

Cadbury Russia Limited
Annual report and Financial statements
For the year ended 31 December 2019



Cadbury Russia Limited

Contents

	Page
Directors' report	1 - 3
Independent auditors' report to the members	4 - 6
Statement of comprehensive income	7
Statement of financial position	8
Statement of changes in equity	9
Notes to the Financial statements	10 - 17

Directors' report
For the year ended 31 December 2019

The directors present their Annual report and the audited Financial statements of the company for the year ended 31 December 2019.

Directors

The directors who served the company during the year and to the date of the Financial statements being approved, unless otherwise stated, were as follows:

A J P Arrighi
M B Foye
T J Gingell (appointed 1 October 2019)
J M Hladusz
C N Keene (resigned 30 September 2019)

Principal activities and business review

The principal activity of the company during the year was that of a holding company of investments in group undertakings, denominated in US Dollar (USD), which has hence determined the functional and presentation currency of these Financial statements.

Due to the straightforward nature of the business the company's directors are of the opinion that a detailed analysis using key performance indicators is not necessary for an understanding of the development, performance or position of the business.

The company is a private company limited by shares and is incorporated in England, part of the United Kingdom. The address of its registered office is Cadbury House, Sanderson Road, Uxbridge, Middlesex, UB8 1DH.

Future developments

The company will continue to develop its existing activities in accordance with the requirements of the group. None of the future developments are expected to impact the company's ability to continue as a going concern.

Going concern

The company meets its day-to-day working capital requirements through the group's treasury arrangements. As at 31 December 2019 the company had net liabilities of \$116 (2018 - \$70) and net current liabilities of \$116 (2018 - \$70). Hence the directors have obtained a letter of support from Brentwick Limited and therefore have reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future and for at least 12 months from the point of approving this Annual report and Financial statements. The company therefore continues to adopt the going concern basis in preparing the Annual report and Financial statements.

The severity, magnitude and duration of the current COVID-19 pandemic is uncertain, rapidly changing and hard to predict. In 2020, COVID-19 has, and will continue to, significantly impact economic activity and markets around the world, and it has the potential to negatively impact our business. The ultimate impact of these disruptions also depends on events beyond our knowledge or control, including the duration and severity of any outbreak and actions taken by parties other than us to respond to them. However, the company is not directly exposed to trading fluctuations and our internal review, based on experience to date and a reserved expectation for the months to come, does not highlight significant financial constraints. Where the recoverability of the company's investments and receivables is linked to the operations of its global trading subsidiaries, we have taken steps to assess the relative exposure of these balances, and whilst there is no indication of material risk over recoverability or impairment, we remain vigilant in this rapidly changing environment and versatile when adapting to challenges. Any new dramatic change has the potential to negatively impact this position as the outbreak continues to spread around the world.

Directors' report (continued)
For the year ended 31 December 2019

Going concern (continued)

Whilst the terms on which the United Kingdom might continue to trade with the European Union are not fully determined and it is difficult to evaluate the potential impact on the business and the wider economy, the directors consider that they have taken all reasonable steps necessary to mitigate the associated risks and have confirmed that in the event of any financial ramifications, the company would continue to be supported by the Mondelez International Inc. group. During the transition period, we continue to take protective measures in response to the potential impacts on our results of operations and financial condition.

Results and dividends

The loss for the financial year was \$46 (2018 - \$60) and at the year end the company had net liabilities of \$116 (2018 - \$70).

During the year, no dividends were paid (2018 - \$NIL).

Principal risks and uncertainties

From the perspective of the company, the principal risks and uncertainties are integral to the principal risks of the Mondelez International group of companies ("the group") and are not managed separately. Further information can be found in the Annual report of Mondelez International Inc., the company's ultimate parent company.

Financial risk management

Market risk

The company is exposed to market price risks in the form of interest rate risk arising from its business. The company manages these risks by matching the terms and conditions of its assets and liabilities wherever possible.

Liquidity risk

The company manages liquidity risk by monitoring the balance sheet position, net intercompany balance and funding requirements to ensure that the company has access to sufficient available funds for planned operations.

Qualifying indemnity provisions

Qualifying third party indemnity provisions are in force for the company's directors as of the date of this report and were in force for the duration of 2019.

Directors' report (continued)
For the year ended 31 December 2019

Statement of directors' responsibilities

The directors are responsible for preparing the Annual report and Financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare Financial statements for each financial year. Under that law the directors have prepared the Financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law). Under company law the directors must not approve the Financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing the Financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the Financial statements;
- make judgements and accounting estimates that are reasonable and prudent; 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 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.

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.

Directors' confirmations

In the case of each director in office at the date the Directors' report is approved:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- they have taken all the 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 auditors are aware of that information.

Independent auditors

The board of directors have chosen to reappoint PricewaterhouseCoopers LLP as auditors for the coming financial year.

Small company provisions

This report has been prepared in accordance with the special provisions applicable to small companies within Part 15 of the Companies Act 2006.

This report was approved by the board of directors on
by:

3rd September 2020

and signed on behalf of the board



T J Gingell
Director

Independent auditors' report to the members of Cadbury Russia Limited

Report on the audit of the Financial statements

Opinion

In our opinion, Cadbury Russia Limited's Financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2019 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the Financial statements, included within the Annual report and Financial statements (the "Annual report"), which comprise: the Statement of financial position as at 31 December 2019; the Statement of comprehensive income and the Statement of changes in equity for the year then ended; and the Notes to the Financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the Financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the Financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the Financial statements is not appropriate; or
- the directors have not disclosed in the Financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the Financial statements are authorised for issue.

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.

Reporting on other information

The other information comprises all of the information in the Annual report other than the Financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the Financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

Independent auditors' report to the members of Cadbury Russia Limited (continued)

Report on the audit of the Financial statements (continued)

Reporting on other information (continued)

In connection with our audit of the Financial statements, 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 audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the Financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Directors' report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (UK) require us also to report certain opinions and matters as described below.

Directors' report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' report for the year ended 31 December 2019 is consistent with the Financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we did not identify any material misstatements in the Directors' report.

Responsibilities for the Financial statements and the audit

Responsibilities of the directors for the Financial statements

As explained more fully in the Statement of directors' responsibilities set out on page 3, the directors are responsible for the preparation of the Financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they 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.

Auditors' 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 auditors' 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.

A further description of our responsibilities for the audit of the Financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Independent auditors' report to the members of Cadbury Russia Limited (continued)

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

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

We have no exceptions to report arising from this responsibility.

Entitlement to exemptions

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to: prepare Financial statements in accordance with the small companies regime; and take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.



Steven Kentish (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Birmingham
Date: 10 September 2020

Cadbury Russia Limited

**Statement of comprehensive income
For the year ended 31 December 2019**

	Note	2019 \$	2018 \$
Interest payable and similar expenses	5	(57)	(60)
Loss before taxation		<u>(57)</u>	<u>(60)</u>
Tax on loss	6	11	-
Loss for the financial year		<u>(46)</u>	<u>(60)</u>
Other comprehensive income for the year		-	-
Total comprehensive expense for the year		<u><u>(46)</u></u>	<u><u>(60)</u></u>

All activities of the company are from continuing operations.

The notes on pages 10 to 17 form an integral part of these Financial statements.

Statement of financial position
As at 31 December 2019

	Note	2019 \$	2018 \$
Fixed assets			
Investments	7	-	-
		<u>-</u>	<u>-</u>
Current assets			
Debtors	8	11	-
Creditors: amounts falling due within one year	9	(127)	(70)
		<u>-</u>	<u>-</u>
Net current liabilities		(116)	(70)
Total assets less current liabilities		<u>(116)</u>	<u>(70)</u>
Net liabilities		<u>(116)</u>	<u>(70)</u>
Capital and reserves			
Called up share capital	10	1,257	1,257
Share premium account	11	220,300	220,300
Profit and loss account	11	(221,673)	(221,627)
		<u>-</u>	<u>-</u>
Total equity		<u>(116)</u>	<u>(70)</u>

These Financial statements on pages 7 to 17 were approved by the board of directors and authorised for issue on 3rd September 2020 and were signed on behalf of the board by:



T J Gingell
Director

The notes on pages 10 to 17 form an integral part of these Financial statements.

Statement of changes in equity
For the year ended 31 December 2019

	Called up share capital	Share premium account	Profit and loss account	Total equity
	\$	\$	\$	\$
At 1 January 2018	1,257	220,300	(221,567)	(10)
Loss for the financial year	-	-	(60)	(60)
Total comprehensive expense for the year	-	-	(60)	(60)
At 31 December 2018 and 1 January 2019	1,257	220,300	(221,627)	(70)
Loss for the financial year	-	-	(46)	(46)
Total comprehensive expense for the year	-	-	(46)	(46)
At 31 December 2019	1,257	220,300	(221,673)	(116)

The notes on pages 10 to 17 form an integral part of these Financial statements.

Notes to the Financial statements
For the year ended 31 December 2019

1. Statement of compliance

These Financial statements have been prepared in compliance with United Kingdom Accounting Standards including FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland', and the Companies Act 2006.

2. Accounting policies

2.1 Basis of preparation of Financial statements

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 years presented, unless otherwise stated.

These Financial statements are prepared on a going concern basis, under the historical cost convention.

The preparation of Financial statements in conformity with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the Financial statements are disclosed in note 3.

These Financial statements have been prepared in accordance with the provisions applicable under the small companies regime available within Sections 444(1)(a) and 472(2) of the Companies Act 2006.

2.2 Financial reporting standard 102 - reduced disclosure exemptions

The entity satisfies the criteria of being a qualifying entity as defined in FRS 102. As such, advantage has been taken of the following disclosure exemptions available under paragraph 1.12 of FRS 102:

- (a) the requirement to prepare a Statement of cash flows (Section 7 of FRS 102 and para 3.17(d)); and
- (b) reduced financial instrument disclosures (FRS 102 paras 11.39 - 11.48A, 12.26 - 12.29).

This information is included in the consolidated Financial statements of Mondelez International Inc., as at 31 December 2019.

2.3 Going concern

The company meets its day-to-day working capital requirements through the group's treasury arrangements. As at 31 December 2019 the company had net liabilities of \$116 (2018 - \$70) and net current liabilities of \$116 (2018 - \$70). Hence the directors have obtained a letter of support from Brentwick Limited and therefore have reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future and for at least 12 months from the point of approving this Annual report and Financial statements. The company therefore continues to adopt the going concern basis in preparing the Annual report and Financial statements.

The severity, magnitude and duration of the current COVID-19 pandemic is uncertain, rapidly changing and hard to predict. In 2020, COVID-19 has, and will continue to, significantly impact economic activity and markets around the world, and it has the potential to negatively impact our business. The ultimate impact of these disruptions also depends on events beyond our knowledge or control, including the duration and severity of any outbreak and actions taken by parties other than us to respond to them. However, the company is not directly exposed to trading fluctuations and our internal review, based on experience to date and a reserved expectation for the months to come, does not highlight significant financial constraints. Where the recoverability of the company's investments and receivables is linked to the operations of its global trading subsidiaries, we have taken steps to assess the relative exposure of these balances, and whilst there is no indication of material risk over recoverability or impairment, we remain vigilant in this rapidly changing environment and versatile when adapting to challenges. Any new dramatic change has the potential to negatively impact this position as the outbreak continues to spread around the world.

**Notes to the Financial statements
For the year ended 31 December 2019**

2. Accounting policies (continued)

2.3 Going concern (continued)

Whilst the terms on which the United Kingdom might continue to trade with the European Union are not fully determined and it is difficult to evaluate the potential impact on the business and the wider economy, the directors consider that they have taken all reasonable steps necessary to mitigate the associated risks and have confirmed that in the event of any financial ramifications, the company would continue to be supported by the Mondelez International Inc. group. During the transition period, we continue to take protective measures in response to the potential impacts on our results of operations and financial condition.

2.4 Consolidated Financial statements

The company is a wholly-owned subsidiary of Mondelez International Inc., and is included in the Financial statements of Mondelez International Inc., which are publicly available. Consequently, the company has taken advantage of the exemption from preparing consolidated Financial statements under the terms of Section 401 of the Companies Act 2006.

These Financial statements are the company's separate Financial statements (FRS 102, 9.27(a)).

2.5 Related party transactions

The company discloses transactions with related parties which are not wholly owned within the same group. It does not disclose transactions with members of the same group that are wholly owned (FRS 102 paragraph 33.1A).

2.6 Taxation

Tax on loss for the period comprises current and deferred tax recognised in the reporting period. Tax is recognised in the Statement of comprehensive income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case tax is also recognised in other comprehensive income or directly in equity respectively.

Current or deferred taxation assets and liabilities are not discounted.

(i) Current tax

Current tax is the amount of income tax payable in respect of the taxable profit for the year or prior years. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the period end.

(ii) Deferred tax

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the Financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the Financial statements.

Deferred tax is recognised on all timing differences at the reporting date except for certain exceptions. Unrelieved tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

**Notes to the Financial statements
For the year ended 31 December 2019**

2. Accounting policies (continued)

2.7 Investments

Investments in subsidiary and group undertakings are recorded at cost plus incidental expenses less any provision for impairment. Impairment reviews are performed by the directors when there has been an indication of potential impairment.

Impairment

At each financial year end assets not carried at fair value are assessed to determine whether there is an indication that the asset may be impaired. If there is such an indication the recoverable amount of the asset is compared to the carrying amount of the asset.

The recoverable amount of the asset is the higher of the fair value less costs to sell and value in use. Value in use is defined as the present value of the future cash flows before interest and tax obtainable as a result of the asset's continued use. These cash flows are discounted using a pre-tax discount rate that represents the current market risk-free rate and the risks inherent in the asset.

If the recoverable amount of the asset is estimated to be lower than the carrying amount, the carrying amount is reduced to its recoverable amount. An impairment loss is recognised in the Statement of comprehensive income, unless the asset has been revalued when the amount is recognised in other comprehensive income to the extent of any previously recognised revaluation. Thereafter any excess is recognised in profit or loss within the Statement of comprehensive income.

If an impairment loss is subsequently reversed, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the revised carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised in prior periods. A reversal of an impairment loss is recognised in profit or loss within the Statement of comprehensive income, within administrative expenses, aligned to where the original charge was recognised.

2.8 Foreign currency translation

(i) Functional and presentation currency

The company's functional and presentation currency is the US Dollar (USD).

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Statement of comprehensive income.

Notes to the Financial statements
For the year ended 31 December 2019

2. Accounting policies (continued)

2.9 Financial instruments

The company has chosen to adopt the Sections 11 and 12 of FRS 102 in respect of financial instruments.

(i) Financial assets

Basic financial assets, including trade and other receivables, cash and bank balances and investments in commercial paper, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the Statement of comprehensive income.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

(ii) Financial liabilities

Basic financial liabilities, including trade and other payables, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest rate method.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

2.10 Finance costs

Finance costs are charged to the Statement of comprehensive income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument. Bank charges are recognised in the period in which they are incurred.

**Notes to the Financial statements
For the year ended 31 December 2019**

2. Accounting policies (continued)**2.11 Cash pooling**

The company meets its day-to-day working capital requirements through a combination of loans and through access to funds as part of the Mondelez International group's cash pooling arrangement, of which Mondelez International Finance AG (MIF), a related company based in Switzerland, is the pool leader. Under the cash pooling arrangements, there is no cash held by the company - all balances are deposited in the cash pool at the end of business on each day. The company therefore has a \$NIL cash balance.

The value of the current facility is \$127 and this balance is presented within amounts owed to group undertakings within creditors as at the year end (2018 - \$70, presented within amounts owed to group undertakings within creditors). There are not considered to be limits to the available facility within the normal course of business. This is agreed as a rolling facility which is an integrated part of the Mondelez International Inc. group operations.

3. Critical accounting judgements and estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The directors consider the carrying value of investments to be \$NIL (2018 - \$NIL).

4. Operating result

The directors are remunerated for their services to the group as a whole and not for their specific services to the company. The directors did not receive any emoluments for their services as directors of the company during the year (2018 - \$NIL). The directors were remunerated by other group companies and no recharges were paid nor are payable for their services. It is not possible to apportion the proportion of the directors' work that was done for the company. Directors' remuneration is disclosed in full within the consolidated Annual report of Mondelez International, Inc.

All administrative costs of the company are borne on behalf of the UK group by a fellow subsidiary undertaking and not recharged to the company. An estimated allocation of the audit fee for the year is \$4,000 (2018 - \$4,000) and includes audit related services in relation to reporting to the entity's ultimate parent company. There were no amounts paid to the auditors in respect of non-audit fees in either year.

No staff are employed by the company (2018 - None). All activities relating to the company are performed by staff employed by other companies within the group. There are no recharges payable by the company for these activities and hence it is not possible to determine the related employee costs. Employee costs are disclosed in full within the consolidated Annual report of Mondelez International, Inc.

5. Interest payable and similar expenses

	2019	2018
	\$	\$
Bank charges	54	59
Interest payable to group undertakings	3	1
	<u>57</u>	<u>60</u>

Notes to the Financial statements
For the year ended 31 December 2019

6. Tax on loss

	2019 \$	2018 \$
Current tax		
Current UK tax on loss for the year	(11)	-
Total current tax	<u>(11)</u>	<u>-</u>
Tax on loss	<u>(11)</u>	<u>-</u>
Factors affecting tax credit for the year		

The tax assessed for the year is the same as (2018 - higher than) the standard rate of corporation tax in the UK of 19.00% (2018 - 19.00%). The differences are explained below:

	2019 \$	2018 \$
Loss before tax	<u>(57)</u>	<u>(60)</u>
Loss before tax multiplied by standard rate of corporation tax in the UK of 19.00% (2018 - 19.00%)	(11)	(11)
Effects of:		
Group relief not paid for	-	11
Total tax credit for the year	<u>(11)</u>	<u>-</u>

Factors that may affect future tax charges

On 17 March 2020, UK Budget resolutions were passed setting the UK corporation tax rate at 19% from 1 April 2020, reversing the 17% rate enacted in Finance Act 2016.

7. Investments

The following were subsidiary undertakings and group undertakings of the company:

Name	Registered Office	Principal activity	Holding
Cadbury CIS B.V.	Wilhelminakanaal Zuid 110, 4903 RA, Oosterhout, Netherlands	Distribution	100%
Cadbury Russia Two Limited	Cadbury House, Sanderson Road, Uxbridge, Middlesex, UB8 1DH	Holding company	100%

The investment held in Cadbury CIS B.V. is incorporated in the Netherlands and the investment held in Cadbury Russia Two Limited is incorporated in England and Wales. Both are for 100% of the equity share capital. The carrying value of these investments is \$NIL (2018 - \$NIL).

Notes to the Financial statements
For the year ended 31 December 2019

8. Debtors

	2019	2018
	\$	\$
Other debtors	11	-
	<u>11</u>	<u>-</u>

9. Creditors: amounts falling due within one year

	2019	2018
	\$	\$
Amounts owed to group undertakings	127	70
	<u>127</u>	<u>70</u>

Amounts owed to group undertakings include non-trading balances which are unsecured and repayable on demand. Loans are charged interest at the London Interbank Offered rate plus 0.375%.

10. Called up share capital

	2019	2018
	\$	\$
Authorised, issued, called up and fully paid		
1,001 (2018 - 1,001) Ordinary shares of \$1 each	1,001	1,001
164 (2018 - 164) Ordinary shares of £1 each	256	256
	<u>1,257</u>	<u>1,257</u>

11. Reserves

For the full list of reserve balances please go to page 9 Statement of changes in equity for further details.

Notes to the Financial statements
For the year ended 31 December 2019

12. Post balance sheet events

The severity, magnitude and duration of the current COVID-19 pandemic is uncertain, rapidly changing and hard to predict. In 2020, COVID-19 has, and will continue to, significantly impact economic activity and markets around the world, and it has the potential to negatively impact our business. The ultimate impact of these disruptions also depends on events beyond our knowledge or control, including the duration and severity of any outbreak and actions taken by parties other than us to respond to them. However, the company is not directly exposed to trading fluctuations and our internal review, based on experience to date and a reserved expectation for the months to come, does not highlight significant financial constraints. Where the recoverability of the company's investments and receivables is linked to the operations of its global trading subsidiaries, we have taken steps to assess the relative exposure of these balances, and whilst there is no indication of material risk over recoverability or impairment, we remain vigilant in this rapidly changing environment and versatile when adapting to challenges. Any new dramatic change has the potential to negatively impact this position as the outbreak continues to spread around the world.

Whilst the terms on which the United Kingdom might continue to trade with the European Union are not fully determined and it is difficult to evaluate the potential impact on the business and the wider economy, the directors consider that they have taken all reasonable steps necessary to mitigate the associated risks and have confirmed that in the event of any financial ramifications, the company would continue to be supported by the Mondelez International Inc. group. During the transition period, we continue to take protective measures in response to the potential impacts on our results of operations and financial condition.

13. Controlling party

At 31 December 2019 the immediate parent company was Brentwick Limited.

At 31 December 2019 the company's ultimate parent company and controlling party was Mondelez International Inc., incorporated in the United States of America. This is the parent company of the smallest and largest group to consolidate these Financial statements. Copies of the consolidated Financial statements of Mondelez International Inc. are available on application from the company secretary, Cadbury House, Sanderson Road, Uxbridge, UB8 1DH.