

Brita Water Filter Systems Limited

Report and Financial Statements

31 December 2012



Directors

R Belz
M Hankammer
C Seabrook

Secretary

H J Siegrist

Auditors

Ernst & Young LLP
Apex Plaza
Reading RG1 1YE

Bankers

Barclays Bank Plc
1 Churchill Place
London E14 5HP

Solicitors

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Trigen House
Central Boulevard
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Solihull B90 8AB

Registered Office

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9 Granville Way
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OX26 4JT

Registered No 2700375

Directors' report

The directors present their report and financial statements for the year ended 31 December 2012

Results and dividends

The profit for the year after taxation amounted to £1,077,693 (2011 – profit of £1,409,758) An interim dividend of £3,700,000 (2011 – £nil) was paid during the year and the directors do not recommend a final dividend is declared for approval at the AGM (2011 – £nil)

Principal activities and review of the business

The principal activity of the company during the year was the sale of water filtration products

The company's key financial and other performance indicators during the year were as follows

	2012 £000	2011 £000	Change
Turnover	46,739	44,046	6.1%
Operating profit	1,514	1,989	(23.9%)
Market share	78%	82%	(4 ppt)

Company turnover grew in both divisions. Home division sales were up 5% on 2011. Professional division sales grew by 10.2%.

Gross margin percentage reduced from 27.9% to 26.7% due to an increase in cost of sales driven by increase in the cost of commodities.

Distribution costs have increased by £0.8m when compared to 2011, and as a percentage of revenue, distribution costs have grown from 18.9% in 2011, to 19.6% in 2012. This relates to increased investment within marketing and sales which has supported the turnover growth in 2012.

A key non-financial measure monitored by the business is Brita's share of the jug waterfilter market and during the year Brita's market share decreased to 78%.

Future developments

The directors aim to continue the policies which have led to the company's market leadership position and expect future growth in both divisions.

Principal risks and uncertainties

Continuing uncertainty over the strength of the economy meant that trading conditions in 2012 remained challenging. In order to grow profitability close management of costs continued to be a priority.

The main financial risk to which the company is exposed is credit risk.

The company's credit risk covers a wide spectrum, from large retailers to small independent businesses. Standard credit control procedures are applied.

The company is also exposed to interest rate and liquidity risk but these are considered to be low risks due to the generally low level of any borrowings. Any short term working capital needs can be covered by interest bearing loans from the company's parent, Brita GmbH. The variability in profits due to fluctuations in interest on short term borrowings or deposits is not considered material by the directors.

The company has no third party borrowings. Should any unanticipated need for funding arise the company is able to borrow funds from its immediate parent company Brita GmbH, which is willing and able to provide support. At the balance sheet date the company had an intercompany borrowing of £3,000,000 (2011 – £nil), this had been fully repaid by the end of January 2013.

Directors' report (continued)

Events since the balance sheet date

On 25 February 2013, the directors made the decision to merge Brita Water Filter Systems Limited and Brita Manufacturing (UK) Limited into one entity. This is planned to be executed in January 2014.

Going concern

The company's business activities, together with the factors likely to affect its future development are discussed elsewhere in this report.

The company is cash generative and has a diversified customer base across its divisions. As a consequence, the directors believe the company is well placed to manage its business risks successfully despite the continuing subdued growth in the economy.

After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, they continue to adopt the going concern basis in preparing the annual financial statements.

Directors

The directors who served the company during the year were as follows:

R Belz
M Hankammer
C Seabrook

The company is a wholly owned subsidiary of Brita GmbH. M Hankammer is also a director of the parent undertaking.

Political and charitable contributions

In February 2013 the Brita Community Fund made a donation of £17,213 to Bardwell School in Bicester. Of this £7,213 was raised through fund raising by Brita employees during 2012 with fund matching by the company. The children at the school have varying degrees of disability.

The company contributed towards Hospitality Action, who provide financial support and advice to all who work or have worked within hospitality, donating £4,687 during the year.

The company also continued to contribute to the Gumboots Foundation, which is a charity supporting projects to help alleviate poverty in South Africa, donating £24,000 during the year. Other charitable donations amounted to £920.

Directors' liabilities

The company has granted an indemnity to one or more of its directors against liability in respect of proceedings brought by third parties, subject to the conditions set out in section 234 of the Companies Act 2006. Such qualifying third party indemnity provision remains in force as at the date of approving the directors' report.

Directors' report (continued)

Disclosure of information to the auditors

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information, being information needed by the auditor in connection with preparing its report, of which the auditor is unaware. Having made enquiries of fellow directors and the company's auditor, each director has taken all the steps that he/she is obliged to take as a director in order to make himself/herself aware of any relevant audit information and to establish that the auditor is aware of that information.

Auditors

A resolution to reappoint Ernst & Young LLP as auditors will be put to the members at the Annual General Meeting.

On behalf of the Board



Director

Date 26th Feb 2013

Directors' Responsibilities Statement

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they 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 these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgments and estimates that are reasonable and prudent,
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements, and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Independent auditor's report

to the members of Brita Water Filter Systems Limited

We have audited the financial statements of Brita Water Filter Systems Limited for the year ended 31 December 2012 which comprise the Profit and Loss Account, the Statement of Total Recognised Gains and Losses, the Balance Sheet, the Statement of Cash Flows and the related notes 1 to 20. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. 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 auditor's 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 auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 5, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Report and Financial Statements to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on the financial statements

In our opinion the financial statements

- give a true and fair view of the state of the company's affairs as at 31 December 2012 and of its profit for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

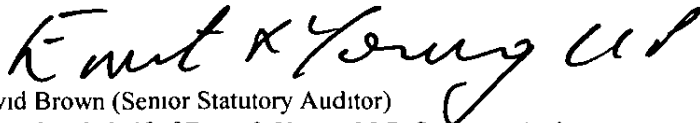
Independent auditor's report (continued)

to the members of Brita Water Filter Systems Limited

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us, or
- the financial statements are not in agreement with the accounting records and returns, or
- certain disclosures of directors' remuneration specified by law are not made, or
- we have not received all the information and explanations we require for our audit



David Brown (Senior Statutory Auditor)
For and on behalf of Ernst & Young LLP, Statutory Auditor
Reading

Date 26/02/2013

Profit and loss account

for the year ended 31 December 2012

	Notes	2012 £	2011 £
Turnover	2	46,738,922	44,046,139
Cost of sales		(34,245,328)	(31,744,677)
Gross profit		12,493,594	12,301,462
Distribution costs		(9,157,728)	(8,313,214)
Administrative expenses		(1,822,333)	(1,999,014)
Operating profit	3	1,513,533	1,989,234
Interest receivable and similar income	6	6,045	10,022
Interest payable and similar charges	7	(14,365)	(1,546)
Profit on ordinary activities before taxation		1,505,213	1,997,710
Tax	8	(427,520)	(587,952)
Profit for the financial year	15	1,077,693	1,409,758

All amounts relate to continuing activities

Statement of total recognised gains and losses

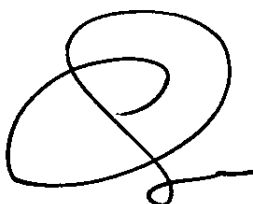
for the year ended 31 December 2012

There are no recognised gains or losses other than the profit attributable to the shareholders of the company of £1,077,693 in the year ended 31 December 2012 (2011 – profit of £1,409,758)

Balance sheet

at 31 December 2012

	Notes	2012 £	2011 £
Fixed assets			
Tangible assets	10	4,707,066	5,007,801
Current assets			
Stocks	11	1,268,922	1,181,326
Debtors	12	13,969,062	12,508,306
Cash at bank		2,863,048	5,213,893
		18,101,032	18,903,525
Creditors amounts falling due within one year	13	15,186,438	13,667,359
Net current assets		2,914,594	5,236,166
Total assets less current liabilities		7,621,660	10,243,967
Capital and reserves			
Called up share capital	14	700,000	700,000
Profit and loss account	15	6,921,660	9,543,967
Shareholders' funds	15	7,621,660	10,243,967



Director

Date 26 FEB 2013

Statement of cash flows

for the year ended 31 December 2012

	Notes	2012 £	2011 £
Net cash inflow from operating activities	16(a)	2,217,825	3,937,637
Returns on investments and servicing of finance	16(b)	(8,320)	8,476
Taxation	16(c)	(659,177)	(720,580)
Capital expenditure and financial investment	16(d)	(201,173)	(187,970)
Equity dividends paid	9	(3,700,000)	(4,000,000)
Decrease in cash		<u>(2,350,845)</u>	<u>(962,437)</u>

Reconciliation of net cash flow to movement in net funds

	Notes	2012 £	2011 £
(Decrease)/increase in cash		<u>(2,350,845)</u>	<u>(962,437)</u>
Movement in net funds		<u>(2,350,845)</u>	<u>(962,437)</u>
Net funds at 1 January	16(e)	5,213,893	6,176,330
Net funds at 31 December	16(e)	<u>2,863,048</u>	<u>5,213,893</u>

Notes to the financial statements

at 31 December 2012

1. Accounting policies

Basis of preparation

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

Tangible fixed assets

All fixed assets are initially recorded at cost

Depreciation is provided on all tangible fixed assets, other than freehold land, at rates calculated to write off the cost, less estimated residual value based on prices prevailing at the date of acquisition of each asset evenly over its expected useful life, as follows

Freehold buildings	–	over 25 years
Plant and machinery	–	over 3 to 8 years
Fixtures and fittings	–	over 10 to 25 years
Computer Equipment	–	over 3 years

The carrying values of tangible fixed assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable

Revenue recognition

Revenue is recognised to the extent that the company obtains the right to consideration in exchange for its performance. Revenue is measured at the fair value of the consideration received, excluding discounts, rebates, VAT and other sales taxes or duty. Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer.

Stocks

Stock has been valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items

Deferred taxation

Deferred taxation is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more, or right to pay less or to receive more, tax, with the following exceptions

- Deferred tax assets are recognised only to the extent that the directors consider that it is 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 on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date

Notes to the financial statements

at 31 December 2012

1. Accounting policies (continued)

Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction

Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date

All differences are taken to the profit and loss account

Operating lease agreements

Rentals payable under operating leases are charged to the profit and loss account on a straight line basis over the lease term

Pension costs

The company operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The amount charged to the profit and loss account represents the contributions payable to the scheme in respect of the accounting period.

2. Turnover

The turnover shown in the profit and loss account represents amounts invoiced during the year, net of value added tax and trade discounts. Turnover is attributable to the one principal activity of the company.

An analysis of turnover by geographical market is given below

	2012 £	2011 £
UK	46,320,953	42,986,662
Rest of World	417,969	1,059,477
	<u>46,738,922</u>	<u>44,046,139</u>

3. Operating profit

This is stated after charging/(crediting)

	2012 £	2011 £
Auditors' remuneration – audit	42,400	42,000
– taxation services	18,245	10,945
– training services	8,750	7,000
Depreciation of owned fixed assets	488,771	446,028
Loss on disposal of fixed assets	13,137	6,602
Income received from Brita GmbH for eShop UK	(294,531)	–
Operating lease rentals – plant and machinery	82,989	88,263
Net gain on foreign currency translations	(374)	(393)

The foreign currency translation is credited to cost of sales in the profit and loss account

Notes to the financial statements

at 31 December 2012

4. Directors' remuneration

	2012 £	2011 £
Remuneration	184,471	69,543
Aggregate amounts receivable under long term incentive plans	11,614	15,662
	<u>196,085</u>	<u>85,205</u>
Value of company pension contributions to money purchase schemes	15,939	7,207
	<u>No</u>	<u>No</u>
Members of defined contribution pension schemes	<u>1</u>	<u>1</u>

Certain directors of the company are also directors or officers of other companies within the Brita GmbH group and remunerated by other group companies. These directors' services to the company do not occupy a significant amount of their time. As such these directors do not consider that they receive any remuneration for their incidental services to the company for the years ended 31 December 2011 and 31 December 2012.

5. Staff costs

	2012 £	2011 £
Wages and salaries	3,109,569	2,906,940
Social security costs	354,798	330,348
Staff pension contributions	218,667	215,704
	<u>3,683,034</u>	<u>3,452,992</u>

The average monthly number of employees during the year was made up as follows

	No	No
Distribution	48	45
Administration	19	18
	<u>67</u>	<u>63</u>

6. Interest receivable and similar income

	2012 £	2011 £
Bank interest receivable	6,045	10,022
	<u>6,045</u>	<u>10,022</u>

Notes to the financial statements

at 31 December 2012

7. Interest payable and similar charges

	2012	2011
	£	£
Bank interest payable	–	6
Corporation tax interest payable	1,179	1,540
Interest payable to parent company	13,186	–
	<u>14,365</u>	<u>1,546</u>

8. Tax

(a) Tax on profit on ordinary activities

The tax charge is made up as follows

	2012	2011
	£	£
Current tax		
UK corporation tax on the profits of the period	400,370	583,656
Adjustments in respect of previous periods	21,317	53,625
Total current tax (note 8(b))	<u>421,687</u>	<u>637,281</u>
Deferred tax		
Origination and reversal of timing differences	5,306	(49,536)
Effect of changes in tax rate on opening liability	527	207
Total deferred tax	<u>5,833</u>	<u>(49,329)</u>
Tax on profit on ordinary activities	<u>427,520</u>	<u>587,952</u>

(b) Factors affecting current tax charge

The tax assessed on the profit on ordinary activities for the year is different from the standard rate of corporation tax in the UK of 24.5% (2011 – 26.5%). The differences are reconciled below

	2012	2011
	£	£
Profit on ordinary activities before tax	<u>1,505,213</u>	<u>1,997,710</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 24.5% (2011 – 26.5%)	368,777	529,393
Effects of		
Expenses not deductible for tax purposes	59,805	61,169
Depreciation in excess of capital allowances	13,332	(18,556)
Adjustments to tax charge in respect of previous years	21,317	53,625
Other timing differences	(41,544)	11,650
Current tax for the year (note 8(a))	<u>421,687</u>	<u>637,281</u>

Notes to the financial statements

at 31 December 2012

8. Tax (continued)

(c) Deferred tax (continued)

	£
At 1 January 2012	3,880
Profit and loss account	(5,833)
At 31 December 2012	<u>(1,953)</u>

The deferred tax consists of

	2012 £	2011 £
Decelerated capital allowances	(61,715)	(89,249)
Other timing differences	59,762	93,129
Total deferred tax (liabilities)/assets	<u>(1,953)</u>	<u>3,880</u>

(d) Factors that may affect future tax charges

In Budget 2011 on 23 March 2011, the Chancellor of the Exchequer announced a reduction in the UK rate of corporation tax to 26% which applied from 1 April 2011. A further 1% rate reduction to 25% was also announced and it was intended that this would be effective from 1 April 2012.

However, in his budget of 21 March 2012 and the 2012 Autumn Statement, the Chancellor of the Exchequer announced a number of further changes to the UK Corporation Tax rate. These included reductions in the main rate of Corporation Tax from 25% to 24% effective from 1 April 2012, to 23% from 1 April 2013 and to 21% from 1 April 2014, which will be enacted in successive Finance Bills.

The effect on the company of future reductions in the rate will be reflected in the company's financial statements in future years as appropriate, once the proposals have been substantively enacted. The potential impact of the reduction in the rate on the deferred tax liability in respect of accelerated capital allowance is £5,367 and on the deferred tax asset in respect of other timing difference is £5,197.

9. Dividends

	2012 £	2011 £
Equity dividends on ordinary shares		
Prior year proposed dividends declared and paid in the year	—	4,000,000
Interim dividend paid in the year	<u>3,700,000</u>	<u>—</u>

Notes to the financial statements

at 31 December 2012

10. Tangible fixed assets

	<i>Freehold land and buildings</i>	<i>Plant and machinery</i>	<i>Fixtures and fittings</i>	<i>Computer Equipment</i>	<i>Assets under Construction</i>	<i>Total</i>
	£	£	£	£	£	£
Cost						
At 1 January 2012	5,628,273	1,387,431	108,427	421,016	13,242	7,558,389
Additions	–	24,676	6,693	4,197	165,607	201,173
Disposals	–	(24,564)	–	–	(1,384)	(25,948)
Transfers	–	6,952	6,800	14,886	(28,638)	–
At 31 December 2012	<u>5,628,273</u>	<u>1,394,495</u>	<u>121,920</u>	<u>440,099</u>	<u>148,827</u>	<u>7,733,614</u>
Depreciation						
At 1 January 2012	1,304,514	1,080,398	56,567	109,109	–	2,550,588
Charge for the year	177,540	242,687	11,369	57,175	–	488,771
Disposals	–	(12,811)	–	–	–	(12,811)
At 31 December 2012	<u>1,482,054</u>	<u>1,310,274</u>	<u>67,936</u>	<u>166,284</u>	<u>–</u>	<u>3,026,548</u>
Net book value						
At 31 December 2012	<u>4,146,219</u>	<u>84,221</u>	<u>53,984</u>	<u>273,815</u>	<u>148,827</u>	<u>4,707,066</u>
At 1 January 2012	<u>4,323,759</u>	<u>307,033</u>	<u>51,860</u>	<u>311,907</u>	<u>13,242</u>	<u>5,007,801</u>

Included in the net book value of land and buildings is freehold land at a cost of £1,189,773 (2011 – £1,189,773)

Included in assets under construction is computer equipment and software with a net book value of £124,534

11. Stocks

	<i>2012</i>	<i>2011</i>
	£	£
Finished goods	<u>1,268,922</u>	<u>1,181,326</u>

There is no material difference between the balance sheet value of stocks and their replacement cost

12. Debtors

	<i>2012</i>	<i>2011</i>
	£	£
Trade debtors	12,778,060	11,611,834
Amounts owed by group undertakings	944,740	523,900
Other debtors	55,082	162,610
Prepayments and accrued income	191,180	206,082
Deferred taxation (note 8 (c))	–	3,880
	<u>13,969,062</u>	<u>12,508,306</u>

Notes to the financial statements

at 31 December 2012

13. Creditors: amounts falling due within one year

	2012	2011
	£	£
Trade creditors	1,959,830	1,978,310
Amounts owed to group undertakings	5,700,033	4,555,662
Corporation tax	114,229	351,719
Other taxation	389,041	473,861
Accruals and deferred income	7,021,352	6,307,807
Deferred taxation (note 8 (c))	1,953	—
	<u>15,186,438</u>	<u>13,667,359</u>

14. Issued share capital

	No	2012	No	2011
		£		£
<i>Allotted, called up and fully paid</i>				
Ordinary shares of £1 each	700,000	<u>700,000</u>	700,000	<u>700,000</u>

15. Reconciliation of shareholders' funds and movements on reserves

	Share capital	Profit and loss account	Total share-holders' funds
	£	£	£
At 1 January 2011	700,000	12,134,209	12,834,209
Profit for the year	—	1,409,758	1,409,758
Dividends	—	(4,000,000)	(4,000,000)
At 1 January 2012	700,000	9,543,967	10,243,967
Profit for the year		1,077,693	1,077,693
Dividends		(3,700,000)	(3,700,000)
At 31 December 2012	<u>700,000</u>	<u>6,921,660</u>	<u>7,621,660</u>

Notes to the financial statements

at 31 December 2012

16. Notes to the statement of cash flows

(a) Reconciliation of operating profit to net cash inflow from operating activities

	2012	2011
	£	£
Operating profit	1,513,533	1,989,234
Depreciation	488,771	446,028
Loss on disposal of fixed asset	13,137	6,602
(Increase)/decrease in stocks	(87,596)	312,432
Increase in debtors	(1,464,636)	(729,522)
Increase in creditors	1,754,616	1,912,863
Net cash inflow from operating activities	<u>2,217,825</u>	<u>3,937,637</u>

(b) Returns on investments and servicing of finance

	2012	2011
	£	£
Interest received	6,045	10,022
Interest paid	(14,365)	(1,546)
	<u>(8,320)</u>	<u>8,476</u>

(c) Taxation

	2012	2011
	£	£
Corporation tax paid	<u>(659,177)</u>	<u>(720,580)</u>

(d) Capital expenditure

	2012	2011
	£	£
Payments to acquire tangible fixed assets	<u>(201,173)</u>	<u>(187,970)</u>

(e) Analysis of net funds

	At 1 January 2012	Cash flow	At 31 December 2012
	£	£	£
Cash at bank and in hand	<u>5,213,893</u>	<u>(2,350,845)</u>	<u>2,863,048</u>

Notes to the financial statements

at 31 December 2012

17. Other financial commitments

At 31 December 2012 the company had annual commitments under non-cancellable operating leases as set out below

	2012	2011
	£	£
Operating leases which expire		
Within one year	20,101	14,193
In two to five years	24,058	64,147
	<u>54,159</u>	<u>78,340</u>

18. Events since the balance sheet date

On 25 February 2013, the directors made the decision to merge Brita Water Filter Systems Limited and Brita Manufacturing (UK) Limited into one entity. This is planned to be executed in January 2014.

19. Related party transactions

The company is a wholly owned subsidiary of Brita GmbH. Accordingly, the company has taken advantage of the exemption in FRS 8 from disclosing transactions with wholly owned fellow subsidiary companies of the Brita GmbH Group. On 1st April 2012, Brita GmbH Group acquired a 50.5% share in Vivreau Ltd. Since this date Brita Water Filter Systems Ltd entered into transactions, in the ordinary course of the business, with Vivreau Limited. Transactions entered into, and trading balances outstanding at 31 December 2012, are as follows:

	<i>Sales to related party</i>	<i>Purchases from related party</i>	<i>Amounts owed from related party</i>	<i>Amounts owed to related party</i>
	£	£	£	£
<i>Related Party</i>				
Vivreau Ltd				
2012	<u>148,526</u>	<u>624</u>	<u>16,639</u>	<u>624</u>

20. Ultimate parent undertaking and controlling party

The ultimate parent undertaking and controlling party is Hanvest Holding GmbH, a company incorporated in Germany. The only company in the group preparing group financial statements is Brita GmbH (Brita Water Filter Systems Limited's immediate parent), these financial statements are not available to the public.