

Registered Number 1180657

Browning Limited

Annual Report & Accounts
for the 53 weeks ended 2 January 2005



BROWNING LIMITED

Directors and advisors

Directors

D Blakemore
J G Fulton
J M Mills
R Moore
C W Orchard

Secretary

J E Hudspith

Registered office

25 Berkeley Square
London
W1J 6HB

Auditors

Deloitte & Touche LLP
Chartered Accountants
London

BROWNING LIMITED

Report of the Directors

For the 53 weeks ended 2 January 2005

The Directors present their report, together with the audited financial statements of Browning Limited (the 'Company'), for the 53 weeks ended 2 January 2005 (the 'year').

Review of the business and principal activities

The Company is a subsidiary of Cadbury Schweppes plc. The principal activities of the Company are the holding of investments for the Cadbury Schweppes Group.

Results and dividends

The profit on ordinary activities for the financial year, after taxation, was \$31,198,000 (2003: \$18,649,000). During the year an interim dividend of \$30,000,000 was paid (2003: \$16,500,000). The Directors do not recommend the payment of a final dividend (2003: \$nil).

Future prospects

The Company will continue to develop its existing activities in accordance with the requirements of the Cadbury Schweppes Group.

Directors and their interests

The Directors at the date of this report are as stated on page 1. D J Kappler resigned as a Director of the Company on 13 April 2004. Subsequent to the year end T D Owen resigned as a Director of the Company on 15 April 2005 and G T Slater resigned as a Director of the Company on 9 June 2005. On 24 June 2005 M A C Clark resigned as a Director of the Company and D Blakemore, J G Fulton, J M Mills and R Moore were appointed as Directors.

The interests of the Directors holding office at the year end in the share capital of Cadbury Schweppes plc are detailed below.

	Ordinary shares of 12.5p each	
	29 December 2003	2 January 2005
M A C Clark	579,858	591,623
C W Orchard	58,574	50,789
T D Owen	148,127	158,530
G T Slater	105,443	105,800

The following Directors have been granted options under the Cadbury Schweppes plc Savings-Related Share Option Scheme 1982.

Number of ordinary shares over which options were granted:

	Movement in the year			
	29 December 2003	Granted during year	Exercised during year	2 January 2005
C W Orchard	5,902	538	1,010	5,430
T D Owen	11,590	-	2,782	8,808
G T Slater	2,596	-	357	2,239

BROWNING LIMITED

Report of the Directors (continued)

For the 53 weeks ended 2 January 2005

Directors and their interests (continued)

The following Directors have been granted options under the Cadbury Schweppes plc Share Option Plan 1994.

Number of options over ordinary shares granted:

	Movement in the year			2 January 2005
	29 December 2003	Granted during year	Exercised during year	
M A C Clark	1,035,000	-	80,000	955,000
C W Orchard	170,000	-	-	170,000
T D Owen	216,000	-	-	216,000
G T Slater	174,000	-	58,000	116,000

The following Directors have been granted options under the Cadbury Schweppes plc Share Option Plan 2004.

Number of options over ordinary shares granted:

	Movement in the year			2 January 2005
	29 December 2003	Granted during year	Exercised during year	
M A C Clark	-	143,000	-	143,000
C W Orchard	-	31,000	-	31,000
G T Slater	-	26,500	-	26,500

The following Director has been granted options under the Cadbury Schweppes plc United States and Canada Employee Stock Purchase Plan 1994.

Number of ordinary shares over which options were granted:

	Movement in the year			2 January 2005
	29 December 2003	Granted during year	Exercised during year	
M A C Clark	2,512	20	2,532	-

In respect of share options granted, for each of the above mentioned schemes, the range of exercise prices and the periods within which the options are normally exercisable are shown in the Report & Accounts and Form 20-F of Cadbury Schweppes plc.

None of the Directors had any other interest in the securities of Cadbury Schweppes plc, or the Company, or any other subsidiary of Cadbury Schweppes, at any time during the year.

BROWNING LIMITED

Report of the Directors (continued)

For the 53 weeks ended 2 January 2005

Auditors

The Company has elected to dispense with the obligation to appoint auditors annually and, accordingly, Deloitte & Touche LLP shall be deemed to be re-appointed as auditors for a further term under the provisions of section 386(2) of the Companies Act 1985. The Company has also elected to dispense with the obligation to hold Annual General Meetings and to lay the financial statements before the company in General Meeting.

20 October 2005

By order of the Board,



25 Berkeley Square
London
W1J 6HB

J E Hudspith
Secretary

BROWNING LIMITED

Statement of Directors' Responsibilities

For the 53 weeks ended 2 January 2005

The Directors are required by the Companies Act 1985 to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the Company as at the end of the financial year, and of the profit or loss for the financial year.

After making enquiries, the Directors have a reasonable expectation 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 preparing the financial statements.

The Directors consider that in preparing the financial statements the Company has used appropriate accounting policies that have been consistently applied and supported by reasonable and prudent judgements and estimates. All accounting standards that the Directors consider applicable, have been followed subject to any material departures disclosed and explained in the financial statements.

The Directors have responsibility for ensuring that the Company keeps accounting records which disclose with reasonable accuracy at any time the financial position of the Company, and which enable them to ensure that the financial statements comply with the Companies Act 1985. The Directors have general responsibilities for the system of internal control and 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.

Auditors' report

Independent auditors' report to the members of Browning Limited

We have audited the financial statements of Browning Limited for the 53 weeks ended 2 January 2005 which comprise the profit and loss account, the reconciliation of movements in equity shareholders' funds, the balance sheet, and the related notes 1 to 15. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the Company's members, as a body, in accordance with Section 235 of the Companies Act 1985. 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 described in the statement of Directors' responsibilities, the Company's Directors are responsible for the preparation of the financial statements in accordance with applicable United Kingdom law and accounting standards. Our responsibility is to audit the financial statements in accordance with relevant United Kingdom legal and regulatory requirements and auditing standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report if, in our opinion, the Directors' report is not consistent with the financial statements, if the Company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding Directors' remuneration and transactions with the Company is not disclosed.

We read the Directors' report for the above period and consider the implications for our report if we become aware of any apparent misstatements.

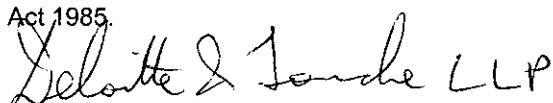
Basis of audit opinion

We conducted our audit in accordance with United Kingdom auditing standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Directors in the preparation of the financial statements and of whether the accounting policies are appropriate to the Company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion, we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the Company's affairs as at 2 January 2005 and of its profit for the period then ended and have been properly prepared in accordance with the Companies Act 1985.



Deloitte & Touche LLP

Chartered Accountants and Registered Auditors

London

20 October 2005

BROWNING LIMITED

Profit and loss account

For the 53 weeks ended 2 January 2005 (note 2)

	Notes	2004 US\$'000	2003 US\$'000
Investment income	6	39,546	23,775
Interest receivable and similar income	7	100	7
Interest payable and similar charges	8	(11,522)	(7,330)
Profit on ordinary activities before taxation		28,124	16,452
Tax on profit on ordinary activities	9	3,074	2,197
Profit on ordinary activities after taxation		31,198	18,649
Dividend paid	10	(30,000)	(16,500)
Retained profit for the year		1,198	2,149
Retained profit at beginning of the year		2,149	-
Retained profit at end of the year		3,347	2,149

There are no recognised gains or losses in either year other than the profit for each year and therefore no statement of total recognised gains and losses is required.

All operations of the Company continued throughout both years.

Reconciliation of movements in equity shareholders' funds

	2004 US\$'000	2003 US\$'000
Equity shareholders' funds at beginning of the year	353,243	351,094
Profit for the financial year	31,198	18,649
Dividends paid and proposed during the year	(30,000)	(16,500)
Equity shareholders' funds at end of the year	354,441	353,243

BROWNING LIMITED

Balance sheet

As at 2 January 2005 (note 2)

	Notes	2004 US\$'000	2003 US\$'000
Fixed assets			
Investments	11	851,094	851,094
Current assets			
Debtors	12	4,114	2,420
Creditors: amounts falling due within one year	13	(500,767)	(500,271)
Net current assets		(496,653)	(497,851)
Total assets less current liabilities		354,441	353,243
Net assets		<u>354,441</u>	<u>353,243</u>
 Equity Capital and Reserves			
Called up share capital	14	157	157
Share premium account	15	350,937	350,937
Profit and loss account	15	3,347	2,149
Equity shareholders' funds		<u>354,441</u>	<u>353,243</u>

Signed on behalf of the Board


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J M Mills

Directors


.....
C W Orchard

20 October 2005

BROWNING LIMITED

Notes to accounts

1 Accounting policies

The principal accounting policies are summarised below. They have been applied consistently throughout the year and the preceding year.

a) Accounting convention

The financial statements are prepared under the historical cost convention and in accordance with applicable United Kingdom law and accounting standards.

The financial statements are prepared in US Dollars, being the functional currency of the Company.

b) Financial year

The annual financial statements are made up to the Sunday nearest to 31 December. This results periodically in a financial year of 53 weeks.

c) Foreign currencies

Monetary assets and liabilities in foreign currencies are translated into sterling at the rates ruling at the end of the financial year except when covered by an open foreign exchange contract, in which case the rate of exchange specified in the contract is used. All profits and losses on exchange are credited or charged to the profit and loss account.

Exchange differences arising on translation of foreign equity investments financed by foreign currency borrowings are dealt with through reserves, together with exchange differences on the related borrowings.

d) Taxation

Corporation tax payable is provided on the taxable profit at the current rate. Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date.

A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted substantively by the balance sheet date. Deferred tax is measured on a non-discounted basis.

e) Investments

Fixed asset investments are shown at cost less provision for any impairment.

BROWNING LIMITED

Notes to accounts (continued)

2 Accounting policies (continued)

f) Cash flow statement

In accordance with the provision of Financial Reporting Standard No.1, the Company has not prepared a cash flow statement because its parent company, Cadbury Schweppes plc, which is incorporated in Great Britain and registered in England and Wales, has prepared consolidated financial statements which include the financial statements of the Company for the period and which are publicly available.

2 Accounts

As permitted by the Companies Act 1985 the Company, being a wholly owned subsidiary of a Company incorporated in Great Britain, does not prepare group accounts. The results of the Company are included in the audited financial statements of Cadbury Schweppes plc for the year ended 2 January 2005. The company is therefore exempt from the requirements to prepare Group accounts under Section 228 of the Companies Act 1985. These financial statements present information about the company as an individual undertaking and not as a group.

The profit and loss accounts cover the 53 weeks from 29 December 2003 to 2 January 2005 and the 52 weeks from 30 December 2002 to 28 December 2003. The balance sheets for 2004 and 2003 have been drawn up at 2 January 2005 and 28 December 2003 respectively.

3 Parent undertaking

The Company's controlling and ultimate parent undertaking is Cadbury Schweppes plc, a company incorporated in Great Britain and registered in England and Wales. This is also the largest and the smallest group in which the results of the Company are consolidated. Copies of the Group financial statements of Cadbury Schweppes plc are available from 25 Berkeley Square, London W1J 6HB.

The Company's immediate parent undertaking is Vantas International Limited.

As a subsidiary of Cadbury Schweppes plc the Company has taken advantage of the exemption in FRS 8: "Related party disclosures" not to disclose transactions with other members of the group headed by Cadbury Schweppes plc.

4 Auditors remuneration

Auditors' remuneration is borne by the ultimate parent undertaking, Cadbury Schweppes plc.

5 Directors' emoluments and employee information

The Directors are remunerated by Cadbury Schweppes plc for their services to the Group as a whole. No remuneration was paid to them specifically in respect of Browning Limited in either year.

Browning Limited had no employees in either year.

6 Investment income

	2004 US\$'000	2003 US\$'000
Dividends from unlisted investments	<u>39,546</u>	<u>23,775</u>

BROWNING LIMITED

Notes to accounts (continued)

7 Interest receivable and similar income

	2004 US\$'000	2003 US\$'000
Interest receivable from other Group undertakings	81	7
Exchange gains during the year	19	-
	<u>100</u>	<u>7</u>

8 Interest payable and similar charges

	2004 US\$'000	2003 US\$'000
Interest payable to other Group undertakings	<u>11,522</u>	<u>7,330</u>

9 Tax on profit on ordinary activities

	2004 US\$'000	2003 US\$'000
UK corporation tax credit	3,427	2,197
Overseas tax	(353)	-
Credit for the year	<u>3,074</u>	<u>2,197</u>

The table below relates the UK Corporation Tax rate applicable in each year to the effective rate obtained by computing the current tax charge as a percentage of profit before tax.

	2004 US\$'000	2003 US\$'000
UK corporation tax at 30% (2003: 30%)	(8,437)	(4,936)
Non-taxable UK dividend income	<u>11,864</u>	<u>7,133</u>
	3,427	2,197
Overseas tax	(353)	-
Total current tax charge	<u>3,074</u>	<u>2,197</u>

The current tax charge is expected to remain constant over future years.

10 Dividend paid

	2004 US\$'000	2003 US\$'000
Interim \$300 per share dividend paid (2003: \$165 per share)	<u>30,000</u>	<u>16,500</u>

BROWNING LIMITED

Notes to accounts (continued)

11 Investments

a)	2004 US\$'000	2003 US\$'000
Cost at beginning of the year	851,094	-
Additions	-	851,094
Cost at end of the year	<u>851,094</u>	<u>851,094</u>

During 2003 the Company acquired a 15% shareholding in Cadbury Limited and a 2% shareholding in Cadbury Adams USA LLC.

b) Details of investments are as follows:

Name of investment	Country of incorporation & operation	Proportion of issued share capital
Cadbury Limited	United Kingdom	2
Cadbury Adams USA LLC	USA	15

The investments listed above are principally engaged in the manufacture and sale of confectionery.

12 Debtors

	2004 US\$'000	2003 US\$'000
Amounts owed by other Group undertakings	3	11
Loans to other Group undertakings	1,037	212
Corporation tax	3,074	2,197
	<u>4,114</u>	<u>2,420</u>

All amounts are recoverable within one year.

13 Creditors: amounts falling due within one year

	2004 US\$'000	2003 US\$'000
Amounts owed to parent undertaking	767	271
Loan from parent undertaking	500,000	500,000
	<u>500,767</u>	<u>500,271</u>

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Notes to accounts (continued)

14 Called up share capital

	2004 US\$'000	2003 US\$'000
Authorised, allotted, called up and fully paid:		
100,000 ordinary shares of £1 each	<u>157</u>	<u>157</u>

During 2003, Browning Ltd issued 99,998 £1 shares in exchange for 15% of Cadbury Ltd, the market value of which was estimated to be £223,200,000. Both the shares and the share premium arising have been translated into USD at 1.573, the market rate on the date the transaction was completed.

15 Reserves

	Share premium account		Profit and loss account	
	2004 US\$'000	2003 US\$'000	2004 US\$'000	2003 US\$'000
At beginning of the year	350,937	-	2,149	-
Shares issued	-	350,937	-	-
Profit for the year	-	-	1,198	2,149
At end of the year	<u>350,937</u>	<u>350,937</u>	<u>3,347</u>	<u>2,149</u>