

1724995

COCA-COLA HOLDINGS (UNITED KINGDOM) LIMITED

Statutory Accounts

Year Ending 31st December 1996



COCA-COLA HOLDINGS(UNITED KINGDOM) LIMITED

DIRECTORS' REPORT

Directors: G J Darby
R Guy
S L Ewart
J Rosenbaum (resigned 28/2/97)
A Taylor

Secretary: B Bage

Registered

Office: 1 Queen Caroline Street, London W6 9HQ
Number: 1724995

The directors present their report and accounts of the company and its subsidiary undertakings for the year ended 31 December 1996.

RESULTS AND DIVIDENDS

The consolidated profit for the year amounts to £38,799,000 (1995 - £36,767,000). The directors recommend the payment of a dividend of £8,354,000 (1995 - £78,764,000) leaving a profit of £30,445,000 (1995 - loss of £41,997,000) to be retained.

PRINCIPAL ACTIVITY AND REVIEW OF BUSINESS DEVELOPMENTS

The principal activities of the group are the promoting, manufacturing and selling of beverages.

POST BALANCE SHEET EVENTS

Coca-Cola Holdings (United Kingdom) Limited sold its 49% holding in Amalgamated Beverages Great Britain Limited on 10th February 1997 to Coca-Cola Enterprises, for a consideration of £615,958,440.

FUTURE DEVELOPMENTS

No new developments of any significance are anticipated during the year.

FIXED ASSETS

Details of the company's fixed assets are given in notes 11,12 and 13 to the accounts.

CREDITOR PAYMENT

The company recognises the importance of maintaining good business relations with its suppliers and is committed to paying all invoices within agreed terms.

EMPLOYEE INVOLVEMENT

Regular meetings are held between local management and employees to allow a free flow of information and ideas.

CHARITABLE CONTRIBUTIONS

During the year charitable donations of £16,641 (1995 - £41,884) were made.

DIRECTORS AND THEIR INTERESTS

The directors of the company during the year ended 31 December 1996 were those listed above. The directors have no beneficial interests in the shares of the company.

RELATED PARTY TRANSACTIONS

Coca-Cola Holdings (United Kingdom) Limited is a 100% subsidiary undertaking of Refreshment Product Services Inc., and as such is taking advantage of the exemption under FRS 8 (3) not to disclose related party transactions.

DISABLED PERSONS

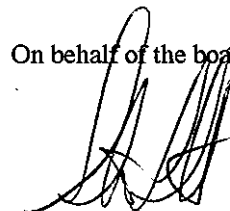
It is the group's policy to give full consideration to suitable applications for employment by disabled persons.

Disabled persons are eligible to participate in all career development opportunities available to staff. Opportunities also exist for employees of the group who become disabled to continue in their employment or be trained for other positions in the group.

AUDITORS

Ernst & Young have expressed their willingness to continue in office as auditors and a resolution proposing their reappointment will be submitted at the Annual General Meeting.

On behalf of the board.



S L Ewart
Director

Date: 11 AUGUST 1997

COCA-COLA HOLDINGS(UNITED KINGDOM) LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ACCOUNTS

Company law requires the directors to prepare accounts for each financial year which 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 those accounts, the directors are required to:

- * Select suitable accounting policies and then apply them consistently;
- * make judgements and estimates that are reasonable and prudent;
- * state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the accounts; and
- * prepare the accounts on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the accounts comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

REPORT OF THE AUDITORS to the members of
Coca-Cola Holdings (United Kingdom) Limited

We have audited the accounts on pages 5 to 21, which have been prepared under the historical cost convention as modified by the revaluation of freehold land and buildings and on the basis of the accounting policies set out on pages 8 and 9.

Responsibilities of directors and auditors

As described on page 3, the company's directors are responsible for the preparation of the accounts.

It is our responsibility to form an independent opinion, based on our audit, on those accounts and 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 the 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 group'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 affairs of the company and of the group as at 31 December 1996 and of the profit for the group for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Ernst & Young

Ernst & Young
Chartered Accountants
Registered Auditor
London

Date : *22 August 1997*

COCA-COLA HOLDINGS (UNITED KINGDOM) LIMITED

**GROUP PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 1996**

	Notes	1996 £'000	1995 £'000
TURNOVER	3	111,027	108,779
Cost of sales		<u>74,697</u>	<u>80,780</u>
GROSS PROFIT		36,330	27,999
Distribution costs		3,318	2,871
Administrative expenses		<u>26,898</u>	<u>21,962</u>
		30,216	24,833
GROUP OPERATING PROFIT		6,114	3,166
Exceptional items:			
Disposal and write-down of tangible fixed assets	5	<u>0</u>	<u>834</u>
		6,114	2,332
Interest receivable and similar income	6	1,119	2,562
Interest payable and similar charges	9	(3,499)	(3,219)
Income from interests in associated undertakings	3 & 13	<u>57,700</u>	<u>57,638</u>
		55,320	56,981
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		<u>61,434</u>	<u>59,313</u>
Tax on profit on ordinary activities	10	<u>22,635</u>	<u>22,546</u>
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		38,799	36,767
Dividends paid		(8,354)	(53,700)
Dividends declared		0	(25,064)
PROFIT/(LOSS) FOR THE FINANCIAL YEAR		<u><u>30,445</u></u>	<u><u>(41,997)</u></u>
STATEMENT OF RETAINED PROFIT			
At 1 January 1996		52,492	
Profit for the year		<u>30,445</u>	
At 31 December 1996		<u><u>82,937</u></u>	

RECOGNISED GAINS AND LOSSES

There are no recognised gains or losses other than the profit attributable to shareholders of the company of £38,799,000 in the year ended 31 December 1996, and the profit of £36,767,000 in the year ended 31 December 1995.

COCA-COLA HOLDINGS (UNITED KINGDOM) LIMITED

GROUP BALANCE SHEET AS AT 31 DECEMBER 1996

	Notes	1996 £'000	1995 £'000
FIXED ASSETS			
Intangible assets	11	264	300
Tangible assets	12	14,477	16,307
Investments	13	98,745	62,074
		<u>113,486</u>	<u>78,681</u>
CURRENT ASSETS			
Stocks	14	29,255	23,359
Debtors	15	27,542	75,781
Cash at bank and in hand		16,457	14,505
		<u>73,254</u>	<u>113,645</u>
CREDITORS - amounts falling due within one year	16	56,318	92,142
NET CURRENT ASSETS		<u>16,936</u>	<u>21,503</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		130,422	100,184
PROVISIONS FOR LIABILITIES AND CHARGES			
Deferred taxation	17	1,836	2,043
		<u>128,586</u>	<u>98,141</u>
CAPITAL AND RESERVES			
Called-up share capital	18	200	200
Capital contribution	19	45,449	45,449
Profit and loss account	19	82,937	52,492
		<u>128,586</u>	<u>98,141</u>

S L Ewart

) Directors

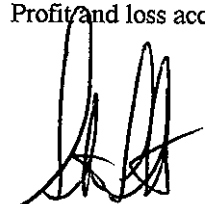
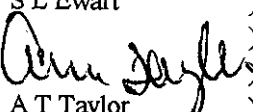
A T Taylor

Date: 11 AUGUST 1997

COCA-COLA HOLDINGS (UNITED KINGDOM) LIMITED

BALANCE SHEET AS AT 31 DECEMBER 1996

	Notes	1996 £'000	1995 £'000
FIXED ASSETS			
Tangible assets	12	5,902	6,153
Investments	13	48,234	48,234
		<u>54,136</u>	<u>54,387</u>
CURRENT ASSETS			
Stocks	14	25,728	20,272
Debtors	15	20,053	55,351
Cash at bank and in hand		7,006	6,669
		<u>52,787</u>	<u>82,292</u>
CREDITORS - amounts falling due within one year	16	43,989	66,887
NET CURRENT ASSETS		<u>8,798</u>	<u>15,405</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		62,934	69,792
PROVISIONS FOR LIABILITIES AND CHARGES			
Deferred taxation	17	633	644
		<u>62,301</u>	<u>69,148</u>
CAPITAL AND RESERVES			
Called-up share capital	18	200	200
Capital contribution	19	45,449	45,449
Profit and loss account		16,652	23,499
		<u>62,301</u>	<u>69,148</u>


 S L Ewart)

 A T Taylor) Directors

Date: 11 AUGUST 1997

COCA-COLA HOLDINGS(UNITED KINGDOM) LIMITED

NOTES TO THE ACCOUNTS - 31 DECEMBER 1996

1 ACCOUNTING POLICIES

Accounting convention

The accounts are prepared under the historical cost convention, modified by the revaluation of freehold land and buildings, and in accordance with applicable accounting standards.

Basis of consolidation

The group accounts incorporate the accounts of the company and each of its subsidiary undertakings for the year ended 31 December 1996.

Depreciation

No depreciation is provided on freehold land. Depreciation on other tangible fixed assets acquired prior to 1 April 1985 is provided using the declining balance method over their estimated useful lives. Assets acquired on or after 1 April 1985 have been depreciated using the straight-line method. Estimated useful lives of assets by category are as follows:

Buildings	20-50 years
Leasehold improvements	40 years
Machinery and equipment	3 - 15 years
Fixtures and fittings	10 years
Motor vehicles	3-5 years
Wimbledon Debentures	Over the life of the Debenture

Assets held under lease or hire purchase contracts

Where plant, equipment or vehicles are leased or owned under a hire purchase agreement, the asset is treated in the accounts as being acquired at the beginning of the period of the lease or the hire purchase agreement and is depreciated on the normal company basis over its estimated life. Future instalments under such agreements are included with the creditors. Rentals paid under operating leases are charged to income on a straight line basis over the term of the lease.

Stocks

Stocks held for ultimate realisation are valued consistently at the lower of cost and estimated net realisable value; cost includes appropriate production overhead expenses. All the other stocks are valued at the lower of cost and estimated net realisable value.

Deferred taxation

Provision is made for deferred taxation, using the liability method, on all timing differences if there is reasonable evidence, having taken account of the available losses carried forward, that such deferred taxation will be payable in the foreseeable future.

COCA-COLA HOLDINGS(UNITED KINGDOM) LIMITED

NOTES TO THE ACCOUNTS - 31 DECEMBER 1996

1 ACCOUNTING POLICIES (continued)

Foreign currencies

Assets, liabilities, revenues and costs denominated in foreign currencies are recorded at the rates of exchange ruling at the dates of the transactions.

The assets and liabilities of investments in overseas divisions, subsidiary undertakings and related foreign currency borrowing are translated at the year end rates of exchange and the revenue and costs at average rates of exchange. The resulting exchange differences are dealt with in retained profits to the extent that exchange gains or losses arising on the borrowing can be offset against the exchange differences arising on the investment. Any excess exchange loss or gain on the borrowing is taken to the profit and loss account.

Where specific hedging agreement have been entered into, the covered assets and liabilities are translated at the rates in the hedging agreements.

All other monetary assets and liabilities are translated at the year-end rates of exchange. All exchange differences thus arising are reported as part of the results for the year.

Non-monetary items are translated at the year-end rate and exchange differences arising are dealt with as a movement on reserves.

Goodwill arising on consolidation

Goodwill arising on consolidation, representing the excess of the purchase consideration for companies over the fair value ascribed to their net tangible assets at the date of acquisition, is written off evenly over its expected useful economic life of twenty years.

Research and development expenditure

Research and development expenditure is written off in the year in which it is incurred.

Pension costs

Contributions to the group pension scheme are charged to the profit and loss account so as to spread the cost of the pensions over employees' working lives with the company. The regular cost is attributed to individual years using the projected unit credit method. Variations in pension cost, which are identified as a result of actuarial valuation, are amortised over the average expected remaining working lives of employees in proportion to their expected payroll cost. Differences between amounts funded and the amounts charged to the profit and loss account are treated as either provisions or prepayments in the balance sheet.

Cash Flow

A consolidated cash flow statement is produced by the Group's ultimate parent undertaking, The Coca-Cola Company, and under FRS 1 (revised), Coca-Cola Holdings (United Kingdom) Limited is not required to prepare a cash flow statement.

COCA-COLA HOLDINGS(UNITED KINGDOM) LIMITED

NOTES TO THE ACCOUNTS - 31 DECEMBER 1996

2 TURNOVER

Turnover comprises the invoice price of goods and services supplied by the Group exclusive of value added tax and intra-group transactions.

3 ANALYSIS OF TURNOVER AND PROFITS BETWEEN ACTIVITIES AND MARKET

The amount of group turnover and the extent of the profit on ordinary activities before taxation attributable to each of the major classes of activity of the group are as follows:

Area of activity	Turnover		Profit on ordinary activities before taxation	
	1996 £'000	1995 £'000	1996 £'000	1995 £'000
Services	24,139	19,993	1,451	1,602
Beverages - <i>Subsidiary undertakings</i>	86,888	88,786	2,283	73
- <i>Associated undertakings</i>	0	0	57,700	57,638
	<u>111,027</u>	<u>108,779</u>	<u>61,434</u>	<u>59,313</u>
<i>Geographical area</i>	1996 £'000	1995 £'000	1996 £'000	1995 £'000
United Kingdom - <i>Subsidiary undertakings</i>	35,205	37,748	213	(2,515)
- <i>Associated undertakings</i>	0	0	57,700	57,638
Other European countries	50,423	46,491	2,108	2,685
Eastern Bloc and Scandinavia	11,117	9,621	(122)	279
Africa	5,921	6,872	363	378
North America	0	737	0	0
Latin America	4,590	3,875	443	234
Far East	3,771	3,435	729	614
	<u>111,027</u>	<u>108,779</u>	<u>61,434</u>	<u>59,313</u>

Area of activity	Net Assets	
	1996 £'000	1995 £'000
Services	2,980	2,125
Beverages - <i>Subsidiary undertakings</i>	27,051	34,056
- <i>Associated undertakings</i>	98,555	61,960
	<u>128,586</u>	<u>98,141</u>

The groups net assets all relate to activities carried out in the United Kingdom.

COCA-COLA HOLDINGS(UNITED KINGDOM) LIMITED

NOTES TO THE ACCOUNTS - 31 DECEMBER 1996

4 GROUP OPERATING PROFIT

Group operating profit is stated after charging/(crediting):

	1996 £'000	1995 £'000
Amortisation of goodwill	36	36
Rental income receivable	(329)	(196)
Amortisation of Wimbledon Debenture	35	0
Depreciation of owned tangible fixed assets	1,629	1,475
Depreciation of assets held under finance leases and hire purchase contracts	77	127
Loss on disposal of tangible fixed assets	383	0
Payments under operating leases		
- Plant and equipment	367	615
- Motor vehicles	279	285
- Property	3,069	2,960
Auditors' remuneration		
- Audit services	79	74
- Non audit services	72	7

5 EXCEPTIONAL ITEMS

	1996 £'000	1995 £'000
Loss on disposal of fixed asset investment	0	834

The taxation effect of the above exceptional item is nil.

6 INTEREST RECEIVABLE AND SIMILAR INCOME

	1996 £'000	1995 £'000
Gain on exchange	0	649
Interest receivable - third parties	1,055	1,855
Other	64	58
	<u>1,119</u>	<u>2,562</u>

COCA-COLA HOLDINGS(UNITED KINGDOM) LIMITED

NOTES TO THE ACCOUNTS - 31 DECEMBER 1996

7 DIRECTORS' EMOLUMENTS

	1996	1995 Restated
	£'000	£'000
Remuneration, including pension contributions	963	547

The emoluments, excluding pension contributions, of the chairman and the highest paid director are as follows :

	1996	1995 Restated
	£'000	£'000
Chairman	103	93
Highest paid director	333	187

The emoluments(excluding pension contributions) of the directors fell within the following ranges:

	1996 No.	1995 Restated No.
£ nil - 5,000	1	2
£45,001 - 50,000	0	1
£90,001 - 95,000	0	1
£100,001 - 105,000	1	0
£175,001 - 180,000	0	1
£185,001 - 190,000	0	1
£210,001 - 215,000	1	0
£270,001 - 275,000	1	0
£330,000 - 335,000	1	0

The company figure for directors emoluments has been restated to include emoluments paid to directors of Coca-Cola Holdings(United Kingdom) Limited in there capacity as directors of subsidiaries of the group.

8 STAFF COSTS

	1996	1995
	£'000	£'000
Wages and salaries	10,015	7,987
Social security costs	818	719
Other pension costs	1,021	587
	11,854	9,293

The average number of persons employed by the company during the year, including directors was as follows :

	1996 No.	1995 No.
Production	65	67
Administration	214	154
	279	221

COCA-COLA HOLDINGS(UNITED KINGDOM) LIMITED

NOTES TO THE ACCOUNTS - 31 DECEMBER 1996

9 INTEREST PAYABLE AND SIMILAR CHARGES

	1996 £'000	1995 £'000
Payable within five years:		
Bank loans and overdrafts	94	335
Loans from fellow group undertakings	1,982	2,061
Royalties due to parent undertaking	263	287
Other	10	(7)
Loss on exchange	1,150	543
	<u>3,499</u>	<u>3,219</u>

10 TAX ON PROFIT ON ORDINARY ACTIVITIES

The tax charge based on the profit for the year comprises:

	1996 £'000	1995 £'000
UK corporation tax at 33%	1,775	1,200
Deferred taxation	(207)	918
	<u>1,568</u>	<u>2,118</u>
Adjustment relating to prior years	(39)	(612)
	<u>1,529</u>	<u>1,506</u>
Associated undertakings	21,106	21,040
Discontinued operations	0	0
	<u>22,635</u>	<u>22,546</u>

11 INTANGIBLE FIXED ASSETS

Goodwill arising on consolidation

£'000

Cost:

At 1 January 1996

714

Amortisation:

At 1 January 1996

414

Charge for the year

36

At 31 December 1996

450

Net book value at 31 December 1996

264

Net book value at 1 January 1996

300

COCA-COLA HOLDINGS(UNITED KINGDOM) LIMITED

NOTES TO THE ACCOUNTS - 31 DECEMBER 1996

12 TANGIBLE FIXED ASSETS

Group

	Freehold Land & Buildings £'000	Plant, equipment and vehicles £'000	Total £'000
<u>Cost on valuation:</u>			
At 1 January 1996	8,861	16,027	24,888
Additions	37	1,630	1,667
Disposals	0	(1,723)	(1,723)
Transfers to/from other group companies and contracts-in-progress	(23)	(1,038)	(1,061)
At 31 December 1996	8,875	14,896	23,771
<u>Depreciation:</u>			
At 1 January 1996	1,603	6,978	8,581
Charge for the year	216	1,490	1,706
Disposals	0	(755)	(755)
Transfers to/from other group companies and contracts-in-progress	0	(238)	(238)
At 31 December 1996	1,819	7,475	9,294
<u>Net book value at:</u>			
31 December 1996	7,056	7,421	14,477
1 January 1996	7,258	9,049	16,307

The cost or valuation of land and buildings includes property revalued in 1980 at £775,000. The potential tax liability on capital gains, if these properties had been sold at 31 December 1996 at their net book value and the proceeds of sale had not been reinvested in similar assets, would not have been greater than £700,000 (1995 - £700,000).

Plant and equipment costing £998,454 (1995 - £1,650,200) with accumulated depreciation of £524,184 (1995 - £902,670), is leased by the group under finance leases. The group continues to pay a peppercorn rent on these leases.

COCA-COLA HOLDINGS(UNITED KINGDOM) LIMITED

NOTES TO THE ACCOUNTS - 31 DECEMBER 1996

12 TANGIBLE FIXED ASSETS

(continued)

Company

	Freehold Land & Buildings £'000	Plant, equipment and vehicles £'000	Total £'000
Cost or valuation:			
At 1 January 1996	6,145	1,877	8,022
Additions	29	22	51
Disposals	0	(15)	(15)
Transfers	(23)	0	(23)
At 31 December 1996	6,151	1,884	8,035
Depreciation:			
At 1 January 1996	766	1,103	1,869
Charge for the year	158	118	276
Disposals	0	(12)	(12)
At 31 December 1996	924	1,209	2,133
Net book value at 31 December 1996	5,227	675	5,902
Net book value at 1 January 1996	5,379	774	6,153

13 FIXED ASSET INVESTMENTS

Company

	Subsidiary undertakings £000	Associated undertakings £000	Total £000
At 1 January & 31 December 1996	10,397	37,837	48,234

Group

	Associated undertakings £000	Marketable securities £000	Total £000
At 1 January 1996	61,960	114	62,074
Additions	0	111	111
Share of profits for the year	36,595	0	36,595
Amortisation	0	(35)	(35)
At 31 December 1996	98,555	190	98,745

The amount of accumulated depreciation charged to marketable securities to 31 December 1996 amounted to £35,000 (1995 - £Nil)

COCA-COLA HOLDINGS(UNITED KINGDOM) LIMITED

NOTES TO THE ACCOUNTS - 31 DECEMBER 1996

13 FIXED ASSET INVESTMENTS (continued)

Details of the investments in which the group holds more than 10% of the nominal value of any class of share capital are as follows :

<i>Name of company</i>	<i>Country of registration</i>	<i>Holding</i>	<i>Proportion of voting right and shares held</i>	<i>Nature of business</i>
<i>Subsidiary undertakings</i>				
Coca-Cola International Sales Limited	England & Wales	Ordinary Shares	100%	Promotion and sale of soft drinks and strategic supply services.
Refreshment Spectrum Limited	England & Wales	Ordinary Shares	100%	Manufacture and sale of soft drinks.
Beverage Services Limited	England & Wales	Ordinary Shares	100%	Provision of marketing, promotion and technical services for the development of soft drinks in the British and various European market
<i>Associated undertakings</i>				
Amalgamated Beverages Great Britain Limited	England & Wales	Ordinary Shares	49%	Manufacture and distribution of soft drinks.

Amalgamated Beverages Great Britain Limited main results are as follows :

	1996 £'000	1995 £'000
Turnover	931,005	904,139
Depreciation	35,696	33,280
Profit on ordinary activities before taxation	117,756	111,138
Group's share of profits before taxation	57,700	57,638

Coca-Cola Holdings (United Kingdom) Limited sold its 49% holding in Amalgamated Beverages Great Britain Limited on 10th February 1997 to Coca-Cola Enterprises, for a consideration of £615,958,440.

Coca-Cola Holdings (United Kingdom) Limited, has waived its right to receive the first and second interim dividend for 1996 due from Amalgamated Beverages Great Britain Limited.

COCA-COLA HOLDINGS(UNITED KINGDOM) LIMITED

NOTES TO THE ACCOUNTS - 31 DECEMBER 1996

14 STOCKS

	Group		Company	
	1996	1995	1996	1995
	£'000	£'000	£'000	£'000
Finished product	2,099	2,077	261	338
Ingredients	26,311	20,801	25,454	19,900
Packaging materials	792	452	13	34
Consumables	53	29	0	0
	<u>29,255</u>	<u>23,359</u>	<u>25,728</u>	<u>20,272</u>

15 DEBTORS

	Group		Company	
	1996	1995	1996	1995
	£'000	£'000	£'000	£'000
Due within one year:				
Trade debtors	7,024	7,509	0	0
Amounts owed by subsidiary undertakings	0	0	4,500	4,500
Amounts owed by other group undertakings	6,092	11,082	1,368	768
Dividend receivable from associated undertaking	0	33,418	0	33,418
Dividend receivable from subsidiary undertakings	0	0	9,000	9,000
Prepayments and accrued income	5,472	17,578	1,381	2,607
Tax recoverable	3,671	5,011	3,671	5,011
Other debtors	5,283	1,183	133	47
	<u>27,542</u>	<u>75,781</u>	<u>20,053</u>	<u>55,351</u>

COCA-COLA HOLDINGS(UNITED KINGDOM) LIMITED

NOTES TO THE ACCOUNTS - 31 DECEMBER 1996

16 CREDITORS: amounts falling due within one year

	Group		Company	
	1996	1995	1996	1995
	£'000	£'000	£'000	£'000
Bank overdraft	197	736	0	0
Trade creditors	5,177	3,826	86	180
Other creditors including taxation and social security	13,226	23,729	3,569	4,293
Amounts owed to subsidiary undertakings	0	0	6,256	6,135
Amounts owed to other group undertakings	37,718	63,851	34,078	56,279
	<u>56,318</u>	<u>92,142</u>	<u>43,989</u>	<u>66,887</u>

Amounts due to fellow subsidiary undertakings include promissory notes, wholly repayable within five years as follows:

Principal £'000	Maturity date
23,271	Repayable on demand
6,350	Repayable on demand
1,595	Repayable on demand
<u>31,216</u>	

Interest is payable quarterly at a rate per annum equal to the London Interbank Offered Rate for three month maturities.

17 PROVISION FOR LIABILITIES AND CHARGES

	Group £'000	Company £'000
Deferred taxation		
Calculated at the effective tax rate of 33% (1995 - 33%)		
At 1 January 1996	2,043	644
Charge for the year	(207)	(11)
At 31 December 1996	<u>1,836</u>	<u>633</u>

The major components of the provision for deferred taxation and the amounts not provided are as follows:

COCA-COLA HOLDINGS(UNITED KINGDOM) LIMITED

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17 PROVISION FOR LIABILITIES AND CHARGES (continued)

	Provided		Not provided	
	1996	1995	1996	1995
	£'000	£'000	£'000	£'000
<i>Group</i>				
Short-term timing differences	0	54	0	0
Accelerated capital allowances	1,836	1,989	0	0
	<u>1,836</u>	<u>2,043</u>	<u>0</u>	<u>0</u>

	Provided		Not provided	
	1996	1995	1996	1995
	£'000	£'000	£'000	£'000
<i>Company</i>				
Short-term timing differences	0	(2)	0	0
Accelerated capital allowances	633	646	0	0
	<u>633</u>	<u>644</u>	<u>0</u>	<u>0</u>

18 SHARE CAPITAL

	1996	1995
	£'000	£'000
Authorised, allotted, called up and fully paid: 200,000 ordinary shares of £1 each	<u>200</u>	<u>200</u>

19 RECONCILIATION OF SHAREHOLDERS' FUNDS AND MOVEMENT ON RESERVES

	Share Capital	Capital Contributions	Profit & Loss Account	Total Shareholders Funds
	£'000	£'000	£'000	£'000
At 1 January 1995	200	45,449	93,995	139,644
Loss for the year	0	0	(41,997)	(41,997)
Coca-Cola Capital retained earnings	0	0	494	494
	<u>200</u>	<u>45,449</u>	<u>52,492</u>	<u>98,141</u>
At 31 December 1995	200	45,449	52,492	98,141
Profit for the year	0	0	30,445	30,445
At 31 December 1996	<u>200</u>	<u>45,449</u>	<u>82,937</u>	<u>128,586</u>

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20 PROFIT AND LOSS ACCOUNT

In accordance with the exemption allowed by the Companies Act 1985, the company has not presented its own profit and loss account. Of the group's profit for the financial year, a profit before distribution of £1,508,000 (1995 - £59,816,000) has been dealt with in the accounts of the company.

21 FINANCIAL COMMITMENTS

	1996 £'000	1995 £'000
The group has capital commitments authorised but not contracted for of	1,504	141

At 31 December 1996 the group had annual commitments under non-cancellable operating leases as set out below:

	Land and building		Other	
	1996 £'000	1995 £'000	1996 £'000	1995 £'000
Leases expiring:				
Within one year	0	0	102	93
Within two to five years	0	0	312	227
Thereafter	2,400	2,400	279	210
	2,400	2,400	693	530

22 PENSION COSTS

The company and its principal subsidiary undertakings operate within a funded Group Pension scheme which is a defined benefit scheme providing benefits based on final pensionable pay for the majority of employees. The assets of the scheme are held separately from those of the company, being invested with a pension fund management company. Contributions to the scheme are charged to the group profit and loss account so as to spread the cost of pensions over employees' working lives with the company. The contributions are determined by a qualified actuary on the basis of triennial valuation using the projected unit method.

The most recent valuation was at 1 January 1994, and at that date the scheme had assets with a market value of £11,228,000 and the level of funding on an actuarial basis was 100%. The assumptions which have the most significant effect on the results of the valuation are those relating to the rates of return on investments and the rates of increase in salaries and pensions. It was assumed that the investment returns would be 9.0% per annum and that salary increases would average 7.0% per annum.

The pension charge for the year was £995,000 (1995 - £587,000). A provision has been made this year, in other creditors of £200,000 to provide for the costs of Limited Price Indexation in line with the requirements of the Pensions Act 1995.

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23 ULTIMATE PARENT UNDERTAKING

The parent undertaking of the largest group of undertakings for which group accounts are drawn up and of which the company is a member is The Coca-Cola Company, incorporated in Delaware, USA and the parent undertaking of the smallest such group is Refreshment Product Services Inc., a company incorporated in the USA. Copies of The Coca-Cola Company's accounts can be obtained from this company's registered office.