

Registered Number: 3011709

# RED DEVIL ENERGY DRINKS LIMITED

Financial Statements for the 52 weeks ended 30 September 2007  
together with Directors' report and report of the auditors

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## RED DEVIL ENERGY DRINKS LIMITED

### Directors' report

The directors present their annual report on the affairs of the Company, together with the financial statements and report of the auditors, for the 52 weeks ended 30 September 2007

### Principal activities and business review

During 2005, Red Devil Energy Drinks Limited granted 13 8 year and 13 7 year licences to Britvic Soft Drinks Limited (14 March 2005 - £4,000,000) and Britvic International Limited (17 April 2005 - £10,000) respectively for the use of the Company's brands in the sale of products

On 2 October 2005 the trade and assets of Red Devil Energy Drinks Limited were sold to Britvic Soft Drinks Limited for £13,804,600

As a result of the sale, Red Devil Energy Drinks Limited no longer trades, but continues to receive income from the Britvic Soft Drinks Limited and Britvic International Limited licences

The loss for the period before taxation amounted to £372,000 (2006 profit £135,000)

After charging taxation of £1,000 (2006 £85,000) the loss for the period was £372,000 (2006 profit £50,000)

During the period the prior year comparatives have been restated. This is because the licence income relating to the licences described above had been incorrectly recognised over a 15 year period. The impact on the prior year profit and loss account is that Costs and overheads, less other income have increased by £24,000 and the tax charge has increased by £8,000. Creditors amounts falling due within one year have increased by £24,000. Creditors amounts falling due after more than one year have decreased by £61,000. Opening retained earnings have increased by £13,000.

### Results and dividends

The prior year comparatives have been restated. The impact on the prior year profit and loss account and the balance sheet is disclosed in Note 11.

Results, dividends and recommended transfers to reserves are as follows

	£000
Loss for the period after taxation	(372)
Dividends	-
	<hr/>
Transfer to profit and loss reserves	(372)
	<hr/>

### Future developments

It is expected that the Company will generate future profits with the income it receives for the Britvic Soft Drinks Limited and Britvic International Limited brand licences, once its goodwill is fully amortised.

### Directors and their interests

The following served as directors of the Company during the period

P S Moody  
J M Gibney  
D B J Price

### Fixed assets

Information relating to changes in fixed assets is given in Note 6 to the accounts

### Charitable and political contributions

The company made no contributions to charities or for political purposes (2006 £nil)

### Disclosure of information to the auditors

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

## RED DEVIL ENERGY DRINKS LIMITED

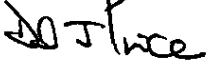
**Auditors**

The directors will place a resolution before the Annual General Meeting to reappoint Ernst & Young LLP as auditors for the ensuing year

**Liability insurance for Company officers**

As permitted by the Companies Act 1985, the Company has maintained insurance cover for the directors against liabilities in relation to the Company

By order of the board



**D B J PRICE**

**Secretary**

Britvic House

Chelmsford

21 January 2008

## **RED DEVIL ENERGY DRINKS LIMITED**

### **STATEMENT OF DIRECTORS' RESPONSIBILITIES** in relation to financial statements

The following statement, which should be read in conjunction with the Report of the Auditors set out on page 5, is made with a view to distinguishing for shareholders the respective responsibilities of the directors and of the auditors in relation to the financial statements

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, 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 proper accounting records that disclose with reasonable accuracy at any time the financial position of the company and to 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.

# RED DEVIL ENERGY DRINKS LIMITED

## INDEPENDENT AUDITORS' REPORT to the members of Red Devil Energy Drinks Limited

We have audited the Company's financial statements for the period ended 30 September 2007 which comprise the Profit and Loss Account, the Statement of Total Recognised Gains and Losses, the Balance Sheet and the related notes 1 to 13. 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 Annual Report and the financial statements in accordance with applicable United Kingdom law and 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 judgments 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.

### 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 30 September 2007 and of its loss for the period 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.

*Ernst & Young LLP*

Ernst & Young LLP  
Registered auditor  
Nottingham  
22 January 2008

# RED DEVIL ENERGY DRINKS LIMITED

## PROFIT AND LOSS ACCOUNT

FOR THE 52 WEEKS ENDED 30 SEPTEMBER 2007

	Note	2007 £000	2006 (restated) £000
Turnover		-	-
Costs and overheads, less other income before exceptional operating expenses	2	1	135
Exceptional operating expenses	3	(372)	-
<b>(Loss)/profit on ordinary activities before taxation</b>		<b>(371)</b>	<b>135</b>
Tax on profit on ordinary activities	5	(1)	(85)
<b>(Loss)/profit on ordinary activities after taxation</b>		<b>(372)</b>	<b>50</b>

## STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES

FOR THE 52 WEEKS ENDED 30 SEPTEMBER 2007

		2007 £000	2006 (restated) £000
<b>(Loss)/profit on ordinary activities after taxation</b>		<b>(372)</b>	<b>50</b>
<b>Total recognised profits relating to the period</b>		<b>(372)</b>	<b>50</b>
Prior year restatement in respect of income from brand licences	11	29	
<b>Total recognised profits since previous year end</b>		<b>(343)</b>	

## RED DEVIL ENERGY DRINKS LIMITED

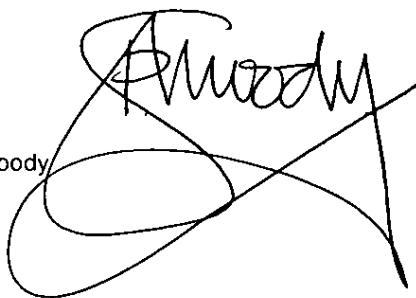
## BALANCE SHEET

AT 30 SEPTEMBER 2007

	Note	2007 £000	2006 (restated) £000
<b>Fixed Assets</b>			
Intangible assets	6	3,266	928
		<hr/>	<hr/>
		3,266	928
<b>Current Assets</b>			
Debtors	7	-	240
Cash at bank and in hand		155	139
		<hr/>	<hr/>
		155	379
<b>Creditors</b>			
Amounts falling due within one year	8	(1,909)	(332)
		<hr/>	<hr/>
<b>Net Current (Liabilities)/Assets</b>		(1,754)	47
		<hr/>	<hr/>
<b>Total Assets less Current Liabilities</b>		1,512	975
<b>Creditors</b>			
Amounts falling due after more than one year	8	(4,175)	(3,266)
		<hr/>	<hr/>
<b>Net Liabilities</b>		(2,663)	(2,291)
		<hr/>	<hr/>
<b>Capital and Reserves</b>			
Called up share capital	9	-	-
Profit and loss account	10	(2,663)	(2,291)
		<hr/>	<hr/>
<b>Shareholders' Deficit</b>		(2,663)	(2,291)
		<hr/>	<hr/>

The directors approved the financial statements on 21 January 2008

P S Moody



# RED DEVIL ENERGY DRINKS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS – 30 SEPTEMBER 2007

### 1 ACCOUNTING POLICIES

A summary of the principal accounting policies, all of which have been applied consistently throughout the period and the preceding period, is set out below

#### a) Basis of accounting

The financial statements are prepared under the historical cost convention as modified by the revaluation of certain tangible fixed assets. They have been drawn up to comply with applicable United Kingdom accounting standards.

The income from licences granted to Britvic Soft Drinks Limited and Britvic International Limited has been incorrectly recognised. This has resulted in a restatement of the prior year comparative. The impact on the prior year profit and loss account and the balance sheet is disclosed in Note 11.

#### b) Going Concern

The Company has overall net liabilities and made a loss in the period, hence, it is dependent on continuing finance being made available by its parent company to enable it to meet its liabilities as they fall due. Britvic plc, has expressed its willingness to provide financial support to Red Devil Energy Drinks Limited in order to assist the company 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.

#### c) Cash flow

In accordance with FRS1 these financial statements do not include a cash flow statement as the Company is a wholly owned subsidiary undertaking of a UK parent whose financial statements for the 52 weeks to 30 September 2007 include a consolidated cash flow statement.

#### d) Intangible fixed assets

Goodwill relates to purchased goodwill and adjustments necessary in ascribing fair values to the separable net assets relating to the soft drinks business acquired. The capitalised goodwill is being amortised on a straight line basis over its useful economic life, estimated at 10 years. It is reviewed for impairment at the end of the first full financial year following the acquisition and in other periods if events or changes in circumstances indicate that the carrying value may not be recoverable.

No value is attributed to trademarks, concessions, patents and similar rights and assets, including management contracts.

Costs incurred on trademarks, concessions, patents and similar rights, whether purchased or created by the Company, are expensed in the profit and loss account in the period in which they are incurred.

#### e) Brand Licences

Income from brand licences is recognised in the profit and loss account on a straight line basis over the term of the licence.

### 2 COSTS AND OVERHEADS LESS OTHER INCOME

	2007	2006 (restated)
	£000	£000
Amortisation of intangibles	(290)	(156)
Income from brand licences	291	291
	<hr/>	<hr/>
	1	135
	<hr/>	<hr/>

Auditors' fees of £5,000 (2006 £5,000) are borne by Britvic Soft Drinks Limited, another member of the Britvic plc Group.



# RED DEVIL ENERGY DRINKS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS – 30 SEPTEMBER 2007

### 3 EXCEPTIONAL OPERATING EXPENSES

	2007 £000	2006 £000
Goodwill impairment loss (see Note 6)	372	-

### 4 DIRECTORS' REMUNERATION

In 2007, no directors received any remuneration in respect of their services to the Company (2006 £nil)

### 5 TAX ON PROFIT ON ORDINARY ACTIVITIES

Tax charge	2007 £000	2006 (restated) £000
UK corporation tax at 30% (2006 30%)		
Current period – Amount recoverable via group relief	1	41
Prior periods	-	44
Total current tax	1	85
Tax on profit on ordinary activities	1	85

Tax reconciliation	2007 %	2006 (restated) %
UK corporation tax standard rate	30.0	30.0
Permanent differences	(30.3)	-
Adjustment to tax charge in respect of prior periods	-	33.0
Effective current tax rate	(0.3)	63.0

No other factors have been identified which may affect future tax charges

There are no adjustments in respect of deferred tax

# RED DEVIL ENERGY DRINKS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS –30 SEPTEMBER 2007

### 6 INTANGIBLE FIXED ASSETS

	2007 £000	2006 £000
<b>Goodwill</b>		
Cost at beginning of period	4,440	4,440
Revision of acquisition cost	3,000	-
	<hr/>	<hr/>
Cost at end of period	7,440	4,440
	<hr/>	<hr/>
Amortisation at beginning of period	(3,512)	(3,356)
Amortisation provided during the period	(290)	(156)
Impairment loss	(372)	-
	<hr/>	<hr/>
Amortisation at end of period	(4,174)	(3,512)
	<hr/>	<hr/>
Net book amount at end of period	3,266	928
	<hr/>	<hr/>

An agreement has been reached with the original vendors of Red Devil to pay an additional £3,000,000 deferred consideration. Goodwill has been revised upwards to reflect a change in contingent consideration. Payment will be made in instalments between August 2007 and September 2010.

The impairment loss in the current period represents the write-down of the carrying amount of goodwill to the amount of future income receivable from the Company's brand licences.

### 7 DEBTORS

The following are included in the net book value of debtors

	2007 £000	2006 £000
Amounts falling due within one year		
Amounts due from other Group undertakings	-	240
	<hr/>	<hr/>

Amounts due from other Group undertakings includes £Nil which is due after one year (2006 - £240,000)

# RED DEVIL ENERGY DRINKS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS – 30 SEPTEMBER 2007

### 8 CREDITORS

	2007 £000	2006 (restated) £000
<b>Amounts falling due within one year</b>		
Amounts owed to other Group undertakings	409	-
Accruals and deferred income	291	291
Corporation tax payable	9	41
Other creditors – Deferred consideration (see Note 6)	1,200	-
	<hr/> 1,909	<hr/> 332
<b>Amounts falling due after more than one year</b>		
Accruals and deferred income	2,975	3,266
Other creditors – Deferred consideration (see Note 6)	1,200	-
	<hr/> 4,175	<hr/> 3,266

Accruals and deferred income relates to the deferred income in respect of 13.8 year and 13.7 year brand licences granted by Red Devil Energy Drinks Limited to Britvic Soft Drinks Limited and Britvic International Limited respectively in 2005

Amounts falling due more than after five years in respect of accruals and deferred income are £1,811,000 (2006 £2,102,000)

### 9 CALLED UP SHARE CAPITAL

	Authorised		Allotted and Fully Paid	
	2007 £	2006 £	2007 £	2006 £
Ordinary shares of £1 each	100,000	100,000	2	2

# RED DEVIL ENERGY DRINKS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS – 30 SEPTEMBER 2007

### 10 RESERVES

	Profit and Loss Account
	£000
At 2 October 2005	(2,354)
Prior year restatement in respect of income from brand licences (see Note 11)	13
	<hr/>
At 2 October 2005 (restated)	(2,341)
Profit for period (restated)	50
	<hr/>
At 1 October 2006 (restated)	(2,291)
Loss for period	(372)
	<hr/>
At 30 September 2007	(2,663)
	<hr/>

### 11 PRIOR YEAR RESTATEMENT

The licences granted in 2005 to Britvic Soft Drinks Limited and Britvic International Limited for the use of the Company's brands in the sale of products were over a 13.8 year and 13.7 year period respectively. However, the licence income had been incorrectly recognised over a 15 year period. This has resulted in a prior year restatement.

The impact on the prior year profit and loss account is that Costs and overheads, less other income have increased by £24,000 and the tax charge has increased by £8,000. Creditors' amounts falling due within one year have increased by £24,000. Creditors' amounts falling due after more than one year have decreased by £61,000. Opening retained earnings have increased by £13,000.

### 12 RELATED PARTY TRANSACTIONS

The company has taken advantage of the exemption under FRS 8 available to subsidiary undertakings not to disclose transactions with other group companies.

### 13 PARENT UNDERTAKING

The immediate parent undertaking of Red Devil Energy Drinks Limited is Orchid Drinks Limited, incorporated in Great Britain and registered in England.

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

Britvic plc is the ultimate parent undertaking of Red Devil Energy Drinks Limited. The consolidated financial statements of Britvic plc are available to the public and may be obtained from Britvic House, Broomfield Road, Chelmsford, Essex CM1 1TU.