

Registered Number 3006768

Cadbury Russia Limited

Annual Report & Financial Statements
for the year ended 31 December 2008

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CADBURY RUSSIA LIMITED

Directors and Advisors

Directors

D W Blakemore	(Resigned 02/3/2009)
P Caywood	
J D Marshall	
J M Mills	
S C Strachota	(Resigned 30/9/2009)
A Williams	(Appointed 1/5/2009)
T Jack	(Appointed 6/8/2009)

Secretary

Cadbury Nominees Limited

Registered office

Cadbury House
Sanderson Road
Uxbridge
UB8 1DH

Auditors

Deloitte LLP
Chartered Accountants
London

CADBURY RUSSIA LIMITED

Report of the Directors

For the year ended 31 December 2008

The Directors present their report, together with the audited financial statements of Cadbury Russia Limited (the 'Company'), for the year ended 31 December 2008 (the 'year').

Review of the business and principal activities

From 1 January through to 1 May 2008, 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\$1,418,000 (31 December 2007: US\$654,000). The Directors do not recommend the payment of a final dividend (31 December 2007: US\$ nil).

Future prospects

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

Going Concern

On the basis of the Company's position within the Cadbury group of Companies, and the receipt of a letter of support from Cadbury Holdings Limited, the Directors, after making enquiries, have a reasonable expectation that the Company will receive adequate support to continue in operational existence for the foreseeable future. Accordingly, they consider that it is appropriate to adopt the going concern basis in preparing the annual report and accounts.

Directors and their interests

The Directors at the date of this report are as stated on page 1.

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.

Subsequent Events

During 2009 the company issued 68,696,712 new \$1 shares to its immediate parent, Brentwick Limited. The company also increased its investment in Dirol Cadbury LLC by \$25m and Cadbury CIS BV by \$77m and repaid a loan of \$35m to Cadbury CIS BV.

CADBURY RUSSIA LIMITED

Report of the Directors (continued)

For the year ended 31 December 2008

Auditors

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

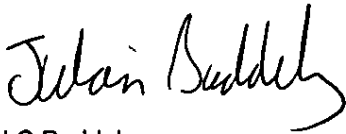
- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- the director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that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

30 October 2009

By order of the Board,



J C Baddeley

Secretary,

For and on behalf of Cadbury Nominees Limited

Cadbury House
Sanderson Road
Uxbridge
UB8 1DH

CADBURY RUSSIA LIMITED

Statement of Directors' responsibilities

For the year ended 31 December 2008

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 2008 which comprise the profit and loss account, the reconciliation of movements in shareholders' deficit, the balance sheet and the related notes 1 to 15. 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.

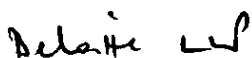
We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity 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 2008 and of its profit 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 LLP
Chartered Accountants and Registered Auditors
London, United Kingdom

30 October 2009

CADBURY RUSSIA LIMITED

Profit and loss account

For the year ended 31 December 2008

	Notes	31 December 2008 US\$'000	31 December 2007 US\$'000
Other operating income	6	2,166	1,450
Operating expenses	7	(193)	(557)
Operating profit		1,973	893
Interest receivable		8	35
Profit on ordinary activities before taxation		1,981	928
Taxation on ordinary activities	8	(563)	(274)
Profit for the year		1,418	654
Loss at beginning of year		(187,767)	(188,421)
Loss at the end of the year		(186,349)	(187,767)

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 2008

	31 December 2008 US\$'000	31 December 2007 US\$'000
Shareholders' deficit at beginning of year	(133,238)	(133,892)
Total recognised Profits for the year	1,418	654
Shareholders' deficit at the end of the year	(131,820)	(133,238)

CADBURY RUSSIA LIMITED

Notes to the Financial Statements (continued)

For the year ended 31 December 2008

	Notes	31 December 2008 US\$'000	31 December 2007 US\$'000
Fixed assets			
Intangible assets	9	-	-
Investments	10	103,890	103,901
		<u>103,890</u>	<u>103,901</u>
Current assets and liabilities			
Debtors	11	-	61
Cash at bank and in hand		629	778
		<u>629</u>	<u>839</u>
Creditors: amounts falling due within one year	12	(186,917)	(1,754)
Net current liabilities		<u>(186,288)</u>	<u>(915)</u>
Creditors: amounts falling due after more than one year	13	(49,422)	(236,224)
Net liabilities		<u>(131,820)</u>	<u>(133,238)</u>
Equity capital and reserves			
Called up share capital	14	54,529	54,529
Profit and loss account		(186,349)	(187,767)
Shareholders' deficit		<u>(131,820)</u>	<u>(133,238)</u>

Signed on behalf of the Board

Paul Caywood
 P Caywood

Directors

A R Williams
 A R Williams

CADBURY RUSSIA LIMITED

Notes to the Financial Statements (continued)

For the year ended 31 December 2008

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) Accounts preparation

As outlined in the Directors' report the accounts have been prepared on the going concern basis

c) Financial year

The Company's statutory accounts are to be drawn up on a calendar year basis. The profit and loss accounts cover the years from 1 January 2008 to 31 December 2008 and from 1 January 2007 to 31 December 2007. The balance sheets for 2008 and 2007 have been drawn up at 31 December 2008 and 31 December 2007 respectively

d) Financial instruments

Derivative financial instruments

The company enters into derivative financial instrument transactions in line with the regional purchasing policy. Where it is permissible under FRS 26 the Company's policy will be to apply hedge accounting relationships where it is both practical to do so and its application reduces volatility.

Transactions that may be effective hedges in economic terms may not always qualify for hedge accounting under FRS 26. Due to the nature of many of the Company's hedging and derivative instruments it is unlikely that hedge accounting will be adopted for these hedging relationships. Consequently, movements in the fair value of derivative instruments, will be immediately recognized in the profit and loss account and may lead to increased volatility.

Adoption of FRS 29

FRS 29 "Financial instruments: disclosures" became effective from 01 January 2007. As the Company is wholly owned by Cadbury plc, whose financial statements have been prepared in accordance with IFRS 7 "Financial Instruments: disclosure", the Company is exempt from the disclosure requirements of FRS 29.

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 2008

1 Accounting policies (continued)

e) *Foreign currencies*

Foreign currency transactions are translated into pounds sterling using average monthly exchange rates prevailing at the month of the transaction. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit and loss account.

f) *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.

g) *Goodwill*

Goodwill arising on the acquisition of subsidiary undertakings and businesses, representing any excess of the fair value of the consideration given over the fair value of the identifiable assets and liabilities acquired, is capitalised and written off on a straight line basis over its useful economic life. Provision is made for any impairment.

h) *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.

i) *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 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.

CADBURY RUSSIA LIMITED

Notes to the Financial Statements (continued)

For the year ended 31 December 2008

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 plc for the year ended 31 December 2008. 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

The Company's immediate, controlling and ultimate parent undertaking is Cadbury 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 plc are available from Cadbury House, Sanderson Road, Uxbridge, Middlesex, UB8 1DH.

As a subsidiary of Cadbury plc throughout 2008 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 plc.

4 Auditors' remuneration

Auditors' remuneration for the year was US\$28,000 (2007: US\$28,000) and was borne by the ultimate parent undertaking, Cadbury plc.

5 Directors' emoluments and employee information

The Directors are remunerated by Cadbury 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 2008 US\$'000	31 December 2007 US\$'000
Gains on derivative contracts and exchange during the year	2,166	1,450
	<u>2,166</u>	<u>1,450</u>

7 Operating expenses

	31 December 2008 US\$'000	31 December 2007 US\$'000
Exchange losses during the year	(192)	-
Administrative expenses	(1)	(557)
	<u>(193)</u>	<u>(557)</u>

CADBURY RUSSIA LIMITED

Notes to the Financial Statements (continued)

For the year ended 31 December 2008

8 Taxation on profit on ordinary activities

	31 December 2008 US\$'000	31 December 2007 US\$'000
UK corporation tax	(563)	(274)
Total current tax charge	<u>(563)</u>	<u>(274)</u>

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 2008 US\$'000	31 December 2007 US\$'000
Profit on ordinary activities before taxation	1,981	928
UK corporation tax at 28.5% (2007: 30%)	(565)	(278)
Capital allowances in excess of depreciation	2	4
Tax charge	<u>(563)</u>	<u>(274)</u>

9 Intangible fixed assets – goodwill

	31 December 2008 US\$'000	31 December 2007 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>

CADBURY RUSSIA LIMITED

Notes to the Financial Statements (continued)

For the year ended 31 December 2008

10 Investments

a)

**Subsidiary
Undertakings
US\$'000**

Cost

At beginning of the year 243,004

Additions -

At end of the year 243,004

Amounts written off

At beginning of the year (139,103)

Exchange adjustment (11)

At end of the year (139,114)

Net book value

At beginning of the year 103,901

At end of the year 103,890

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 2008 US\$'000	31 December 2007 US\$'000
Amounts owed by other Group companies	-	61
	<u>-</u>	<u>61</u>

All amounts are recoverable within one year.

12 Creditors: amounts falling due within one year

31 December 2008 31 December 2007

CADBURY RUSSIA LIMITED

Notes to the Financial Statements (continued)

For the year ended 31 December 2008

	US\$'000	US\$'000
Amounts owed to other Group companies	(186,354)	(1,021)
Tax payable	(563)	(274)
Other creditors	-	(459)
	<u>(186,917)</u>	<u>(1,754)</u>

Amounts owed to other Group undertakings are repayable at various dates throughout 2009 and are non-interest bearing.

13 Creditors: amounts falling due after more than one year

	31 December 2008 US\$'000	31 December 2007 US\$'000
Amounts owed to other Group companies - loans	(49,422)	(236,224)
	<u>(49,422)</u>	<u>(236,224)</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 2008 US\$'000	31 December 2007 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>

15 Subsequent Events

During 2009 the company issued 68,696,712 new \$1 shares to its immediate parent, Brentwick Limited. The company also increased its investment in Dirol Cadbury LLC by \$25m and Cadbury CIS BV by \$77m and repaid a loan of \$35m to Cadbury CIS BV.