in foreign currencies have been expressed in sterling at the rates ruling at the end of the period, except when covered by an open foreign exchange contract in which case the rate of exchange specified in the contract is used, and any gains or losses reported in the profit and loss account.

#### **Financial instruments**

The company has no derivative financial instruments. Financial assets and liabilities are measured at historical cost.

#### **Investment in subsidiary undertakings**

Investments in subsidiary undertakings are recorded at cost plus incidental expenses less any provision for impairment. Impairment reviews are performed by the directors when there has been an indication of potential impairment.

#### **Dividends**

Dividends are recognised as a liability in the year in which they are approved or committed.

#### **Revaluation reserve**

The company adopted the transitional arrangements in FRS 15 'Tangible fixed assets' in 1999, and retained the book values of certain freehold properties that were revalued prior to implementation of that standard. Where an asset that was previously revalued is disposed of, its book value is eliminated and an appropriate transfer made from the revaluation reserve to the profit and loss reserve.

#### **Taxation**

Current tax for the current and prior periods is provided at the amount expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or a right to pay less or to receive more tax, with the following exceptions:

(i) Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold.

(ii) Deferred tax assets are recognised only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

# CADBURY UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2014

### 1. Accounting policies *(continued)*

#### Taxation (continued)

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

### 2. Turnover

All revenue arises from inter-company transactions within the Mondelez Inc. Group. The turnover for the financial year comprises royalty income of £84,169,000 (2013 - £90,189,000) and recharges made for the provision of employment services of £59,283,000 (2013 - £63,249,000).

### 3. Other operating income

	Year ended 31 Dec 14 £000	Period from 30 Dec 12 to 31 Dec 13 £000
Other operating income	<u>21,351</u>	<u>33,194</u>

### 4. Operating profit

Operating profit is stated after charging/(crediting):

	Year ended 31 Dec 14 £000	Period from 30 Dec 12 to 31 Dec 13 £000
Directors' remuneration	—	—
Amortisation of intangible assets	439	439
Depreciation of owned fixed assets	4	6
Services provided by the company's auditors:		
- Fees payable for the audit	—	—
Exceptional items - historical costs	<u>(16,934)</u>	<u>—</u>

The exceptional item that has arisen within operating profit is the rebill to another Group company of one off historical costs, which is not expected to be repeated in future sets of financial statements.

Operating lease costs include annual property lease charges of £5,433,000 (2013 - £5,413,000) that are recharged to other group companies.

The directors did not receive any emoluments for their services as directors of the company during the year (2013 - £Nil). The directors were remunerated by other Group companies and no recharges were made. It is not possible to apportion the proportion of the directors' work that was done for the company.



# CADBURY UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2014

### 4. Operating profit *(continued)*

Audit fees for the company are borne on behalf of the UK group by a fellow subsidiary undertaking and not recharged to the company. An estimated allocation of the audit fee for the year is £33,000 (2013 - £40,000) and includes audit related services in relation to reporting to the entity's ultimate parent company.

### 5. Particulars of employees

The average number of staff employed by the company during the financial year amounted to:

	Year ended 31 Dec 14	Period from 30 Dec 12 to 31 Dec 13
	No	No
Number of production staff	<u>1,115</u>	<u>1,206</u>

The aggregate payroll costs of the above were:

	Year ended 31 Dec 14	Period from 30 Dec 12 to 31 Dec 13
	£000	£000
Wages and salaries	49,105	49,008
Social security costs	3,925	4,133
Other pension costs	<u>10,976</u>	<u>10,472</u>
	<u>64,006</u>	<u>63,613</u>

Other pension costs comprise contributions by the company to the Cadbury Pension Fund, a Group operated defined benefit scheme of which Mondelez UK Holdings & Services Limited (formerly Cadbury Holdings Limited) is the sponsoring employer. With respect to the defined benefit scheme the contributions they receive are based upon the pension cost of the schemes members across the Mondelez Group of companies as a whole. Due to the impact of historic group restructuring and transfers of pension scheme members between Group companies, the company is unable to separately identify its share of the underlying assets and liabilities of the scheme on either a consistent or reasonable basis therefore accounts for the scheme as a defined contribution plan.

### Cadbury Pension Fund

The latest full actuarial valuation of the pension fund was carried out as at 1 April 2013 using the projected unit credit method.

At 31 December 2014 the company actuary estimated the Cadbury Pension Fund had a deficit of £393,900,000 (2013 - £249,900,000) under the projected unit credit method.

### Defined Contribution Scheme

The company contributes to a defined contribution pension scheme and other pension arrangements. The cost to the company in relation to the defined contribution scheme was £280,361 (2013 - £201,849). There were no outstanding or prepaid contributions at the balance sheet date (2013 - £Nil).

# CADBURY UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2014

### 6. Interest receivable and similar income

	Year ended 31 Dec 14	Period from 30 Dec 12 to 31 Dec 13
	£000	£000
Interest on loans to group undertakings	<u>455</u>	<u>5,633</u>

### 7. Interest payable and similar charges

	Year ended 31 Dec 14	Period from 30 Dec 12 to 31 Dec 13
	£000	£000
Interest payable on bank borrowing	1	3
Interest on loans from group undertakings	<u>-</u>	<u>99</u>
	<u>1</u>	<u>102</u>

### 8. Tax on (loss)/profit on ordinary activities

#### (a) Analysis of charge in the year

	Year ended 31 Dec 14	Period from 30 Dec 12 to 31 Dec 13
	£000	£000
<b>Current tax:</b>		
<b>UK Taxation</b>		
Current year UK Corporation tax	2,818	3,101
Double taxation relief	(2,818)	(3,101)
<b>Foreign tax</b>		
Current tax on income for the year	<u>2,818</u>	<u>3,101</u>
Total current tax	<u>2,818</u>	<u>3,101</u>

#### (b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is lower (2013 - lower) than the standard rate of corporation tax in the UK of 21.50% (2013 - 23.25%).

	Year ended 31 Dec 14	Period from 30 Dec 12 to 31 Dec 13
	£000	£000
Profit on ordinary activities before taxation	<u>99,278</u>	<u>86,784</u>
Profit on ordinary activities multiplied by standard rate of tax	21,345	20,177
Expenses not deductible for tax purposes	95	103
Depreciation for period in excess of capital allowances	-	1
Group relief not paid for	(18,622)	(17,180)
Total current tax (note 8(a))	<u>2,818</u>	<u>3,101</u>

**CADBURY UK LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2014**

**8. Tax on (loss)/profit on ordinary activities (continued)**

**(c) Factors that may affect future tax charges**

The company has unrecognised deferred taxation (assets) as follows:

	Year ended 31 Dec 14 £000	Period from 30 Dec 12 to 31 Dec 13 £000
Not provided for in financial statements:		
Accelerated capital allowances	<u>(2)</u>	<u>(1)</u>

On 17 July 2013, The Finance Act 2013 was enacted and reduced the rate of UK Corporation tax from 23% to 21% with effect from 1 April 2014 along with a further reduction to 20% with effect from 1 April 2015.

At 31 December 2013 and 2014 assets (measured at the substantially enacted rate at the balance sheet date of 20%) were not recognised as there was no expectation of reversal in the foreseeable future due to the availability of Group tax losses.

Changes to the UK corporation tax rates were announced in the Chancellor's Budget on 8 July 2015. These include reductions to the main rate to reduce the rate to 19% from 1 April 2017 and to 18% from 1 April 2020. As the changes had not been substantively enacted at the balance sheet date their effects are not included in these financial statements.

**9. Dividends**

**Equity dividends**

	Year ended 31 Dec 14 £000	Period from 30 Dec 12 to 31 Dec 13 £000
Paid during the year:		
Distribution of receivable	—	461,395
Dividends paid to parent company	<u>—</u>	<u>131,000</u>
	<u>—</u>	<u>592,395</u>

**CADBURY UK LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**YEAR ENDED 31 DECEMBER 2014**

**10. Intangible fixed assets**

**Intellectual Property**

	<b>£000</b>
<b>Cost</b>	
At 1 January 2014 and 31 December 2014	<u><b>8,776</b></u>
<b>Amortisation</b>	
At 1 January 2014	<b>1,097</b>
Charge for the year	<u><b>439</b></u>
<b>At 31 December 2014</b>	<u><b>1,536</b></u>
<b>Net book value</b>	
At 31 December 2014	<u><b>7,240</b></u>
At 31 December 2013	<u><b>7,679</b></u>

**11. Tangible fixed assets**

	<b>Freehold Property £000</b>	<b>Plant &amp; Machinery £000</b>	<b>Total £000</b>
<b>Cost or valuation</b>			
At 1 January 2014 and 31 December 2014	<u><b>108</b></u>	<u><b>40</b></u>	<u><b>148</b></u>
<b>Depreciation</b>			
At 1 January 2014	<b>7</b>	<b>6</b>	<b>13</b>
Charge for the year	<u><b>2</b></u>	<u><b>2</b></u>	<u><b>4</b></u>
<b>At 31 December 2014</b>	<u><b>9</b></u>	<u><b>8</b></u>	<u><b>17</b></u>
<b>Net book value</b>			
At 31 December 2014	<u><b>99</b></u>	<u><b>32</b></u>	<u><b>131</b></u>
At 31 December 2013	<u><b>101</b></u>	<u><b>34</b></u>	<u><b>135</b></u>

**12. Investments**

	<b>Total</b>
	<b>£000</b>
<b>Cost</b>	
At 1 January 2014 and 31 December 2014	<u><b>31,049</b></u>
<b>At 31 December 2014 and 31 December 2013</b>	<u><b>31,049</b></u>

# CADBURY UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2014

### 12. Investments (continued)

The company's investment represents its interest in the following entities:

	Country of incorporation	Principal activity	Holding
Cadbury International Limited	UK	Cocoa operations	100%
LCH.Clearnet Group Limited*	UK	Clearing house	0.01%
The Cocoa Research Association Limited	UK	Support of cocoa research projects	8.33%
The Ghana Cocoa Growing Research Association Limited	UK	Support of cocoa research projects	11.11%

The directors believe that the carrying value of the investment in Cadbury International Limited is supported by its underlying net assets. The carrying value of the remaining investments is £Nil (2013 - £Nil).

\* denotes these are indirect holdings

### 13. Debtors

	2014 £000	2013 £000
Trade debtors	331	289
Amounts owed by Group undertakings	289,563	180,470
Other debtors	2,175	2,195
Prepayments and accrued income	537	10,333
	<u>292,606</u>	<u>193,287</u>

Amounts owed by Group undertakings include non-trading balances which are unsecured, earn interest at the London Mean Rate less 0.25% and are repayable on demand.

### 14. Creditors: Amounts falling due within one year

	2014 £000	2013 £000
Trade creditors	24	46
Amounts owed to Group undertakings	6,942	14,146
Other taxation and social security	1,102	925
Other creditors	95	1,088
Accruals and deferred income	37,072	26,717
	<u>45,235</u>	<u>42,922</u>

Amounts owed to Group undertakings include non-trading balances which are unsecured, incur interest at the London Mean Rate plus 0.25% and are repayable on demand.

# CADBURY UK LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2014

### 15. Other provisions

	Other provisions £000
Balance brought forward	3,088
Profit and Loss Account movement arising during the year	100
Balance carried forward current year	<u>3,188</u>

Other provisions relate to the costs of the European integration in respect of the company's on-going focus on establishing and maintaining operating efficiency.

### 16. Commitments under operating leases

At 31 December 2014 the company had annual commitments under non-cancellable operating leases as set out below.

	Land and buildings	
	2014 £000	2013 £000
Operating leases which expire:		
Within 2 to 5 years	4,188	4,188
After more than 5 years	<u>1,245</u>	<u>1,225</u>
	<u>5,433</u>	<u>5,413</u>

### 17. Share capital

Allotted, called up and fully paid:

	2014		2013	
	No	£000	No	£000
Ordinary shares of £1 each	<u>49,675,000</u>	<u>49,675</u>	<u>49,675,000</u>	<u>49,675</u>

### 18. Reconciliation of shareholders' funds and movement on reserves

	Called up share capital £000	Revaluation reserve £000	Profit and loss account £000	Total shareholders' funds £000
Balance brought forward	49,675	6,459	130,009	186,143
Profit for the financial year	—	—	96,460	96,460
Other movements				
Transfer to/from revaluation reserve	<u>—</u>	<u>(1,037)</u>	<u>1,037</u>	<u>—</u>
Balance carried forward	<u>49,675</u>	<u>5,422</u>	<u>227,506</u>	<u>282,603</u>

# **CADBURY UK LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2014**

### **18. Reconciliation of shareholders' funds and movement on reserves (continued)**

Following a previous acquisition of Cadbury by Kraft the accounting policy in respect of depreciating tangible fixed assets was revised to a maximum useful economic life for properties of 40 years.

In 1999 the company implemented FRS 15 "Tangible Fixed Assets" and therefore retained a revaluation reserve arising from the previous valuation policy adopted.

As a result of the change of the estimated useful life of properties held within the Mondelez Group of companies the annual transfer of the revaluation reserve has been accelerated and an adjustment made between the revaluation reserve and the profit and loss reserve to reflect amounts realised.

### **19. Ultimate parent company**

At 31 December 2014 the immediate parent company was Kraft Foods UK IP & Production Holdings Limited.

At 31 December 2014 the company's ultimate parent company and controlling party was Mondelez International Inc., incorporated in the United States of America. This is the parent company of the smallest and largest Group to consolidate these financial statements. Copies of the consolidated financial statements of Mondelez International Inc. are available on application from the company Secretary, Cadbury House, Sanderson Road, Uxbridge, UB8 1DH.