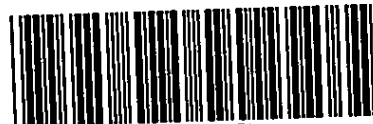


Diageo DV Limited
(formerly Diageo CL3 Limited)
Financial statements
30 June 2013

Registered number 14172



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Profit and loss account

	<i>Notes</i>	Year ended 30 June 2013 £'000	Year ended 30 June 2012 £'000
Operating income	2	-	95
Operating profit		-	95
Profit on ordinary activities before taxation		-	95
Taxation on profit on ordinary activities		-	-
Profit for the financial year		-	95

The accounting policies and other notes on pages 3 to 6 form part of the financial statements

There are no recognised gains and losses other than the result for the year and consequently a statement of total recognised gains and losses has not been presented as part of the financial statements

There is no difference between the results for the years shown in the profit and loss account and the results for the relevant years restated on an historical cost basis

All results arise from continuing operations

Balance sheet

	<i>Notes</i>	30 June 2013		30 June 2012	
		£'000	£'000	£'000	£'000
Fixed assets					
Investments	4		1,057		1,057
Current asset					
Debtors due within one year	5	122,724		122,724	
Creditors due within one year	6	(1,057)		(1,057)	
Net current assets			121,667		121,667
Net assets			122,724		122,724
Capital and reserves					
Called up share capital	7		15,139		15,139
Share premium account		772		772	
Other reserves		2,937		2,937	
Profit and loss account		103,876		103,876	
			107,585		107,585
Shareholders' funds	8		122,724		122,724

The notes on pages 3 to 6 form part of the financial statements

The company did not trade during the financial year or the preceding financial year. As disclosed in the post balance sheet event note the company will be an investment holding company starting from 5 August 2013.

The directors

- (a) confirm that the company was entitled to exemption under subsection (1) of section 480 of the Companies Act 2006 from the requirement to have its accounts audited for the financial year ended 30 June 2013,
- (b) confirm that members have not required the company to obtain an audit of its accounts for that financial year in accordance with section 476 of that Act,
- (c) acknowledge their responsibilities for
 - (i) ensuring that the company keeps accounting records which comply with section 386 of the Companies Act 2006 and,
 - (ii) preparing accounts which give a true and fair view of the state of the affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of sections 394 and 396 of that Act, and which otherwise comply with the requirements of that Act relating to accounts, so far as applicable to the company

These financial statements on pages 1 to 6 were approved by the board of directors on 27 February 2014 and were signed on its behalf by


N Mákos
Director

Notes to the financial statements

1. Accounting policies

The following accounting policies have been applied consistently in dealing with items that are considered material in relation to the company's financial statements

Basis of preparation

The financial statements are prepared on a going concern basis under the historical cost convention and in accordance with applicable UK accounting standards

The company is a wholly owned subsidiary of Diageo plc and is included in the consolidated financial statements of Diageo plc which are publicly available. Consequently the company has taken advantage of the exemption from preparing a cash flow statement under the terms of Financial Reporting Standard No 1 (Revised 1996)

The company is exempt under the terms of Financial Reporting Standard No 8 from disclosing related party transactions (but not balances) with entities that are wholly owned by a member of the Diageo plc group ("group undertakings")

The company is exempt from the requirement to prepare consolidated accounts under section 400 of the Companies Act 2006 as its results are included in the published consolidated financial statements of Diageo plc. These financial statements present information about the company as an individual undertaking and not about its group

Fixed asset investments

Investments are stated individually at cost less, where appropriate, provision for impairment in value where such impairment is expected by the directors to be permanent. Income from fixed asset investments is credited to the profit and loss account when it is approved by the paying company

Taxation

Current tax, including UK corporation tax and overseas tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted at the balance sheet date. Except as otherwise required by FRS 19, deferred tax is provided in full on 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 tax, or a right to pay less tax, in the future. 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. Any interest or penalties on tax liabilities are provided in the tax charge

2. Operating income

In the year ended 30 June 2012, the company recognised £95,000 gain in respect of the write back of an amount owed to East Walls (1997), a fellow group undertaking, which was liquidated on 11 February 2012

None of the directors received any remuneration during the financial year in respect of their services as directors of the company (2012 - £nil)

Notes to the financial statements (continued)

3. Taxation

	Year ended 30 June 2013 £'000	Year ended 30 June 2012 £'000
Factors affecting current tax charge for the year		
Profit on ordinary activities before taxation	-	95
Taxation on profit on ordinary activities at UK corporation tax rate of 23.75% (2012 - 25.5%)	-	(24)
Income not taxable for tax purposes	-	-
Group relief received for nil consideration	-	24
Current ordinary tax charge for the year	-	-

The company has £63,531,496 capital losses carried forward (2012 - £63,531,496). The company has not recognised these losses as their recoverability is uncertain.

4. Fixed assets - investments

	Subsidiary undertakings £'000
Cost	
At 30 June 2012 and 30 June 2013	114,290
Provisions	
At 30 June 2012 and 30 June 2013	(113,233)
Net book value	
At 30 June 2012 and 30 June 2013	1,057

The subsidiary undertaking of the company and the percentage of equity owned are as follows:

Direct holding:

Subsidiary undertaking	Principal activity	Percentage held	Class of shares held
PSP (Sales and Distribution) Limited	Non-trading	100%	Ordinary shares of 10p each

The subsidiary undertaking is incorporated in the United Kingdom.

The investment in subsidiary undertaking is held at cost less, where appropriate, provision for impairment in value.

In the opinion of the directors, the investment in the company's subsidiary undertaking is worth at least the amount at which it is stated in the financial statements.

Notes to the financial statements (continued)

5. Debtors: due within one year

	30 June 2013	30 June 2012
	£'000	£'000
Amounts owed by fellow group undertakings		
Grandmet Foods (UK) Limited	117,355	117,355
Grand Metropolitan Limited	5,369	5,369
	<u>122,724</u>	<u>122,724</u>

Amounts owed by group undertakings are unsecured, interest free and repayable on demand

6. Creditors: due within one year

	30 June 2013	30 June 2012
	£'000	£'000
Amounts owed to fellow group undertakings		
PSP (Sales and Distribution) Limited	1,057	1,057
	<u>1,057</u>	<u>1,057</u>

Amounts due to group undertakings are unsecured, interest free and repayable on demand

7. Share capital

	30 June 2013	30 June 2012
	£'000	£'000
<i>Allotted, called up and fully paid:</i>		
15,139,256 ordinary shares of £1 each	15,139	15,139
	<u>15,139</u>	<u>15,139</u>

8. Reconciliation of movement in shareholders' funds

	30 June 2013	30 June 2012
	£'000	£'000
Profit for the financial year	-	95
	<u>-</u>	<u>95</u>
Net addition to shareholders' funds	-	95
Shareholders' funds at the beginning of the year	122,724	122,629
	<u>122,724</u>	<u>122,724</u>
Shareholders' funds at the end of the year	122,724	122,724

Notes to the financial statements (continued)

9. Post balance sheet events

On 5 August 2013, Diageo has entered into an agreement with Independents United to launch an incubator programme to invest in and mentor entrepreneurs developing premium spirits brands. Independents United, trading as Distill Ventures LLP, will manage the programme and discover potential business opportunities for Diageo DV Limited to invest in.

On 5 November 2013, the name of the company was changed from Diageo CL3 Limited to Diageo DV Limited as a result of the project.

10. Immediate and ultimate parent undertaking

The immediate parent undertaking of the company is Grand Metropolitan Limited, a company incorporated and registered in England.

The ultimate parent undertaking of the company is Diageo plc, a company incorporated and registered in England. The consolidated financial statements of Diageo plc can be obtained from the registered office at Lakeside Drive, Park Royal, London, NW10 7HQ.