

Coca-Cola Holdings (United Kingdom) Limited

Report and Accounts

31 December 1995

Registered Number - 1724995



Coca-Cola Holdings (United Kingdom) Limited

DIRECTORS' REPORT

Directors: G J Darby
S L Ewart
R D Guy
J Rosenbaum
A Taylor
R H Cooper (Resigned 28 April 1995)

Secretary: B Bage (Appointed 14 September 1995)
D Lingua (Resigned 14 September 1995)

Registered Office: 1 Queen Caroline Street
London W6 9HQ

Registered Number: 1724995

The directors present their report and accounts of the company and its subsidiary undertakings for the year ended 31 December 1995.

RESULTS AND DIVIDENDS

The consolidated profit for the year amounts to £36,767,000 (1994 - £47,286,000). The directors recommend the payment of a dividend of £78,764,000 (1994 - £56,900,000) leaving a loss of £41,997,000 (1994 - loss of £9,614,000) to be retained.

PRINCIPAL ACTIVITIES AND REVIEW OF BUSINESS DEVELOPMENTS

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

FUTURE DEVELOPMENTS

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

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 £41,884 (1994 - £52,000) were made.

DIRECTORS AND THEIR INTERESTS

The directors of the company during the year ended 31 December 1995 were those listed above. The directors have no beneficial interests in the shares of the company.

EVENTS SINCE THE BALANCE SHEET DATE

On June 3 1996, The Coca-Cola Company announced it was in negotiation to sell its 49% shareholding in Amalgamated Beverages Great Britain Limited (the holding company of Coca-Cola & Schweppes Beverages Limited) held by Coca-Cola Holdings (United Kingdom) Limited to Coca-Cola Enterprises Inc. In the opinion of the directors, a successful completion of these negotiations will result in a profit to the company.

Coca-Cola Holdings (United Kingdom) Limited

DIRECTORS' REPORT

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 to 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: 3/7/96

Coca-Cola Holdings (United Kingdom) Limited

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RESPECT OF THE ACCOUNTS

Company law requires 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 group and of the profit or loss of the group 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 group 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 group 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.

Coca-Cola Holdings (United Kingdom) Limited

AUDITORS' REPORT

REPORT OF THE AUDITORS

to the members of Coca-Cola Holdings (United Kingdom) Limited

We have audited the accounts on pages 6 to 22, 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 10 and 11.

Respective responsibilities of directors and auditors

As described on page 4, 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 to report our opinion to you.

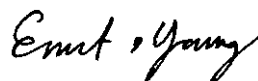
Basis of opinion

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 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 1995 and of the profit of the group for the year then ended and have been properly prepared in accordance with the Companies Act 1985.



Ernst & Young
Chartered Accountants
Registered Auditor
London

Date: *July 4, 1996*

Coca-Cola Holdings (United Kingdom) Limited

GROUP PROFIT AND LOSS ACCOUNT

for the year ended 31 December 1995

	Notes	1995 £000	1994 £000
TURNOVER	3	108,779	105,236
Cost of sales		80,780	72,245
		<u>27,999</u>	<u>32,991</u>
Distribution costs		2,871	2,310
Administrative expenses		21,962	22,874
		<u>24,833</u>	<u>25,184</u>
GROUP OPERATING PROFIT		3,166	7,807
Exceptional items:			
Disposal and write-down of tangible fixed assets	5	834	1,155
		<u>2,332</u>	<u>6,652</u>
Interest receivable and similar income	6	2,562	2,132
Interest payable and similar charges	9	(3,219)	(4,039)
Income from interests in associated undertakings		57,638	63,612
		<u>56,981</u>	<u>61,705</u>
Profit from continuing operations		59,313	68,357
Profit from discontinued operations		0	112
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		59,313	68,469
Tax on profit on ordinary activities	10	22,546	21,183
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		36,767	47,286
Dividends		(53,700)	(56,900)
Dividends declared		(25,064)	-
		<u>(78,764)</u>	<u>(56,900)</u>
(LOSS)/PROFIT FOR THE FINANCIAL YEAR		<u>(41,997)</u>	<u>(9,614)</u>
STATEMENT OF RETAINED PROFITS			
Balance at 1 January 1995		93,995	
Loss for the year		(41,997)	
Coca-Cola Capital retained earnings		494	
At 31 December 1995		<u>52,492</u>	
Balance at 31 December 1995		<u>52,492</u>	

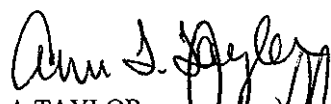
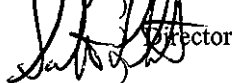
RECOGNISED GAINS AND LOSSES

There are no recognised gains or losses other than the profit attributable to shareholders of the company of £36,767,000 in the year ended 31 December 1995, and the profit of £47,286,000 in the year ended 31 December 1994.

Coca-Cola Holdings (United Kingdom) Limited

GROUP BALANCE SHEET at 31 December 1995

	Notes	1995 £000	1994 £000
FIXED ASSETS			
Intangible assets	11	300	336
Tangible assets	12	16,307	16,394
Investments	13	62,074	83,321
		<u>78,681</u>	<u>100,051</u>
CURRENT ASSETS			
Stocks	14	23,359	24,342
Debtors	15	75,781	81,301
Cash at bank and in hand		14,505	16,698
		<u>113,645</u>	<u>122,341</u>
CREDITORS: amounts falling due within one year	16	<u>92,142</u>	<u>81,623</u>
NET CURRENT ASSETS		<u>21,503</u>	<u>40,718</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>100,184</u>	<u>140,769</u>
PROVISIONS FOR LIABILITIES AND CHARGES			
	17	<u>2,043</u>	<u>1,125</u>
TOTAL ASSETS LESS LIABILITIES		<u>98,141</u>	<u>139,644</u>
CAPITAL AND RESERVES			
Called up share capital	18	200	200
Capital contributions	19	45,449	45,449
Profit and loss account		52,492	93,995
		<u>98,141</u>	<u>139,644</u>

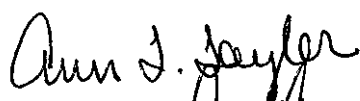

 A TAYLOR

 S L EWART Director

Date: 3/7/96

Coca-Cola Holdings (United Kingdom) Limited

BALANCE SHEET at 31 December 1995

	Notes	1995 £000	1994 £000
FIXED ASSETS			
Tangible assets	12	6,153	6,149
Investments	13	48,234	52,414
		<u>54,387</u>	<u>58,563</u>
CURRENT ASSETS			
Stocks	14	20,272	20,513
Debtors	15	55,351	63,516
Cash at bank and in hand		6,669	5,805
		<u>82,292</u>	<u>89,834</u>
CREDITORS: amounts falling due within one year	16	66,887	60,563
NET CURRENT ASSETS		<u>15,405</u>	<u>29,271</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		<u>69,792</u>	<u>87,834</u>
PROVISIONS FOR LIABILITIES AND CHARGES	17	644	(262)
		<u>69,148</u>	<u>88,096</u>
CAPITAL AND RESERVES			
Called up share capital	18	200	200
Capital contributions	19	45,449	45,449
Profit and loss account		23,499	42,447
		<u>69,148</u>	<u>88,096</u>


 A TAYLOR
 Director

S L EWART

Date: 3/7/96

Coca-Cola Holdings (United Kingdom) Limited

GROUP STATEMENT OF CASH FLOWS for the year ended 31 December 1995

	<i>Notes</i>	<i>1995</i> <i>£000</i>	<i>1994</i> <i>£000</i>
NET CASH INFLOW FROM OPERATING ACTIVITIES	24	399	10,043
RETURNS ON INVESTMENTS AND SERVICING OF FINANCE			
Dividends received		66,934	58,800
Dividends paid		(53,700)	(56,900)
Interest received		1,927	1,499
Interest paid		(435)	(2,478)
NET CASH INFLOW/(OUTFLOW) FROM RETURNS ON INVESTMENTS AND SERVICING OF FINANCE		14,726	921
TAXATION			
Corporation tax recovered/(paid) (including advance corporation tax)		(1,999)	5,435
TAX PAID		(1,999)	5,435
INVESTING ACTIVITIES			
Payments to acquire marketable securities		0	(20)
Payments to acquire tangible fixed assets		(2,407)	(4,140)
Receipts from sales of fixed assets		631	411
NET CASH OUTFLOW FROM INVESTING ACTIVITIES		(1,776)	(3,749)
NET CASH INFLOW BEFORE FINANCING		11,350	12,650
INCREASE IN CASH AND CASH EQUIVALENTS	26	11,350	12,650

Coca-Cola Holdings (United Kingdom) Limited

NOTES TO THE ACCOUNTS

at 31 December 1995

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 1995.

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

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 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 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.

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

Coca-Cola Holdings (United Kingdom) Limited

NOTES TO THE ACCOUNTS at 31 December 1995

1. ACCOUNTING POLICIES (continued)

Foreign currencies (continued)

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 subsidiary companies over the fair value ascribed to their net tangible assets at the dates 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 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 valuations, are amortised over the average expected remaining working lives of employees in proportion to their expected payroll costs. 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.

2. TURNOVER

Turnover comprises the invoice of goods and services supplied by the group exclusive of VAT 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:

	<i>Turnover</i>		<i>Profit on ordinary activities before taxation</i>	
	<i>1995</i>	<i>1994</i>	<i>1995</i>	<i>1994</i>
	<i>£000</i>	<i>£000</i>	<i>£000</i>	<i>£000</i>
Services	19,993	21,744	1,602	2,763
Beverages	88,786	83,492	57,711	65,706
	<u>108,779</u>	<u>105,236</u>	<u>59,313</u>	<u>68,469</u>

Coca-Cola Holdings (United Kingdom) Limited

NOTES TO THE ACCOUNTS

at 31 December 1995

3. ANALYSIS OF TURNOVER AND PROFITS BETWEEN ACTIVITIES AND MARKET (continued)

	1995	Turnover 1994
	£000	£000
United Kingdom	37,748	31,205
Other European countries	46,491	44,744
Eastern Bloc and Scandinavia	9,621	18,305
Africa	6,872	6,314
North America	737	312
Latin America	3,875	1,689
Far East	3,435	2,667
	<u>108,779</u>	<u>105,236</u>

4. GROUP OPERATING PROFIT

Group operating profit is stated after charging:

	1995	1994
	£000	£000
Amortisation of goodwill	36	36
Depreciation of owned tangible fixed assets	1,475	1,533
Depreciation of assets held under finance leases and hire purchase contracts	127	175
Payments under operating leases - Plant, equipment and vehicles	615	496
- Property	2,960	3,363
Auditors' remuneration - Audit services	74	78
- Non audit services	7	145
	<u>7</u>	<u>145</u>

5. EXCEPTIONAL ITEMS

	1995	1994
	£000	£000
Net loss on disposal of plant and equipment	85	476
Write-down of plant and equipment	0	679
Loss on disposal of fixed asset investment	749	0
	<u>834</u>	<u>1,155</u>

The taxation effect of the above exceptional item is nil.

6. INTEREST RECEIVABLE AND SIMILAR INCOME

	1995	1994
	£000	£000
Gain on exchange	649	635
Interest receivable - third parties	1,855	1,411
Other	58	86
	<u>2,562</u>	<u>2,132</u>

Coca-Cola Holdings (United Kingdom) Limited

NOTES TO THE ACCOUNTS

at 31 December 1995

7. DIRECTORS' REMUNERATION

The majority of directors who are engaged in the company's business are employed by a subsidiary undertaking. The emoluments of directors who are also directors of the subsidiary undertaking are included in the accounts of the subsidiary undertaking in which they are paid. The remaining directors' emoluments are detailed as follows:

	1995 £	1994 £
Remuneration, including pension contributions	104	95

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

	1994 £	1993 £
Chairman	-	-
Highest paid director	93	85

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

	1995 No.	1994 No.
£nil - £5,000	5	7
£80,001 - £85,000	-	1
£90,001 0 £95,000	1	-

8. STAFF COSTS

	1995 £000	1994 £000
Salaries and wages	7,987	9,673
Social security costs	719	657
Other pension costs	587	645
	9,293	10,975

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

	1995 No.	1994 No.
Production	67	92
Distribution, sales and marketing	0	2
Administration	154	181
	221	275

Coca-Cola Holdings (United Kingdom) Limited

NOTES TO THE ACCOUNTS at 31 December 1995

9. INTEREST PAYABLE AND SIMILAR CHARGES

	1995 £	1994 £
Payable within five years:		
Bank loans and overdrafts	335	541
Loans from fellow group undertakings	2,061	1,937
Royalties payable to parent undertaking	287	274
Other royalties	0	7
Other	(7)	188
Loss on exchange	543	1,092
	<u>3,219</u>	<u>4,039</u>

10. TAX ON PROFIT ON ORDINARY ACTIVITIES

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

	1995 £000	1994 £000
UK corporation tax		
Current at 33% (1994 - 33%)	1,200	2,469
Deferred	918	(729)
	<u>2,118</u>	<u>1,740</u>
Adjustments relating to prior years	(612)	(1,797)
	<u>1,506</u>	<u>(57)</u>
Associated undertakings	21,040	21,178
Discontinued operations	0	62
	<u>22,546</u>	<u>21,183</u>

11. INTANGIBLE FIXED ASSETS

	£000
Goodwill arising on consolidation	
Cost:	
At 1 January 1995	<u>714</u>
Amortisation:	
At 1 January 1995	378
Charge for the year	<u>36</u>
	<u>414</u>
At 31 December 1995	<u>414</u>
Net book value at 31 December 1995	<u>300</u>
Net book value at 31 December 1994	<u>336</u>

Coca-Cola Holdings (United Kingdom) Limited

NOTES TO THE ACCOUNTS at 31 December 1995

12. TANGIBLE FIXED ASSETS

Group

	<i>Land and buildings £000</i>	<i>Plant, equipment and vehicles £000</i>	<i>Total £000</i>
Cost or valuation:			
At 1 January 1995	8,696	15,326	24,022
Additions	317	2,024	2,341
Disposals	0	(1,475)	(1,475)
Transfers	(152)	152	0
At 31 December 1995	8,861	16,027	24,888
Depreciation:			
At 1 January 1995	1,408	6,220	7,628
Charge for year	195	1,524	1,719
Disposals	0	(766)	(766)
At 31 December 1995	1,603	6,978	8,581
Net book value at 31 December 1995	7,258	9,049	16,307
Net book value at 31 December 1994	7,288	9,106	16,394

The cost or valuation of land and buildings includes property revalued in 1980 at £755,000. The potential tax liability on capital gains, if these properties had been sold at 31 December 1995 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 (1994 - £700,000).

Plant and equipment costing £1,650,200 (1994 - £1,650,200) with accumulated depreciation of £902,670 (1994 - £775,930) is leased by the group under finance leases.

Coca-Cola Holdings (United Kingdom) Limited

NOTES TO THE ACCOUNTS

at 31 December 1995

Company

	<i>Land and buildings £000</i>	<i>Plant and machinery £000</i>	<i>Total £000</i>
Cost or valuation:			
At 1 January 1995	6,034	1,784	7,818
Additions	263	1	264
Disposals	0	(60)	(60)
Transfers	(152)	152	0
	<hr/>	<hr/>	<hr/>
At 31 December 1995	6,145	1,877	8,022
	<hr/>	<hr/>	<hr/>
Depreciation:			
At 1 January 1995	628	1,041	1,669
Charge for the year	138	115	253
Disposals	0	(53)	(53)
	<hr/>	<hr/>	<hr/>
At 31 December 1995	766	1,103	1,869
	<hr/>	<hr/>	<hr/>
Net book value at 31 December 1995	5,379	774	6,153
	<hr/>	<hr/>	<hr/>
Net book value at 31 December 1994	5,406	743	6,149
	<hr/>	<hr/>	<hr/>

Coca-Cola Holdings (United Kingdom) Limited

NOTES TO THE ACCOUNTS at 31 December 1995

13. FIXED ASSET INVESTMENTS

Company

	<i>Total</i> £000	<i>Subsidiary</i> <i>undertakings</i> £000	<i>Associated</i> <i>undertakings</i> £000
At 1 January 1995	52,414	14,577	37,837
Disposals	(4,180)	(4,180)	-
At 31 December 1995	<u>48,234</u>	<u>10,397</u>	<u>37,837</u>

Group

	<i>Total</i> £000	<i>Associated</i> <i>undertakings</i> £000	<i>Marketable</i> <i>securities</i> £000
At 1 January 1995	83,321	83,281	40
Additions	94	-	94
Share of profits for the year	36,598	36,598	-
Dividend receivable	(57,919)	(57,919)	-
Disposals	(20)	-	(20)
At 31 December 1995	<u>62,074</u>	<u>61,960</u>	<u>114</u>

(i) The principal subsidiary undertakings at 31 December 1995 were:

Name of Company

Coca-Cola International Sales Limited
(formerly Coca-Cola Great Britain Limited)

Activity

Manufacture and sale of canned beverages.

Refreshment Spectrum Limited

Promotion and sale of beverages.

Beverage Services Limited

Provision of marketing, promotion and technical services for the development of soft drinks in the British and various European markets.

Coca-Cola Capital Limited

Factoring of debts and payables. (Now liquidated)

All of the above companies are wholly owned subsidiary undertakings of Coca-Cola Holdings (United Kingdom) Limited and are incorporated in Great Britain.

(ii) The associated undertaking is Amalgamated Beverages Great Britain Limited which is engaged in the manufacture and distribution of soft drinks and in which the group has a holding of 49% in its ordinary share capital.

Coca-Cola Holdings (United Kingdom) Limited

NOTES TO THE ACCOUNTS at 31 December 1995

14. STOCKS

	<i>Group</i>		<i>Company</i>	
	<i>1995</i>	<i>1994</i>	<i>1995</i>	<i>1994</i>
	<i>£000</i>	<i>£000</i>	<i>£000</i>	<i>£000</i>
Finished products	2,077	2,160	338	237
Ingredients	20,801	21,137	19,900	20,266
Packaging materials	452	772	34	10
Consumables	29	273	-	-
	<u>23,359</u>	<u>24,342</u>	<u>20,272</u>	<u>20,513</u>

15. DEBTORS

	<i>Group</i>		<i>Company</i>	
	<i>1995</i>	<i>1994</i>	<i>1995</i>	<i>1994</i>
	<i>£000</i>	<i>£000</i>	<i>£000</i>	<i>£000</i>
Due within one year:				
Trade debtors	7,509	6,606	0	-
Due from subsidiary undertakings	-	-	4,500	4,500
Due from fellow subsidiary undertakings	11,082	17,149	768	795
Dividend receivable from associated undertaking	33,418	42,434	33,418	42,434
Dividends receivable from subsidiary undertakings	-	-	9,000	9,000
Prepayments and accrued income	17,578	6,106	2,607	1,070
Tax recoverable	5,011	5,528	5,011	5,528
Other debtors	1,183	3,478	47	189
	<u>75,781</u>	<u>81,301</u>	<u>55,351</u>	<u>63,516</u>

16. CREDITORS:

amounts falling due within one year

	<i>Group</i>		<i>Company</i>	
	<i>1995</i>	<i>1994</i>	<i>1995</i>	<i>1994</i>
	<i>£000</i>	<i>£000</i>	<i>£000</i>	<i>£000</i>
Bank overdraft	736	14,279		13,475
Trade creditors	3,826	2,782	180	201
Other creditors including taxation and social security	23,729	26,099	4,293	3,145
Due to subsidiary undertakings	-	-	6,135	13,191
Due to fellow subsidiary undertakings	63,851	38,463	56,279	30,551
	<u>92,142</u>	<u>81,623</u>	<u>66,887</u>	<u>60,563</u>

Coca-Cola Holdings (United Kingdom) Limited

NOTES TO THE ACCOUNTS

at 31 December 1995

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. PROVISIONS FOR LIABILITIES AND CHARGES

	<i>Group</i> £000	<i>Company</i> £000
Deferred taxation		
Calculated at the effective tax rate of 33% (1994 - 33%)		
At 1 January 1995	1,125	(262)
Charge for the year	918	906
At 31 December 1995	<u>2,043</u>	<u>644</u>

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

	<i>1995</i> £000	<i>Provided</i> <i>1994</i> £000	<i>1995</i> £000	<i>Not provided</i> <i>1994</i> £000
<i>Group</i>				
Short-term timing differences	54	(908)	-	-
Accelerated capital allowances	1,989	2,033	-	-
	<u>2,043</u>	<u>1,125</u>	<u>-</u>	<u>-</u>

Coca-Cola Holdings (United Kingdom) Limited

NOTES TO THE ACCOUNTS at 31 December 1995

17. PROVISIONS FOR LIABILITIES AND CHARGES (continued)

<i>Company</i>	<i>1995</i>	<i>Provided</i>	<i>1995</i>	<i>Not provided</i>
	<i>1994</i>	<i>1994</i>	<i>1994</i>	<i>1994</i>
	<i>£000</i>	<i>£000</i>	<i>£000</i>	<i>£000</i>
Short-term timing differences	(2)	(908)	-	-
Accelerated capital allowances	646	646	-	-
	<u>644</u>	<u>(262)</u>	<u>-</u>	<u>-</u>

18. SHARE CAPITAL

	<i>1995</i>	<i>1994</i>
	<i>£000</i>	<i>£000</i>
Authorised, allotted, called up and fully paid: 200,000 ordinary shares of £1 each	200	200

19. CAPITAL CONTRIBUTIONS

	<i>£000</i>
At 1 January 1995	45,449
Additional paid-in capital	-
	<u>45,449</u>
At 31 December 1995	<u>45,449</u>

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 £59,816,000 (1994 - £76,883,000) has been dealt with in the accounts of the company.

21. FINANCIAL COMMITMENTS

At 31 December 1995 the group had annual commitments under non-cancellable operating leases as set out below:

	<i>Land and buildings</i>		<i>Other</i>	
	<i>1995</i>	<i>1994</i>	<i>1995</i>	<i>1994</i>
	<i>£000</i>	<i>£000</i>	<i>£000</i>	<i>£000</i>
Leases expiring:				
Within one year	-	-	93	147
Within two to five years	-	-	227	248
Thereafter	2,400	2,400	210	-
	<hr/>	<hr/>	<hr/>	<hr/>
	2,400	2,400	530	395

Coca-Cola Holdings (United Kingdom) Limited

NOTES TO THE ACCOUNTS

at 31 December 1995

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 £587,000 (1994 - £645,000).

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.

Coca-Cola Holdings (United Kingdom) Limited

NOTES TO THE ACCOUNTS at 31 December 1995

24. RECONCILIATION OF GROUP OPERATING PROFIT PER PROFIT AND LOSS ACCOUNT TO NET CASH INFLOW FROM OPERATING ACTIVITIES

	1995 £000	1994 £000
Group operating profit	3,166	7,807
Loss on disposal of fixed assets	0	(1,354)
Depreciation	1,721	1,708
Royalties	(287)	(281)
Loss on exchange	113	(457)
Amortisation of investment	0	70
Goodwill written off	36	36
(Increase)/Decrease in stock	983	(288)
Increase/(Decrease) in creditors	(4,982)	9,542
(Increase)/Decrease in debtors	(351)	(6,740)
NET CASH INFLOW FROM OPERATING ACTIVITIES	399	10,043

25. ANALYSIS OF CASH AND CASH EQUIVALENTS

	1995 £000	1994 £000	Change in year £000
Cash at bank and in hand	14,505	16,698	(2,193)
Bank overdraft	(736)	(14,279)	13,543
	13,769	2,419	11,350

26. ANALYSIS OF CHANGES IN CASH AND CASH EQUIVALENTS DURING THE YEAR

	1995 £000	1994 £000
Balance at 1 January 1995	2,419	(10,231)
Net cash inflow	11,350	12,650
Balance at 31 December 1995	13,769	2,419

27. POST BALANCE SHEET EVENTS

On June 3 1996, The Coca-Cola Company announced it was in negotiation to sell its 49% shareholding in Amalgamated Beverages Great Britain Limited (the holding company of Coca-Cola & Schweppes Beverages Limited) held by Coca-Cola Holdings (United Kingdom) Limited to Coca-Cola Enterprises Inc. In the opinion of the directors, a successful completion of these negotiations will result in a profit to the company.