

Company No. 1180657

BROWNING LIMITED
(Formerly Sodastream International Limited)

ANNUAL REPORT AND ACCOUNTS

1996



SODASTREAM INTERNATIONAL LIMITED

DIRECTORS

P A Cartmell
M A C Clark

SECRETARY

J A Deeley

REGISTERED OFFICE

25 Berkeley Square
London W1X 6HT

AUDITORS

Arthur Andersen
Chartered Accountants and Registered Auditors
1 Surrey Street
London, WC2R 2PS

SODASTREAM INTERNATIONAL LIMITED
Report of the Directors

The directors present their report, together with the audited accounts of the Company, for the 52 weeks ended 28 December 1996 (the "year").

Principal activities

The principal activities of the Company are the acquisition and sale of investments for the Cadbury Schweppes Group.

Results and dividends

The profit on ordinary activities for the year, after taxation, was £23,220 (1995 - £486,328). No interim dividend (1995 - £22,216.5 per Ordinary Share) was paid during the year, and the directors do not recommend the payment of a final dividend (1995 - £nil).

Future developments

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.

All the directors held office throughout the year.

The interests of the directors in the share capital of Cadbury Schweppes plc were as follows:

Ordinary shares of 25p each

	<u>31 December 1995</u>	<u>28 December 1996</u>
P A Cartmell	7,324	7,709
M A C Clark	28,470	32,560

The following director has been granted options under the Cadbury Schweppes Savings-Related Share Option Scheme 1982 over the following ordinary shares of 25p each:

No. of shares over which options granted

		<u>Movement in the Year</u>		
		<u>Granted</u>	<u>Exercised</u>	
		<u>during</u>	<u>during</u>	
	<u>31 December 1995</u>	<u>year</u>	<u>year</u>	<u>28 December 1996</u>
P A Cartmell	8,571	4,290	-	12,861

SODASTREAM INTERNATIONAL LIMITED

Report of the Directors

The following directors have been granted options under the Cadbury Schweppes plc Share Option Scheme 1984 for Main Board Directors and Senior Executives or the Cadbury Schweppes Share Option Scheme 1986 for Senior Management Overseas:

No. of options over shares

	<u>31 December 1995</u>	<u>Movement in the Year</u>		<u>28 December 1996</u>
		<u>Granted during year</u>	<u>Exercised during year</u>	
P A Cartmell	48,291	-	-	48,291
M A C Clark	109,379	-	-	109,379

The following directors have been granted options under the Cadbury Schweppes plc Share Option Plan 1994:

No. of options over shares

	<u>31 December 1995</u>	<u>Movement in the Year</u>		<u>28 December 1996</u>
		<u>Granted during year</u>	<u>Exercised during year</u>	
P A Cartmell	46,989	24,000	-	70,989
M A C Clark	81,648	-	-	81,648

The following director has been granted options under the Cadbury Schweppes United States and Canada Employee Stock Purchase Plan 1994:

No. of options over shares

	<u>31 December 1995</u>	<u>Movement in the Year</u>		<u>28 December 1996</u>
		<u>Granted during year</u>	<u>Exercised during year</u>	
M A C Clark	2,544	1,592	1,800	2,336

In respect of share options granted, for each of the above mentioned schemes, the details of exercise prices and the dates the options are exercisable, are shown in the Annual Report of Cadbury Schweppes plc.

SODASTREAM INTERNATIONAL LIMITED
Report of the Directors

None of the directors had any beneficial interest in the other securities of Cadbury Schweppes plc, or the Company, or any other subsidiary of Cadbury Schweppes plc 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.


Auditors

In accordance with Section 386 of the Companies Act 1985 and the resolution passed by the Company in General Meeting on 20 August 1991 the Company has elected to dispense with the annual reappointment of auditors. Accordingly Arthur Andersen will continue as auditors.

2 May 1997

25 Berkeley Square
London W1X 6HT

By order of the Board


J A Deeley
Secretary

SODASTREAM INTERNATIONAL LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RELATION TO ACCOUNTS

The directors are required by UK company law 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 that period. For this purpose it is necessary to make both judgements and estimates and this is done on a reasonable and prudent basis.

In preparing the financial statements suitable accounting policies have been used and applied consistently, the principals of which are set out on page 9. Applicable accounting standards have been followed and the going concern basis has been applied. The directors are also responsible for maintaining adequate accounting records, for safeguarding the assets of the Company, and for preventing and detecting fraud and other irregularities.

SODASTREAM INTERNATIONAL LIMITED

AUDITORS' REPORT

To the Shareholders of Sodastream International Limited

We have audited the accounts on pages 7 to 10 which have been prepared under the historical cost convention and follow the accounting policies set out on page 9.

Respective responsibilities of directors and auditors

As described on page 5 the Company's directors are responsible for the preparation of the accounts and it is our responsibility to form an independent opinion, based on our audit, on those accounts and to report our opinion to you.

Basis of opinion

We conducted our audit in accordance with 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 at 28 December 1996 and of its profit for the 52 weeks then ended and have been properly prepared in accordance with the Companies Act 1985.

Arthur Andersen

ARTHUR ANDERSEN
Chartered Accountants &
Registered Auditors
1 Surrey Street
London
WC2R 2PS

2 May 1997

SODASTREAM INTERNATIONAL LIMITED

PROFIT AND LOSS ACCOUNT

STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

For the 52 weeks ended 28 December 1996 (Note 2)

	Notes	1996 £	1995 £
Operating charges		-	(428)
OPERATING LOSS		-	(428)
Profit on investment disposal	5	-	439,084
Income from fixed asset investments	6	-	55,541
Interest receivable and similar income	7	34,657	4,625
Profit before taxation	8	34,657	498,822
Taxation	9	(11,437)	(12,494)
Profit after taxation		23,220	486,328
Dividends	10	-	(44,433)
RETAINED PROFIT FOR YEAR		23,220	441,895
Retained profit/(loss) at beginning of year		144,979	(296,916)
Retained profit at end of year		168,199	144,979
STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES			
Total recognised gains and losses for the year		23,220	486,328
RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS			
Shareholders' funds at beginning of year		144,981	(296,914)
Profit for the year		23,220	486,328
Dividends		-	(44,433)
Shareholders' funds at end of year		168,201	144,981

The notes on pages 9 and 10 form part of these accounts

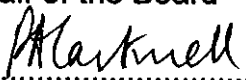

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SODASTREAM INTERNATIONAL LIMITED

BALANCE SHEET AT 28 DECEMBER 1996 (NOTE 2)

	Notes	1996 £	1995 £
CURRENT ASSETS AND LIABILITIES			
Debtors	11	600,983	567,711
Creditors: amounts falling due within one year	12	(11,437)	(1,355)
NET CURRENT ASSETS		589,546	566,356
Creditors: amounts falling due after more than one year	13	(421,345)	(421,375)
NET ASSETS		168,201	144,981
CAPITAL AND RESERVES			
Called-up share capital	14	2	2
Profit and loss account		168,199	144,979
		168,201	144,981

On behalf of the Board


)
 P A Cartmell)
) Directors
)

)
 M A C Clark)

2 May 1997

The notes on pages 9 and 10 form part of these accounts

Auditors' report on page 6

SODASTREAM INTERNATIONAL LIMITED
NOTES ON THE ACCOUNTS

1. Accounting policies

(a) Accounting convention

The accounts are prepared under the historical cost convention and in accordance with applicable accounting standards.

(b) Financial year

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

(c) Consolidation and cash flow statement

In accordance with the provisions of Financial Reporting Standard No. 1 (as revised in October 1996), the Company has not prepared a cash flow statement because its parent company, Cadbury Schweppes plc, which is incorporated in Great Britain, has prepared consolidated accounts which include the accounts of the Company for the year and which contain a cash flow statement.

(d) Taxation

Corporation tax payable is provided on taxable profit at current rates.

2. Accounts

The profit and loss accounts cover the 52 weeks from 31 December 1995 to 28 December 1996 and the 52 weeks from 1 January 1995 to 30 December 1995. The balance sheets for 1995 and 1996 have been drawn up at 30 December 1995 and 28 December 1996 respectively.

3. Ultimate Holding Company

The Company's ultimate holding company is Cadbury Schweppes plc. Copies of the Group Financial Statements of Cadbury Schweppes plc are available from 25 Berkeley Square, London W1X 6HT.

4. Director's emoluments

The directors are employed by Cadbury Schweppes plc. They are remunerated for their services to the group as a whole and receive no emoluments in respect of Sodastream International Limited itself.

5. Profit on investment disposal

	1996 £	1995 £
Profit on sale of investments	-	439,084

6. Income from fixed asset investments

Dividend from subsidiary undertaking	-	55,541
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7. Interest receivable and similar income

Interest receivable from other group undertakings	34,657	4,625
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SODASTREAM INTERNATIONAL LIMITED

NOTES ON THE ACCOUNTS

	1996 £	1995 £
8. <u>Profit on ordinary activities before taxation</u> Audit fees are borne by Cadbury Schweppes plc		
9. <u>Taxation</u> Corporation tax at 33% (1995 - 33%) Prior year adjustment	11,437 - <u>11,437</u>	12,493 1 <u>12,494</u>
10. <u>Dividends</u> No dividends were proposed or paid during the year (1995 - interim paid of £22,216.5 per ordinary share)	- <u>-</u>	44,433 <u>44,433</u>
11. <u>Debtors</u> Amounts due from ultimate parent company Amount due from other group undertakings	2 600,981 <u>600,983</u>	2 567,709 <u>567,711</u>
12. <u>Creditors: amounts falling due within one year</u> Current corporation tax	(11,437) <u>(11,437)</u>	(1,355) <u>(1,355)</u>
13. <u>Creditors: amounts falling due after more than one year</u> Amounts due to ultimate parent company	(421,345) <u>(421,345)</u>	(421,375) <u>(421,375)</u>
14. <u>Share capital</u> Authorised: 100,000 ordinary shares of £1 each	100,000 <u>100,000</u>	100,000 <u>100,000</u>
Allotted, called-up and fully paid: 2 ordinary shares of £1 each	2 <u>2</u>	2 <u>2</u>