

Registered Number 1180657

Browning Limited

Annual Report & Accounts
for the 52 weeks ended 28 December 2003



BROWNING LIMITED

Directors and advisors

Directors

M A C Clark
C W Orchard
T D Owen
G T Slater

Secretary

J E Hudspith

Registered office

25 Berkeley Square
London
W1J 6HB

Auditors

Deloitte & Touche LLP
Chartered Accountants and Registered Auditors
London

BROWNING LIMITED

Report of the Directors

For the 52 weeks ended 28 December 2003

The Directors present their report, together with the audited accounts of Browning Limited (the 'Company'), for the 52 weeks ended 28 December 2003 (the 'year').

Review of the business

The Company was dormant until activated on 31 March 2003, at which time it issued 99,998 £1 shares in exchange for a 15% shareholding in Cadbury Limited (see Note 14). The Company also acquired a 2% shareholding in Cadbury Adams USA LLC. Subsequent to activation, the Company's functional currency was changed to US Dollars.

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 \$18,649,000 (2002: \$nil). During the year an interim dividend of \$16,500,000 was paid (2002: \$nil). The Directors do not recommend the payment of a final dividend (2002: \$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, T D Owen and G T Slater were appointed as Directors of the Company on 24 March 2003. P A Cartmell resigned as a Director of the Company on 3 October 2003 and C W Orchard was appointed a Director on 3 October 2003. M A C Clark held office throughout the year. Subsequent to the year end D J Kappler resigned as a Director of the Company on 13 April 2004.

At the year end D J Kappler was a Director of Cadbury Schweppes plc and, accordingly, his interests are detailed in the Report & Accounts and Form 20-F of that company.

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

	Ordinary shares of 12.5p each	
	30 December 2002*	28 December 2003
M A C Clark	490,860	579,858
C W Orchard	58,529	58,574
T D Owen	94,821	148,127
G T Slater	105,443	105,443

* Or date of appointment if later

BROWNING LIMITED

Report of the Directors (continued)

For the 52 weeks ended 28 December 2003

Directors and their interests (continued)

The following Directors have been granted options under the Cadbury Schweppes plc Savings-Related Share Option Scheme 1982 over the following ordinary shares of 12.5p each.

Number of ordinary shares over which options were granted:

		Movement in the year		
	30 December 2002*	Granted during year	Exercised during year	28 December 2003
C W Orchard	5,902	-	-	5,902
T D Owen	12,531	1,065	2,006	11,590
G T Slater	4,075	-	1,479	2,596

* Or date of appointment if later

The following Director has been granted options under the Cadbury Schweppes plc Share Option Scheme 1984 for Main Board Directors and Senior Executives.

Number of options over ordinary shares granted:

		Movement in the year		
	30 December 2002*	Granted during year	Exercised during year	28 December 2003
T D Owen	20,822	-	20,822	-

* Or date of appointment if later

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		
	30 December 2002*	Granted during year	Exercised during year	28 December 2003
M A C Clark	760,000	275,000	-	1,035,000
C W Orchard	170,000	-	-	170,000
T D Owen	200,152	45,000	29,152	216,000
G T Slater	140,000	34,000	-	174,000

* Or date of appointment if later

BROWNING LIMITED

Report of the Directors (continued)

For the 52 weeks ended 28 December 2003

Directors and their interests (continued)

The following Director has been granted options under the Cadbury Schweppes plc United States and Canada Stock Purchase Plan 1994 over the following ordinary shares of 12.5p each.

Number of ordinary shares over which options were granted:

	Movement in the year			28 December 2003
	30 December 2002	Granted during year	Exercised during year	
M A C Clark	5,212	32	2,732	2,512

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.

Policy on payment to suppliers

The Company adheres to the CBI Prompt Payers Code whereby the policy is to settle the terms of payment with suppliers when agreeing the terms of each transaction, ensure that suppliers are made aware of the terms of payment and abide by the terms of payment. The Company has no trade creditors at the year-end.

Auditors


On 1 August 2003 Deloitte & Touche transferred their business to Deloitte & Touche LLP, a limited liability partnership incorporated under the Limited Liability Partnerships Act 2000. The Company's consent has been given to treating the appointment of Deloitte & Touche as extending to Deloitte & Touche LLP with effect from 1 August 2003 under the provisions of section 26(5) of the Companies Act 1989.

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.

1 October 2004

25 Berkeley Square
London
W1J 6HB

By order of the Board,


J E Hudspith
Secretary

BROWNING LIMITED

Report of the Directors (continued)

For the 52 weeks ended 28 December 2003

Statement of Directors' responsibilities

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 and 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 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 year ended 28 December 2003 which comprise the profit and loss account, the reconciliation of movements in shareholders' funds, the balance sheet, and the related notes 1 to 15. These accounts 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 accounts in accordance with applicable United Kingdom law and accounting standards. Our responsibility is to audit the accounts in accordance with relevant United Kingdom legal and regulatory requirements and auditing standards.

We report to you our opinion as to whether the accounts 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 accounts, 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 year and consider the implications for our report if we become aware of any apparent misstatements.

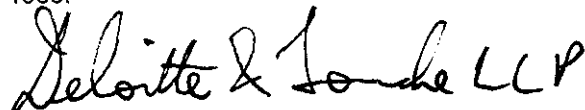
Basis of audit opinion

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 accounts. It also includes an assessment of the significant estimates and judgements made by the Directors in the preparation of the accounts 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 accounts 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 accounts.

Opinion

In our opinion the accounts give a true and fair view of the state of the Company's affairs as at 28 December 2003 and of its profit for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Deloitte & Touche LLP

Chartered Accountants and Registered Auditors
London

1 October 2004

BROWNING LIMITED

Profit and loss account

For the 52 weeks ended 28 December 2003 (note 2)

	Notes	2003 US\$'000	2002 US\$'000
Investment income	6	23,775	-
Interest receivable and similar income	7	7	-
Interest payable and similar charges	8	(7,330)	-
Profit on ordinary activities before taxation		16,452	-
Tax on profit on ordinary activities	9	2,197	-
Profit on ordinary activities after taxation		18,649	-
Dividend paid	10	(16,500)	-
Retained profit for the year		2,149	-
Retained profit at beginning of year		-	-
Retained profit at end of year		2,149	-

There are no recognised gains or losses in either year other than the profit for this year.

All operations of the Company have continued since it became active in 2003 and no operations were acquired or discontinued.

The accompanying notes form an integral part of this profit and loss account.

Reconciliation of movements in shareholders' funds

For the 52 weeks ended 28 December 2003 (note 2)

	2003 \$'000	2002 \$'000
New share capital subscribed	351,094	-
Profit for the financial year	18,649	-
Dividends	(16,500)	-
Shareholders' funds at end of year	353,243	-

BROWNING LIMITED


Balance sheet

As at 28 December 2003 (note 2)

	Notes	2003 \$'000	2002 \$'000
Fixed assets			
Investments	11	851,094	-
Current assets			
Debtors	12	2,420	-
Creditors: amounts falling due within one year	13	(500,271)	-
Net current assets		(497,851)	-
Total assets less current liabilities		353,243	-
Net assets		<u>353,243</u>	<u>-</u>
 Equity Capital and Reserves			
Called up share capital	14	157	-
Share premium account	15	350,937	-
Profit and loss account	15	2,149	-
Equity shareholders' funds		<u>353,243</u>	<u>-</u>


The accompanying notes form an integral part of this balance sheet.

Signed on behalf of the Board



 T D Owen

Directors



 G T Slater

1 October 2004

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 accounts are prepared under the historical cost convention and in accordance with applicable United Kingdom accounting standards. The accounts are prepared in US Dollars, being the functional currency of the Company.

b) Financial year

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

c) 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 substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

d) 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 accounts which include the accounts of the Company for the period and which are publicly available.

e) Foreign currencies

Monetary assets and liabilities expressed in foreign currencies are translated into US Dollars at the year end at the forward rate when covered by an open foreign exchange contract. Monetary assets and liabilities expressed in foreign currencies for which no forward rates have been contracted at the year end are translated at the middle market rate ruling at that date.

All profits and losses arising on the translation or revaluation of foreign currency assets, liabilities and forward contracts are recognised immediately in 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.

BROWNING LIMITED

Notes to accounts (continued)

2 Accounting policies (continued)

f) Investments

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

2 Accounts

The profit and loss accounts cover the 52 weeks from 30 December 2002 to 28 December 2003 and the 52 weeks from 31 December 2001 to 29 December 2002. The balance sheets for 2003 and 2002 have been drawn up at 28 December 2003 and 29 December 2002 respectively.

3 Parent undertaking

The Company's controlling and ultimate parent undertaking is Cadbury Schweppes plc, a company 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 Accounts 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 FRS8: "Related party disclosures" not to disclose transactions with other members of the group headed by Cadbury Schweppes plc.

4 Auditors' remuneration

Auditors' remuneration is being borne by the immediate parent undertaking, Cadbury Schweppes plc, in the current and prior year.

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.

Browning Limited had no employees in either year.

6 Investment income

	2003 \$'000	2002 \$'000
Dividends from fixed asset investments	23,775	-

7 Interest receivable and similar income

	2003 \$'000	2002 \$'000
Interest receivable from other Group undertakings	7	-

BROWNING LIMITED

Notes to accounts (continued)

8 Interest payable and similar charges

	2003 US\$'000	2002 US\$'000
Interest payable to other Group undertakings	<u>7,330</u>	<u>-</u>

9 Tax on profit on ordinary activities

	2003 \$'000	2002 \$'000
UK corporation tax credit	<u>2,197</u>	<u>-</u>
	<u>2,197</u>	<u>-</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.

	2003 \$'000	2002 \$'000
UK Corporation Tax at 30% (2002:30%)	(4,936)	-
Non-taxable UK dividend income	<u>7,133</u>	<u>-</u>
	<u>2,197</u>	<u>-</u>

10 Dividend payable

	2003 \$'000	2002 \$'000
Dividend payable	<u>16,500</u>	<u>-</u>

11 Investments

	2003 \$'000	2002 \$'000
Cost at beginning of year	-	-
Additions	<u>851,094</u>	<u>-</u>
Cost at end of year	<u>851,094</u>	<u>-</u>

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

BROWNING LIMITED

Notes to accounts (continued)

12 Debtors

	2003 \$'000	2002 \$'000
Amounts owed by from other Group undertakings	4	-
Loans to other Group undertakings	212	-
Interest on loans to other Group undertakings	7	-
UK corporation tax	2,197	-
	<u>2,420</u>	<u>-</u>

All amounts are recoverable within one year.

13 Creditors: amounts falling due within one year

	2003 \$'000	2002 \$'000
Amounts payable to parent undertaking	271	-
Loan from parent undertaking	500,000	-
	<u>500,271</u>	<u>-</u>

14 Called up share capital

	2003 \$'000	2002 \$'000
Authorised, allotted, called up and fully paid: 100,000 ordinary shares of £1 each	<u>157</u>	<u>-</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	
	2003 \$'000	2002 \$'000	2003 \$'000	2002 \$'000
At beginning of year	-	-	-	-
Shares issued	350,937	-	-	-
Profit for the year	-	-	2,149	-
At end of year	<u>350,937</u>	<u>-</u>	<u>2,149</u>	<u>-</u>