

Registered Number 3006768

Cadbury Russia Limited

Annual Report & Financial Statements
for the year ended 31 December 2007



CADBURY RUSSIA LIMITED

Directors and Advisors

Directors

D W Blakemore
P Caywood
J D Marshall
J M Mills
S C Strachota

Secretary

Cadbury Nominess Limited

Registered office

Cadbury House
Sanderson Road
Uxbridge
UB8 1DH

Auditors

Deloitte & Touche LLP
Chartered Accountants
London

CADBURY RUSSIA LIMITED

Report of the Directors

For the year ended 31 December 2007

The Directors present their report, together with the audited financial statements of Cadbury Russia Limited (the 'Company'), for the year ended 31 December 2007 (the 'year')

Review of the business and principal activities

During 2007, the Company was a subsidiary of Cadbury Schweppes plc. From 2 May 2008, the Company's controlling and ultimate parent undertaking is Cadbury plc which, following the scheme of arrangement effected on that date, has become the new parent company of the Cadbury group. Cadbury Schweppes plc has now been renamed Cadbury Holdings Limited and is a wholly owned subsidiary of Cadbury plc.

The principal activity of the Company is that of a holding company. The Company qualifies under section 246 of the Companies Act 1985 for an exemption from the requirement to produce a Business Review as defined by section 234ZZB of the Companies Act 1985. The Directors believe that further information on the Company is not necessary for an understanding of the development, performance or position of the business.

Results and dividends

The profit on ordinary activities for the financial year, after taxation, was US\$654,000 (31 December 2006: loss US\$1,346,000). The Directors do not recommend the payment of a final dividend (31 December 2006: US\$ nil).

Future prospects

The Company will continue to develop its existing activities in accordance with the requirements of the Cadbury Group.

Directors and their interests

The Directors at the date of this report are as stated on page 1. C W Orchard resigned as a Director of the Company on 15 February 2007 and P Caywood and J D Marshall were appointed as Directors of the Company on 30 April 2007. Subsequent to the year end J E Hudspeth resigned as secretary to the Company on 24 July 2008 and Cadbury Nominees Limited was appointed secretary to the Company on 25 July 2008.

Policy on payment to suppliers

The Company adheres to the CBI Prompt Payers Code whereby the policy is to settle the terms of payment with suppliers when agreeing the terms of each transaction, ensure that suppliers are made aware of the terms of payment and abide by the terms of payment. The Company has no trade creditors at the year end.

CADBURY RUSSIA LIMITED

Report of the Directors (continued)

For the year ended 31 December 2007

Auditors

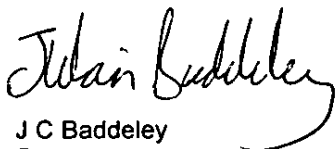
Each of the persons who is a director at the date of approval of this annual report confirms that

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- the director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditors are aware of that information

This confirmation is given and should be interpreted in accordance with the provisions of s234ZA of the Companies Act 1985

The Company has elected to dispense with the obligation to appoint auditors annually and, accordingly, Deloitte & Touche LLP shall be deemed to be re-appointed as auditors for a further term under the provisions of section 386(2) of the Companies Act 1985. The Company has also elected to dispense with the obligation to hold Annual General Meetings and to lay the financial statements before the Company in General Meeting

By order of the Board,



J C Baddeley
Secretary
Cadbury Nominees Limited

30 October 2008

Cadbury House
Sanderson Road
Uxbridge
UB8 1DH

CADBURY RUSSIA LIMITED

Statement of Directors' responsibilities

For the year ended 31 December 2007

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 Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). The financial statements are required by law to 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, 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 proper accounting records that 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 1985. 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.

Auditors' report

Independent auditors' report to the members of Cadbury Russia Limited

We have audited the financial statements of Cadbury Russia Limited for the year ended 31 December 2007 which comprise the profit and loss account, the reconciliation of movements in shareholders' deficit, the balance sheet and the related notes 1 to 14. These financial statements have been prepared under the accounting policies set out therein.

This report is made solely to the company's members, as a body, in accordance with section 235 of the Companies Act 1985. 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 auditors' 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 auditors

The directors' responsibilities for preparing the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you whether in our opinion the information given in the Directors' Report is consistent with the financial statements.

In addition we report to you if, in our opinion, the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and other transactions is not disclosed.

We read the Directors' Report and consider the implications for our report if we become aware of any apparent misstatements within it.

Basis of audit opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements 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 financial statements.

Auditors' report (continued)

Opinion

In our opinion

- the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the company's affairs as at 31 December 2007 and of its loss for the year then ended,
- the financial statements have been properly prepared in accordance with the Companies Act 1985, and
- the information given in the Directors' Report is consistent with the financial statements

Deloitte + Touche LLP

Deloitte & Touche LLP
Chartered Accountants and Registered Auditors
London, United Kingdom

30 October 2008

CADBURY RUSSIA LIMITED

Profit and loss account

For the year ended 31 December 2007

	Notes	31 December 2007 US\$'000	31 December 2006 US\$'000
Other operating income	6	1,450	-
Operating expenses	7	(557)	(1,364)
Operating loss		893	(1,364)
Interest receivable		35	19
Interest payable		-	(1)
Loss on ordinary activities before taxation		928	(1,346)
Taxation on loss on ordinary activities	8	(274)	-
Loss for the year		654	(1,346)
Loss at beginning of year		(188,421)	(187,075)
Loss at the end of the year		(187,767)	(188,421)

There are no recognised gains or losses in either year other than the retained loss for each year and therefore no statement of total recognised gains and losses is presented

All operations of the Company continued throughout both years

Reconciliation of movements in shareholders' deficit

For the year ended 31 December 2007

	31 December 2007 US\$'000	31 December 2006 US\$'000
Shareholders' deficit at beginning of year	(133,892)	(132,546)
Total recognised losses for the year	654	(1,346)
Shareholders' deficit at the end of the year	(133,238)	(133,892)

CADBURY RUSSIA LIMITED

Balance sheet

As at 31 December 2007

	Notes	31 December 2007 US\$'000	31 December 2006 US\$'000
Fixed assets			
Intangible assets	9	-	-
Investments	10	103,901	88,901
		<u>103,901</u>	<u>88,901</u>
Current assets and liabilities			
Debtors	11	61	157
Cash at bank and in hand		778	733
		<u>839</u>	<u>890</u>
Creditors amounts falling due within one year	12	(1,754)	(9,801)
Net current liabilities		<u>(915)</u>	<u>(8,911)</u>
Creditors amounts falling due after more than one year	13	(236,224)	(213,882)
Net liabilities		<u>(133,238)</u>	<u>(133,892)</u>
Equity capital and reserves			
Called up share capital	14	54,529	54,529
Profit and loss account		(187,767)	(188,421)
Shareholders' deficit		<u>(133,238)</u>	<u>(133,982)</u>

Signed on behalf of the Board


P Caywood

Directors


J M Mills

30 October 2008

CADBURY RUSSIA LIMITED

Notes to the Financial Statements

For the year ended 31 December 2007

1 Accounting policies

The principal accounting policies are summarised below. They have been applied consistently throughout the year and prior year.

a) *Accounting convention*

The accounts are prepared under the historical cost convention and in accordance with applicable United Kingdom law and accounting standards. The accounts are prepared in US Dollars, being the functional currency of the Company.

b) *Financial year*

In 2006 the Company's profit and loss account covered the 52 weeks from 2 January 2006 to 31 December 2006 and the balance sheet was drawn up at 31 December. For the 2007 year, and future years, the Company's statutory accounts are to be drawn up on a calendar year basis.

c) *Financial instruments*

Recognition

Financial assets and financial liabilities are recognised on the Company's balance sheet when the Company becomes party to the contractual provisions of the instruments on a trade date basis.

Borrowings

Borrowings are initially recognised at fair value plus any transaction costs associated with the issue of the relevant financial liability. Subsequent to initial measurement, borrowings are measured at amortised cost with the borrowings costs being accounted for on an accrual basis in the profit and loss, using the effective interest method. Accrued interest is recognised separately as other creditors.

Loans and receivables

Loans and receivables are measured at amortised cost using the effective interest method.

CADBURY RUSSIA LIMITED

Notes to the Financial Statements (continued)

For the year ended 31 December 2007

1 Accounting policies (continued)

d) Investments

Fixed asset investments are shown at cost less provision for impairment. Current asset investments are stated at the lower of cost and net realisable value.

e) Taxation

Corporation tax payable is provided on the taxable profit at the current rate. Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date.

A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as 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 at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

f) Cash flow statement

In accordance with the provision of Financial Reporting Standard No 1, the Company has not prepared a cash flow statement because its parent company, Cadbury Schweppes plc, which is incorporated in Great Britain and registered in England and Wales, has prepared consolidated financial statements which include the financial results of the Company for the period and which are publicly available.

2 Accounts

As permitted by the Companies Act 1985 the Company, being a wholly owned subsidiary of a Company incorporated in Great Britain, does not prepare group accounts. The results of the Company are included in the audited financial statements of Cadbury Schweppes plc for the year ended 31 December 2007. The company is therefore exempt from the requirements to prepare Group accounts under Section 228 of the Companies Act 1985. These financial statements present information about the company as an individual undertaking and not as a group.

3 Parent undertaking

During 2007 the Company's immediate, controlling and ultimate parent undertaking was Cadbury Schweppes plc, a company incorporated in Great Britain and registered in England and Wales. This is also the largest and the smallest group in which the results of the Company are consolidated. Copies of the Group financial statements of Cadbury Schweppes plc are available from Cadbury House, Sanderson Road, Uxbridge, Middlesex, UB8 1DH.

As a subsidiary of Cadbury Schweppes plc throughout 2007 the Company has taken advantage of the exemption in FRS 8 "Related party disclosures" not to disclose transactions with other members of the group headed by Cadbury Schweppes plc.

CADBURY RUSSIA LIMITED

Notes to the Financial Statements (continued)

For the year ended 31 December 2007

From 2 May 2008, the Company's controlling and ultimate parent undertaking is Cadbury plc which, following the scheme of arrangement effected on that date, has become the new parent company of the Cadbury group. Cadbury Schweppes plc has now been renamed Cadbury Holdings Limited and is a wholly owned subsidiary of Cadbury plc.

4 Auditors' remuneration

Auditors' remuneration for the year was US\$28,000 (2006: US\$28,000) and was borne by the ultimate parent undertaking, Cadbury Schweppes plc.

5 Directors' emoluments and employee information

The Directors are remunerated by Cadbury Schweppes plc for their services to the Group as a whole. No remuneration was paid to them specifically in respect of Cadbury Russia Limited in either year.

Cadbury Russia Limited had no employees in either year.

6 Other operating income

	31 December 2007 US\$'000	31 December 2006 US\$'000
Exchange gains during the year	1,450	-
	<u>1,450</u>	<u>-</u>

7 Operating expenses

	31 December 2007 US\$'000	31 December 2006 US\$'000
Exchange losses during the year	-	(794)
Administrative expenses	(557)	(570)
	<u>(557)</u>	<u>(1,364)</u>

8 Taxation on profit on ordinary activities

	31 December 2007 US\$'000	31 December 2006 US\$'000
UK corporation tax	(274)	-
Total current tax charge	<u>(274)</u>	<u>-</u>

CADBURY RUSSIA LIMITED

Notes to the Financial Statements (continued)

For the year ended 31 December 2007

The table below reconciles the UK corporation tax rate applicable each year to the effective rate obtained by computing the current tax charge as a percentage of loss before tax

	31 December 2007 US\$'000	31 December 2006 US\$'000
Profit / (loss) on ordinary activities before taxation	928	(1,346)
UK corporation tax at 30% (2006 30%)	(278)	404
Capital allowances in excess of depreciation	4	4
Losses surrendered for no consideration	-	(408)
Tax charge	<u>(274)</u>	<u>-</u>

9 Intangible fixed assets – goodwill

	31 December 2007 US\$'000	31 December 2006 US\$'000
Cost		
At beginning and end of year	<u>13,750</u>	<u>13,750</u>
Amortisation		
At beginning and end of year	<u>(13,750)</u>	<u>(13,750)</u>
Net book value		
At beginning and end of year	<u>-</u>	<u>-</u>

10 Investments

	Subsidiary Undertakings US\$'000
a)	
Cost	
At beginning of the year	228,004
Additions	15,000
At end of the year	<u>243,004</u>
Amounts written off	
At beginning of the year	(139,103)
At end of the year	<u>(139,103)</u>
Net book value	
At beginning of the year	88,901
At end of the year	<u>103,901</u>

CADBURY RUSSIA LIMITED

Notes to the Financial Statements (continued)

For the year ended 31 December 2007

b) The principal subsidiary undertakings of the Company, all of which are owned directly by the Company are as follows

Dirol Cadbury LLC – 55.6 %

Operation of confectionery factory, sale and distribution of confectionery products, incorporated in Russia

Cadbury CIS BV – 100%

Distribution of confectionery, incorporated in the Netherlands

11 Debtors

	31 December 2007 US\$'000	31 December 2006 US\$'000
Amounts owed by other Group companies	61	-
Other tax and social security	-	17
Other debtors	-	140
	<u>61</u>	<u>157</u>

All amounts are recoverable within one year

12 Creditors: amounts falling due within one year

	31 December 2007 US\$'000	31 December 2006 US\$'000
Amounts owed to ultimate parent company	(1,021)	(7,624)
Amounts owed to other Group companies	-	(300)
Tax payable	(274)	-
Other creditors	(459)	(1,877)
	<u>(1,754)</u>	<u>(9,801)</u>

Amounts owed to parent company and amounts owed to other Group undertakings are repayable at various dates throughout 2008 and are non-interest bearing

CADBURY RUSSIA LIMITED

Notes to the Financial Statements (continued)

For the year ended 31 December 2007

13 Creditors, amounts falling due after more than one year

	31 December 2007 US\$'000	31 December 2006 US\$'000
Amounts owed to other Group companies - loans	(236,224)	(213,882)
	<u>(236,224)</u>	<u>(213,882)</u>

Loans from other Group undertakings are repayable between two and five years from the balance sheet date and are non-interest bearing

14 Called up share capital

	31 December 2007 US\$'000	31 December 2006 US\$'000
Authorised		
250 ordinary shares of £1 each	-	-
200,000,000 ordinary shares of US\$1 each	200,000	200,000
	<u>200,000</u>	<u>200,000</u>
Allotted, called up and fully paid		
164 ordinary shares of £1 each	-	-
54,528,344 ordinary shares of US\$1 each	54,529	54,529
	<u>54,529</u>	<u>54,529</u>