

Registration number: 2987077

Robinsons Soft Drinks Limited

Annual Report and Financial Statements

for the Year Ended 30 September 2021

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Robinsons Soft Drinks Limited

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Robinsons Soft Drinks Limited

Company Information

Directors	R J Wilson A C Thomas
Company Secretary	J Moore
Registered office	Breakspear Park Breakspear Way Hemel Hempstead Hertfordshire HP2 4TZ
Auditors	Ernst & Young LLP Citygate St James Boulevard Newcastle upon Tyne NE1 4JD

Robinsons Soft Drinks Limited

Strategic Report for the Year Ended 30 September 2021

The directors present their strategic report of Robinsons Soft Drinks Limited (the 'Company') for the year ended 30 September 2021.

Fair review of the business

The principal activity of the Company has been to act as a non-trading company holding brand licences and investments in subsidiaries. The Company earns a royalty income in respect of the sales of brands licensed to Britvic Soft Drinks Ltd. The Company's subsidiaries operate predominantly in Ireland.

Loss for the period

During the period, the Company wrote down its investment in Britvic Irish Holdings Ltd by £40,744,000 (2020: £45,264,000). The loss for the period before taxation amounted to £32,186,000 (2020: loss before tax of £44,976,000). Excluding the impact of impairment of investments, the Company's profit before tax increased by £8,270,000, this primarily relates to the impact of the strengthening of sterling against the euro on the Company's euro denominated borrowings: during the year there has been a foreign exchange gain of £4,621,000 (2020: foreign exchange loss of £1,661,000).

No dividends were paid during the year (2020: nil).

Principal risks and uncertainties

The board of the ultimate parent company, Britvic plc, has a policy of continuous identification and review of key business risks and uncertainties affecting Britvic plc and its subsidiaries (the 'Britvic Group'). It oversees the development of processes to ensure that these risks are managed appropriately across the Britvic Group and operational management is delegated with the task of implementing these processes and reporting to the Britvic plc board on their outcomes. The principal risks and uncertainties affecting the Britvic Group are set out on pages 61 to 66 of Britvic plc's Annual Report and Accounts 2021.

Other than the following, the directors consider that the Company is not subject to any significant risks and uncertainties as it does not trade:

1. the Company's future royalty earnings are dependent upon the sales of the Robinsons and Fruit Shoot brands generated by Britvic Soft Drinks Ltd; and
2. the Company could be materially adversely affected by an impairment of the investments it holds in its subsidiaries - this depends on the future financial performance of the subsidiaries and the impact of changes in foreign exchange rates on the value of overseas subsidiaries.

Section 172 of the Companies Act 2006

The directors are aware of their duty under s172(1) of the Companies Act 2006 to act in the way which they consider, in good faith, would be most likely to promote the success of the Company for the benefit of its stakeholders as a whole, and in doing so, to have a regard (amongst other matters) to:

- the likely consequences of any decision in the long term;
- the interests of the Company's employees;
- the need to foster the Company's business relationships with suppliers, customers and others;
- the impact of the Company's operations on the community and the environment;
- the desirability of the Company maintaining a reputation for high standards of business conduct; and
- the need to act fairly towards all stakeholders of the Company.

The directors of the Company consider that they have had regard in material respects to the factors set out above.

Robinsons Soft Drinks Limited

Strategic Report for the Year Ended 30 September 2021 (continued)

The Company is a UK subsidiary of Britvic plc, a company quoted on the London Stock Exchange. The Britvic plc board determines the strategic objectives and policies of the Britvic Group to best support the delivery of long-term value, providing overall strategic direction within an appropriate framework of controls, delegated authority, and rewards. The Company follows group policies and procedures, including those relating to standards of business conduct, employees, customers, suppliers, the environment, the communities in which we operate, and other stakeholders such as regulatory bodies and non-government organisations. Stakeholder engagement takes place at a group level and the Company looks to group initiatives for guidance and takes them into account in its decision making. More detail can be found on pages 32-33 of the Britvic plc Annual Report and Accounts 2021.

The Company delegates authority for day-to-day management to senior leaders, who set, approve and oversee the execution of the Company activities. Board meetings are held from time to time where the directors consider Company business, such as appointment of directors, approval of accounts, approval of dividends, guarantees and other key strategic decisions relating to business operations. In considering items of business the Company makes autonomous decisions on each item's own merits, after due consideration of the long-term success of the Company, Section 172 factors, where relevant, and the stakeholders impacted.

Approved by the Board on 15 June 2022 and signed on its behalf by:



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R J Wilson
Director

Robinsons Soft Drinks Limited

Directors' Report for the Year Ended 30 September 2021

The directors present their report and the financial statements for the year ended 30 September 2021.

Directors' of the company

The directors, who held office during the year, were as follows:

R J Wilson

P S Litherland (resigned 20 September 2021)

A C Thomas

Results and Dividends

The loss for the period before taxation amounted to £32,186,000 (2020: loss before taxation of £44,976,000).

During the period, no dividends were paid (2020: nil).

Future developments

It is expected that the Company will continue to generate income from its royalty agreement with Britvic Soft Drinks Limited.

Financial risk management

The main risks associated with the Company's financial assets and liabilities are set out below:

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting its obligations associated with its financial liabilities. The creditors predominantly comprise amounts owed to Britvic Group undertakings and the Company has the support of its parent, hence the liquidity risk is considered to be low.

Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. Debtors predominantly comprise amounts owed by Britvic Group undertakings, hence credit risk is considered to be low.

Robinsons Soft Drinks Limited

Directors' Report for the Year Ended 30 September 2021 (continued)

Going concern

To assess the appropriateness of adopting the going concern basis in preparing these financial statements, the Directors have considered the principal risks and uncertainties and financial positions of both the Company and Britvic plc (together with its subsidiaries, the 'Britvic Group'), reflecting how the Company is managed. As in the prior year, the Company has net current liabilities, and in light of the on-going uncertainty posed by COVID-19, the Company may need to rely on financial support from its ultimate parent company, Britvic plc.

Britvic plc has expressed its willingness to provide financial support to the Company from the signing date of these accounts until at least September 2023 to assist it in meeting its liabilities as and when they fall due, but only to the extent that money is not otherwise available to the Company to meet such liabilities. The Directors have assessed the ability of Britvic plc to continue as a going concern and provide support to the Company, if needed, until September 2023. The Directors of the Company form part of an integrated management team of Britvic plc, and therefore have appropriate knowledge relevant to this assessment of Britvic plc.

The management of Britvic plc has modelled a range of scenarios, including a view of severe but plausible levels of additional COVID-19 restrictions across the Britvic Group. The assumptions modelled are based on the estimated potential impact of further COVID-19 restrictions, along with an assessment of the impact of key risks that could reasonably arise and management's potential responses.

Previous sensitivity analysis that quantified the expected impact on the business of a full lockdown proved to be reasonable during the period of the most widespread restrictions in 2020. In assessing the impact of any future restrictions, management now have a greater level of clarity on the trends expected and the mitigating actions that can be taken.

Considering all learnings to date, a range of possible scenarios have been analysed to model different levels of impact on revenue, profit and cash, and the offsetting effect of the controllable mitigating actions over the period to September 2023.

The estimated impacts of COVID-19 restrictions are primarily based on the length of time various levels of restrictions are in place, and the severity of the consequent impact of those restrictions on the Britvic Group's At-Home and Out-of-Home channels. The assumptions used reflect the trends seen in 2020 and 2021. The scenarios are most sensitive to the assumptions made for Britvic Group's GB market, where there is more significant exposure to Out-of-Home channels.

The most severe scenario includes an assumption that a level of restrictions will remain in place until October 2022 with Out-of-Home outlets only gradually returning towards pre-COVID-19 levels at the end of the financial year ending 30 September 2023.

Under each scenario, mitigating actions are all within management control and can be initiated as they relate to discretionary spend, and do not impact the ability to meet demand. These actions include the rephasing of non-essential capital expenditure and advertising and promotion spend.

Based on these reviews, the Directors consider that, if needed, Britvic plc will be adequately able to support the Company until at least September 2023 and therefore that it is appropriate for the going concern basis to be adopted in preparing the Company's financial statements.

Directors' liabilities

As permitted by section 234 of the Companies Act 2006, the Company has maintained insurance cover for the directors against liabilities in relation to the Company. Such qualifying third party indemnity provision remains in force at the date of approving the Directors' Report.

Robinsons Soft Drinks Limited

Directors' Report for the Year Ended 30 September 2021 (continued)

Disclosure of information to the auditors

Each director has taken steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditor is unaware.

Reappointment of auditors

The auditors Ernst & Young LLP are deemed to be reappointed under section 487(2) of the Companies Act 2006.

Approved by the Board on 15 June 2022 and signed on its behalf by:



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R J Wilson
Director

Robinsons Soft Drinks Limited

Statement of Directors' Responsibilities

The directors are responsible for preparing the Annual 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 Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 101 'Reduced Disclosure Framework' ('FRS 101'). 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 apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- state whether applicable UK accounting standards including FRS101 'Reduced Disclosure Framework' 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.

Approved by the Board on 15 June 2022 and signed on its behalf by:



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R J Wilson
Director

Independent Auditor's Report to the members of Robinsons Soft Drinks Limited

Opinion

We have audited the financial statements of Robinsons Soft Drinks Limited (the 'company') for the year ended 30 September 2021 which comprise the Profit and Loss Account, the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and the related Notes 1 to 17, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 101 "Reduced Disclosure Framework".

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 September 2021 and of its loss 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern from when the financial statements are authorised for issue through to 30 September 2023.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report. However, because not all future events or conditions can be predicted, this statement is not a guarantee as to the company's ability to continue as a going concern.

Independent Auditor's Report to the members of Robinsons Soft Drinks Limited (continued)

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or directors' report.

We have nothing to report in respect of the following matters in relation to which 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.

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statements set out on page 7, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Independent Auditor's Report to the members of Robinsons Soft Drinks Limited (continued)

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect irregularities, including fraud. The risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below. However, the primary responsibility for the prevention and detection of fraud rests with both those charged with governance of the entity and management.

- We obtained an understanding of the legal and regulatory frameworks that are applicable to the company and determined that the most significant are those that relate to the reporting framework (FRS 101 and the Companies Act 2006) and the relevant tax compliance regulations in the UK.
- We understood how Robinsons Soft Drinks is complying with those frameworks by making enquiries of management, internal audit and those charged with governance to understand how the company, as part of the wider Britvic group, maintains and communicates its policies and procedures in these areas. We understood any controls put in place by management, and those responsible for legal and compliance procedures, to reduce the opportunities for fraudulent transactions.
- We assessed the susceptibility of the company's financial statements to material misstatement, including how fraud might occur by meeting with management, internal audit and those charged with governance to understand where it considered there was susceptibility to fraud. We understood the programmes and controls that the company, as part of the wider Britvic group, has established to address risks identified, or that otherwise prevent, deter and detect fraud; and how senior management monitors those programmes and controls. Where the risk was considered to be higher in respect of management override, we performed audit procedures to address the identified fraud risk. These procedures included journal entry testing, with a focus on journals posted by the key management personnel including directors of the company and journals indicating large or unusual transactions. We have considered the nature of these transactions and for those that we do not consider to be in the normal course of business and are not of a trivial value we obtain evidence to support the validity of the transactions. Our procedures were designed to provide reasonable assurance that the financial statements were free from material misstatement arising from fraud.
- Based on this understanding we designed our audit procedures to identify noncompliance with such laws and regulations. Our procedures involved journal entry testing, with a focus on journals posted by the key management personnel including directors of the company and journals indicating large or unusual transactions based on our understanding of the business and enquiries of management and internal audit.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

**Independent Auditor's Report to the members of Robinsons Soft Drinks Limited
(continued)**

Use of our report

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.

Ernst + Young W

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Caroline Mulley (Senior Statutory Auditor)
For and on behalf of Ernst & Young LLP, Statutory Auditor
Newcastle upon Tyne

16 June 2022

Date.....

Robinsons Soft Drinks Limited

Profit and Loss Account for the Year Ended 30 September 2021

		30 September 2021 £ 000	30 September 2020 £ 000
	Note		
Other operating income	4	7,101	7,320
Foreign exchange gains/(losses)		4,621	(1,661)
Impairment of investments	13	<u>(40,744)</u>	<u>(45,264)</u>
Operating loss	5	(29,022)	(39,605)
Interest receivable and similar income	6	816	1,175
Interest payable and similar charges	7	<u>(3,980)</u>	<u>(6,546)</u>
Loss before tax		(32,186)	(44,976)
Income tax (expense)/credit	11	<u>(748)</u>	<u>1</u>
Loss for the year		<u><u>(32,934)</u></u>	<u><u>(44,975)</u></u>

The above results were derived from continuing operations.

Statement of Comprehensive Income

The Company has no other comprehensive income for the current or previous period other than the results above.

Robinsons Soft Drinks Limited

(Registration number: 2987077)

Balance Sheet as at 30 September 2021

	Note	30 September 2021 £ 000	30 September 2020 £ 000
Fixed assets			
Intangible assets	12	2,069	2,069
Investments	13	<u>282,992</u>	<u>323,736</u>
		<u>285,061</u>	<u>325,805</u>
Current assets			
Debtors	14	22,670	13,319
Creditors: Amounts falling due within one year	15	<u>(170,800)</u>	<u>(169,259)</u>
Net current liabilities		<u>(148,130)</u>	<u>(155,940)</u>
Net assets		<u>136,931</u>	<u>169,865</u>
Capital and reserves			
Called up share capital	16	10,000	10,000
Profit and loss account		<u>126,931</u>	<u>159,865</u>
Shareholders' funds		<u>136,931</u>	<u>169,865</u>

Approved by the Board on 15 June 2022 and signed on its behalf by:



R J Wilson
Director

The notes on pages 15 to 26 form an integral part of these financial statements.

Robinsons Soft Drinks Limited

Statement of Changes in Equity for the Year Ended 30 September 2021

	Share capital £ 000	Profit and loss account £ 000	Total £ 000
At 1 October 2020	10,000	159,865	169,865
Loss for the year	-	(32,934)	(32,934)
At 30 September 2021	<u>10,000</u>	<u>126,931</u>	<u>136,931</u>

	Share capital £ 000	Profit and loss account £ 000	Total £ 000
At 30 September 2019	10,000	204,840	214,840
Loss for the year	-	(44,975)	(44,975)
At 30 September 2020	<u>10,000</u>	<u>159,865</u>	<u>169,865</u>

The notes on pages 15 to 26 form an integral part of these financial statements.
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Robinsons Soft Drinks Limited

Notes to the Financial Statements for the Year Ended 30 September 2021

1 General information

The Company is a private company limited by share capital incorporated and domiciled in England and Wales.

The address of its registered office is:

Breakspear Park
Breakspear Way
Hemel Hempstead
Hertfordshire
HP2 4TZ

These financial statements were authorised for issue by the Board on 15 June 2022.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

Basis of preparation

The financial statements of the Company have been prepared in accordance with the Companies Act 2006, as applicable to companies using Financial Reporting Standard 101 'Reduced Disclosure Framework' (FRS 101). The financial statements have been prepared on a going concern basis under the historical cost convention. The principal accounting policies are set out below and have been applied consistently throughout the period.

The Company's financial statements are presented in Sterling and all values are rounded to the nearest thousand pound (£'000) except where otherwise indicated.

The financial statements contain information about the Company as an individual undertaking and do not contain consolidated financial information as the parent of a group. The reason for this is that the Company is a wholly owned subsidiary of Britvic plc, a Company incorporated in the United Kingdom, and is included in that Company's consolidated financial statements. Consequently the Company, by virtue of section 400 of the Companies Act 2006, is exempt from the preparation of its own consolidated financial statements.

Robinsons Soft Drinks Limited

Notes to the Financial Statements for the Year Ended 30 September 2021 (continued)

2 Accounting policies (continued)

Summary of disclosure exemptions

The following exemptions from the requirements of International Financial Reporting Standards ("IFRS") have been applied in the preparation of these financial statements:

- The following paragraphs of IAS 1, 'Presentation of financial statements':
 - 10(d) (statement of cash flows);
 - 10(f) (statement of financial position as at the beginning of the preceding period);
 - 16 (statement of compliance with all IFRS);
 - 38A (requirement for minimum of two primary statements, including cash flow statements);
 - 38B-D (additional comparative information);
 - 40A-D (requirements for a third statement of financial position);
 - 111 (cash flow statement information);
 - 134-136 (capital management disclosures); and
 - Paragraph 38 of IAS 1 'Presentation of financial statements' comparative information requirements in respect of paragraph 79 (a) (iv) of IAS 1 'Presentation of financial statements'.
- IAS 7, 'Statement of cash flows'.
- Paragraph 30 and 31 of IAS 8 'Accounting policies, changes in accounting estimates and errors' (requirement for the disclosure of information when an entity has not applied a new IFRS that has been issued but is not yet effective).
- IFRS 7, 'Financial instruments: Disclosures'.
- Paragraph 17 of IAS 24, 'Related party disclosures' (key management compensation):
 - the requirements in IAS 24, 'Related party disclosures' to disclose related party transactions entered into between two or more members of a group.

The Company is eligible to apply the above exemptions as it is included in the consolidated financial statements of Britvic plc who prepare financial statements under IFRS and include the above disclosures.

The consolidated financial statements of Britvic plc are available from Breakspear Park, Breakspear Way, Hemel Hempstead, Hertfordshire, HP2 4TZ.

Departures from Companies Act requirements

Under IFRS 3 Business Combinations, goodwill is not amortised, but is reviewed for impairment on an annual basis. This is a departure from the requirements of the Companies Act 2006, which requires goodwill to be amortised over its useful economic life. However, the departure is necessary in order to comply with the requirements of IFRS 3. The Company is therefore invoking a 'true and fair' view override to overcome the prohibition on the non-amortisation of goodwill in the Companies Act. Had the Company amortised goodwill, the goodwill balance would have been fully amortised by the beginning of the current financial period. See note 12 for more detail on the goodwill held.

Robinsons Soft Drinks Limited

Notes to the Financial Statements for the Year Ended 30 September 2021 (continued)

2 Accounting policies (continued)

Going concern

To assess the appropriateness of adopting the going concern basis in preparing these financial statements, the Directors have considered the principal risks and uncertainties and financial positions of both the Company and Britvic plc (together with its subsidiaries, the 'Britvic Group'), reflecting how the Company is managed. As in the prior year, the Company has net current liabilities, and in light of the on-going uncertainty posed by COVID-19, the Company may need to rely on financial support from its ultimate parent company, Britvic plc.

Britvic plc has expressed its willingness to provide financial support to the Company from the signing date of these accounts until at least September 2023 to assist it in meeting its liabilities as and when they fall due, but only to the extent that money is not otherwise available to the Company to meet such liabilities. The Directors have assessed the ability of Britvic plc to continue as a going concern and provide support to the Company, if needed, until September 2023. The Directors of the Company form part of an integrated management team of Britvic plc, and therefore have appropriate knowledge relevant to this assessment of Britvic plc.

The management of Britvic plc has modelled a range of scenarios, including a view of severe but plausible levels of additional COVID-19 restrictions across the Britvic Group. The assumptions modelled are based on the estimated potential impact of further COVID-19 restrictions, along with an assessment of the impact of key risks that could reasonably arise and management's potential responses.

Previous sensitivity analysis that quantified the expected impact on the business of a full lockdown proved to be reasonable during the period of the most widespread restrictions in 2020. In assessing the impact of any future restrictions, management now have a greater level of clarity on the trends expected and the mitigating actions that can be taken.

Considering all learnings to date, a range of possible scenarios have been analysed to model different levels of impact on revenue, profit and cash, and the offsetting effect of the controllable mitigating actions over the period to September 2023.

The estimated impacts of COVID-19 restrictions are primarily based on the length of time various levels of restrictions are in place, and the severity of the consequent impact of those restrictions on the Britvic Group's At-Home and Out-of-Home channels. The assumptions used reflect the trends seen in 2020 and 2021. The scenarios are most sensitive to the assumptions made for Britvic Group's GB market, where there is more significant exposure to Out-of-Home channels.

The most severe scenario includes an assumption that a level of restrictions will remain in place until October 2022 with Out-of-Home outlets only gradually returning towards pre-COVID-19 levels at the end of the financial year ending 30 September 2023.

Under each scenario, mitigating actions are all within management control and can be initiated as they relate to discretionary spend, and do not impact the ability to meet demand. These actions include the rephasing of non-essential capital expenditure and advertising and promotion spend.

Based on these reviews, the Directors consider that, if needed, Britvic plc will be adequately able to support the Company until at least September 2023 and therefore that it is appropriate for the going concern basis to be adopted in preparing the Company's financial statements.

Robinsons Soft Drinks Limited

Notes to the Financial Statements for the Year Ended 30 September 2021 (continued)

2 Accounting policies (continued)

Changes in accounting policy

None of the standards, interpretations and amendments effective for the first time from 1 October 2020 have had a material effect on the financial statements.

Licence income recognition

The Company is party to a royalty-based agreement with Britvic Soft Drinks Limited where Britvic Soft Drinks Limited pays the Company an arm's length royalty of 4% of sales value for the use of the Company's brands in the sale of products. Income is accrued over each financial period based on the sales volumes of the licensed products by Britvic Soft Drinks Limited and confirmed by annual statement.

Income from licence agreements is presented within the profit and loss account as other operating income.

Finance income and costs policy

Interest income and expense is recognised as interest accrues using the effective interest rate method.

Foreign currency transactions and balances

Transactions in foreign currencies are initially recorded at the functional currency rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into the functional currency of the entity at the rates prevailing on the reporting period date. All differences are taken to the profit and loss account.

Tax

Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current income tax credit is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates taxable income.

Intangible assets

Goodwill relates to purchased goodwill and adjustments necessary in ascribing fair values to the separable net assets relating to a soft drinks business acquired. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less any accumulated impairment losses.

Goodwill is not subject to amortisation but is tested for impairment.

Investments

Fixed asset investments are stated at cost less any provision for diminution in value. The Company tests the investment balances for impairment when there are indicators of impairment. Where the carrying value of the investments is greater than their recoverable value an impairment expense is recorded in the profit and loss account. Investments for which an impairment has been previously recognised are reviewed for possible reversal of impairment at each reporting date.

Robinsons Soft Drinks Limited

Notes to the Financial Statements for the Year Ended 30 September 2021 (continued)

2 Accounting policies (continued)

Debtors

The Company's debtors comprise amounts due from group undertakings and relate principally to royalty income. These financial assets do not contain a significant financing component and are measured at the transaction price. Allowances for expected credit losses are made based on the risk of non-payment, taking into account the financial position of the debtor, support available from other group companies and estimates of future cash flows. Any impairment of debtors, or subsequent reversal of impairment, is recognised in the profit and loss account.

Financial liabilities

All financial liabilities are initially recognised in the balance sheet at fair value less directly attributable transactions costs and are subsequently measured at amortised cost using the effective interest rate method.

Gain and losses arising on the repurchase, settlement or otherwise cancellation of liabilities are recognised respectively in finance income and finance cost.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Dividends

Dividend income is recognised when the right to receive payment is established.

Final dividends payable are recorded in the financial statements in the periods in which they are approved by the Company's shareholders. Interim dividends payables are recorded in the period in which they are declared.

Robinsons Soft Drinks Limited

Notes to the Financial Statements for the Year Ended 30 September 2021 (continued)

3 Critical accounting judgements and key sources of estimation uncertainty

The preparation of the financial statements in conformity with FRS 101 requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses.

The key assumptions about the future and other key sources of estimation uncertainty at the reporting period end that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period are described below:

Impairment of investments

Where there are indicators of impairment of investments in subsidiaries, management performs an impairment test for the investment based on the higher of value in use and fair value less costs to sell. The determination of value in use requires estimates to be made of a subsidiary's future cash flows. Key assumptions include:

- volume growth rates;
- marginal contribution;
- advertising and promotional spend;
- raw materials price, production and distribution costs, selling costs and other overhead inflation;
- foreign exchange rates; and
- long-term growth rates.

For further details of impairments of investments in subsidiaries see note 13.

Judgements

There are no judgements that management has made in the process of applying the entity's accounting policies that have had a significant effect on the amounts recognised in the financial statements.

4 Other operating income

The analysis of the Company's other operating income for the year is as follows:

	30 September 2021 £ 000	30 September 2020 £ 000
Income from royalty agreement and brand licenses	<u>7,101</u>	<u>7,320</u>

5 Operating profit

Arrived at after charging

		30 September 2021 £ 000	30 September 2020 £ 000
Impairment loss	Note 13	40,744	45,264
Foreign exchange (gains)/losses		<u>(4,621)</u>	<u>1,661</u>

Robinsons Soft Drinks Limited

Notes to the Financial Statements for the Year Ended 30 September 2021 (continued)

6 Other interest receivable and similar income

	30 September 2021 £ 000	30 September 2020 £ 000
Interest receivable from group undertakings	<u>816</u>	<u>1,175</u>

7 Interest payable and similar charges

	30 September 2021 £ 000	30 September 2020 £ 000
Interest payable to group undertakings	<u>3,980</u>	<u>6,546</u>

Interest payable to group undertakings has decreased in the year due as a result of the interest rate being reduced from the prior year following a market benchmarking exercise.

8 Staff costs

The company has no direct employees for which it provides remuneration.

9 Directors' remuneration

The services of the directors to the Company did not occupy a significant amount of their time. As such they do not consider that they have received any remuneration for their incidental services to the Company for the years ended 30 September 2021 and 30 September 2020. The remuneration of these directors is shown in the accounts of other group companies.

10 Auditor's remuneration

Auditor's remuneration of £15,000 (2020: £15,000) is borne by Britvic Soft Drinks Limited, another member of the Britvic plc group. The company did not incur any non-audit fees in the period (2020: £nil).

Robinsons Soft Drinks Limited

Notes to the Financial Statements for the Year Ended 30 September 2021 (continued)

11 Income tax

Tax charged/(credited) in the profit and loss account:

	30 September 2021 £ 000	30 September 2020 £ 000
Current taxation		
UK corporation tax	<u>748</u>	<u>(1)</u>

The tax on loss before for the year is higher than the standard rate of corporation tax in the UK of 19% (2020: tax on profit higher than the standard rate of corporation tax in the UK of 19%).

The differences are reconciled below:

	30 September 2021 £ 000	30 September 2020 £ 000
Loss before tax	<u>(32,186)</u>	<u>(44,976)</u>
Corporation tax at standard rate	(6,115)	(8,545)
Prior year adjustment	-	(1)
Group relief losses received not paid for	-	(371)
Expenses not deductible for tax purposes	<u>6,863</u>	<u>8,916</u>
Total tax charge/(credit)	<u>748</u>	<u>(1)</u>

12 Intangible assets

Goodwill
£ 000

Cost and carrying amount

At 30 September 2021 and 30 September 2020 2,069

Goodwill relates to the Robinsons fruit squash business acquired from Reckitt Colman Products Limited on 28 April 1995. With the exception of intellectual property associated with the Robinsons trade mark, the trade and assets of this business were subsequently sold to Britvic Soft Drinks Limited on 17 April 2005. Robinsons Soft Drinks Limited continues to earn a royalty from Britvic Soft Drinks Limited based on the sales of Robinsons products. The estimated recoverable amount of the goodwill is based on forecast future royalties earned from Britvic Soft Drinks Limited. The recoverable amount of goodwill continues to significantly exceed its carrying value.

Robinsons Soft Drinks Limited

Notes to the Financial Statements for the Year Ended 30 September 2021 (continued)

13 Investments

Subsidiaries	£ 000
Cost	
At 1 October 2020	369,000
At 30 September 2021	369,000
Provision for impairment	
At 1 October 2020	45,264
Impairment charge in the year	40,744
At 30 September 2021	86,008
Cost and carrying amount	
At 30 September 2021	282,992
At 30 September 2020	323,736

During the year ended 30 September 2021, the Company wrote down its investment in Britvic Irish Holdings Ltd by £40,744,000 (2020: £45,264,000), recognised in the profit and loss account within the impairment in investments line. This impairment is based on management's best estimate of the value-in-use of this investment but should the trading of Britvic Irish Holdings Ltd and its subsidiaries not recover as expected there is a risk of further impairment.

Details of the subsidiaries as at 30 September 2021 are as follows:

Name of subsidiary	Principal activity	Country of incorporation and principal place of business	% equity interest 2021	2020
Britvic Finance Partnership LLP	Financing partnership	England and Wales (a)	86.8%	86.8%
Robinsons (Finance) No 2 Limited	Dormant company	England and Wales (a)	86.8%	86.8%
Aquaport Limited	Supply of water coolers and bottled water	Republic of Ireland (b)	86.8%	86.8%
Britvic Americas Limited	Marketing and distribution of soft drinks	Republic of Ireland (b)	86.8%	86.8%
Britvic Ireland Limited	Manufacture and marketing of soft drinks	Republic of Ireland (b)	86.8%	86.8%
Britvic Ireland Pension Trust DAC	Pension trust company	Republic of Ireland (b)	86.8%	86.8%
Britvic Irish Holdings Limited*	Investment holding company	Republic of Ireland (b)	86.8%	86.8%

Robinsons Soft Drinks Limited

Notes to the Financial Statements for the Year Ended 30 September 2021 (continued)

13 Investments (continued)

Name of subsidiary	Principal activity	Country of incorporation and principal place of business	% equity interest	
			2021	2020
Britvic Licensed Wholesale Limited	Dormant company	Republic of Ireland (b)	86.8%	86.8%
Britvic Munster Limited	Dormant company	Republic of Ireland (b)	86.8%	86.8%
Britvic Northern Ireland Limited	Marketing and distribution of soft drinks	Republic of Ireland (b)	86.8%	86.8%
Counterpoint Wholesale (Ireland) Limited	Wholesale of soft drinks to the licensed trade	Republic of Ireland (b)	86.8%	86.8%
Knockton Limited	Dormant company	Republic of Ireland (b)	86.8%	86.8%
Robinsons (Finance) Limited	Dormant company	Republic of Ireland (b)	86.8%	86.8%
Counterpoint Wholesale (NI) Limited	Wholesale of soft drinks to the licensed trade	Northern Ireland (c)	86.8%	86.8%

* indicates direct investment of the company

(a) Registered office: Breakspear Park, Breakspear Way, Hemel Hempstead, HP2 4TZ

(b) Registered office: 10 Earlsfort Terrace, Dublin 2, D02T380

(c) Registered office: Victoria House, 15-17 Gloucester Street, Belfast, Northern Ireland, BT1 4LS

Robinsons Soft Drinks Limited

Notes to the Financial Statements for the Year Ended 30 September 2021 (continued)

14 Debtors

	30 September 2021 £ 000	30 September 2020 £ 000
Amounts due from group undertakings	22,670	13,319
Total current trade and other debtors	<u>22,670</u>	<u>13,319</u>

Amounts due to group undertakings are shown net of amounts payable, reflecting an offset arrangement, and are unsecured, non-interest bearing and repayable on demand.

The directors consider the above amounts to be fully recoverable and no expected credit loss provision has been applied.

15 Creditors

	30 September 2021 £ 000	30 September 2020 £ 000
Amounts falling due within one year		
Loans due to group undertakings	170,052	169,259
Income tax payable	748	-
	<u>170,800</u>	<u>169,259</u>

Loans due to group undertakings are shown net of loans receivable, reflecting an offset agreement, and are unsecured, market interest bearing and repayable on demand.

16 Share capital

Authorised, allotted, called up and fully paid shares

	30 September 2021 No. 000	£ 000	30 September 2020 No. 000	£ 000
Ordinary shares of £1 each	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>	<u>10,000</u>

There are no restrictions placed on the distribution of dividends, or the return of capital on a winding up or otherwise.

Robinsons Soft Drinks Limited

Notes to the Financial Statements for the Year Ended 30 September 2021 (continued)

17 Parent and ultimate parent undertaking

The immediate parent undertaking of Robinsons Soft Drinks Limited is Britvic Soft Drinks Limited, incorporated in the United Kingdom and registered in England and Wales.

The smallest and the largest group of which the Company is a member and for which group financial statements are prepared is Britvic plc, incorporated in United Kingdom and registered in England and Wales.

Britvic plc is the ultimate parent undertaking of Robinsons Soft Drinks Limited. The consolidated financial statements of Britvic plc are available to the public and may be obtained from Breakspear Park, Breakspear Way, Hemel Hempstead, Hertfordshire, HP2 4TZ or at www.britvic.com.