

Confidential

Diageo Pension Trust Limited

**Directors' report and financial
statements**

31 March 2014

Registered number 1024205



Confidential

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Officers and professional advisers

Directors

G Williams (resigned 4 March 2014)
M Van Buuren (resigned 5 August 2014)
C D Coase
M J Hatchman (appointed 5 August 2014)
D Heginbottom
C D Isaacs
C B James
D Light
J McGhee
E Murtagh (resigned 29 April 2014)
E G Paxton
S Rolston (appointed 5 August 2014)
I C Shaw
C S Wehrle

G Williams was Chairman of the board of directors until he retired on 4 March 2014 with C D Coase appointed to succeed him as Chairman.

Secretary

JJ Nicholls

Registered office

Diageo plc
Lakeside Drive
Park Royal
London NW10 7HQ

Auditors

KPMG LLP
Chartered Accountants
Saltire Court
20 Castle Terrace
Edinburgh
EH1 2EG

Directors' report

The directors present their annual report and audited financial statements for the year ended 31 March 2014.

Principal activities

The company is the corporate trustee of the Diageo Pension Scheme, the Diageo Lifestyle Plan and of the Grand Metropolitan COMP Scheme.

Business review

No transactions resulting in a profit or loss have been entered into during the year.

Directors and directors' interests

The names of the current directors and those who served during the year are set out on page 1.

The chairman holds 13 'A' Ordinary shares with the other directors each holding 7 'A' Ordinary shares.

Audited information

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 auditors are unaware; and each director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Auditors

Under Section 487(2) of the Companies Act 2006, the auditors are deemed to be re-appointed. Our auditor, KPMG LLP is willing to continue in office and will be deemed to be re-appointed on the expiry of its term in office in respect of the year ended 31 March 2014.

By order of the board



JJ Nicholls
Secretary

Diageo plc
Lakeside Drive
Park Royal
London NW10 7HQ

Date: 5/8/14

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.

Independent auditor's report to the members of Diageo Pension Trust Limited

We have audited the financial statements of Diageo Pension Trust Limited for the year ended 31 March 2014 set out on pages 6 and 7. 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 auditors' 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 auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 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). Those standards require us to comply with the Auditing Practices Board'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 website at www.frc.org.uk/auditscopeukprivate.

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 31 March 2014 and of its result for the year 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 matter 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 Diageo Pension Trust 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, 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; or
- the directors were not entitled to take advantage of the smaller companies exemption from the requirement to prepare a strategic report.



Catherine Burnet (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants
Saltire Court
20 Castle Terrace
Edinburgh
EH1 2EG

8/8/14

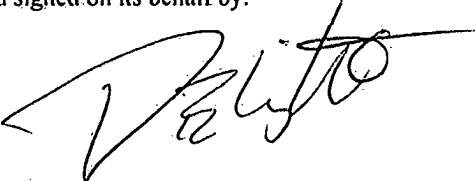
Profit and loss account
for the year to 31 March 2014

During the financial year and the preceding financial year the company did not trade and received no income and incurred no expenditure. Consequently, during those years the company made neither a profit nor a loss.

Balance sheet
at 31 March 2014

	Note	2014 £	2013 £
Assets			
Debtors		200	200
		=====	=====
Capital and reserves			
Called up share capital	2	200	200
		=====	=====

These financial statements were approved by the board of directors on and signed on its behalf by:


D Light
~~C D Coase~~
Director

C D Isaacs
Director 

Date 5/8/14

Notes*(forming part of the financial statements)***1 Accounting policies**

The following accounting policies have been applied consistently in dealing with the items which are considered material in relation to the financial statements:

Basis of preparation

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

Under FRS 1 the Company is exempt from the requirement to prepare a cashflow statement on the grounds of its size.

Going concern

The Directors, having considered the likely cashflow and operational costs of the Company, are of the opinion that the Company has adequate resources to continue in operational existence for the foreseeable future. For this reason they continue to adopt the going concern basis in the preparation of the financial statements.

2 Called up share capital

	2014 £	2013 £
<i>Authorised</i>		
'A' Ordinary shares of £1 each	100	100
'B' Ordinary shares of £1 each	<u>110</u>	<u>110</u>
Total	<u>210</u>	<u>210</u>
<i>Allotted and called up</i>		
'A' Ordinary shares of £1 each	90	90
'B' Ordinary shares of £1 each	<u>110</u>	<u>110</u>
Total	<u>200</u>	<u>200</u>

The 'A' Ordinary shares are held by the Company's directors and the 'B' Ordinary shares are held by Diageo plc.

3 Related party disclosures

The shares in the Company are held by the Directors and Diageo plc as outlined in note 2. The debtor balance within the Balance Sheet reflects the balance due to be paid by these parties for their shareholding.

4 Ultimate holding company

The Company is a subsidiary of Diageo plc, which is the ultimate parent company and is registered in England. The consolidated accounts of Diageo plc are available to the public and may be obtained from:

The Registrar of Companies,
Companies House,
Crown Way
Cardiff
CF4 3UZ