

Diageo Holdings Limited

Financial statements 30 June 2015

Registered number: 3623314

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Directors' report

The directors have pleasure in submitting their annual report, together with the audited financial statements for the year ended 30 June 2015.

The directors were entitled to take advantage of the small companies' exemption in not preparing a strategic report.

Activities

The company is an investment holding company. The directors foresee no changes in the company's activities.

Going concern

The directors have no reason to believe that a material uncertainty exists that may cast significant doubt about the ability of the Diageo group to continue as a going concern. On the basis of their assessment, the company's directors have a reasonable expectation that the company will be able to continue in operational existence for the foreseeable future as a fellow group undertaking has agreed to provide financial support for the foreseeable future. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Financial

The results for the year ended 30 June 2015 are shown on page 5.

The profit for the year transferred to reserves is £3,268 million (2014 - £859 million).

During the year ended 30 June 2015 a dividend of \$0.0138 on each ordinary share of the company being \$180 million in aggregate (GBP equivalent: £120 million) and a dividend of £0.1154 on each ordinary share of the company being £1,500 million in aggregate was paid (year ended 30 June 2014 - £0.0923 per share being £1,200 million in aggregate).

Directors

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

S Fennessy	(appointed 1 October 2014)
D Heginbottom	(resigned 1 October 2014)
E McShane	(appointed 1 October 2014)
J J Nicholls	
M Pais	(resigned 1 October 2014)
P D Tunnacliffe	

Directors' remuneration

None of the directors received any remuneration during the year in respect of their services as directors of the company (2014 - £nil).

Directors' report (continued)

Secretary

On 5 November 2015, V Cooper was appointed as joint Company Secretary.

Auditor

Following an audit tender conducted during the year, PricewaterhouseCoopers LLP were selected as auditor for the Diageo group. Accordingly, it is intended that PricewaterhouseCoopers LLP will be appointed to replace KPMG LLP as auditor for the year ending 30 June 2016.

Disclosure of information to auditor

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditor is unaware; and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

By order of the board



S L Fennessy
Director
Lakeside Drive
Park Royal
London
NW10 7HQ

19 November 2015

Statement of directors' responsibilities in respect of the directors' report and the financial statements

The directors are responsible for preparing the directors' 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 they have elected to prepare the financial statements in accordance with UK Accounting Standards and applicable law (UK Generally Accepted Accounting Practice).

Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements 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 adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

Independent auditor's report to the members of Diageo Holdings Limited

We have audited the financial statements of Diageo Holdings Limited for the year ended 30 June 2015 set out on pages 5 to 22. The financial reporting framework that has been applied in their preparation is applicable law and UK Accounting Standards (UK Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the directors' responsibilities statement set out on page 3, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit, and express an opinion on, the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2015 and of its profit for the year then ended;
- have been properly prepared in accordance with UK Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to take advantage of the small companies exemption from the requirement to prepare a strategic report.

Karen Wightman (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor
Chartered Accountants



15 Canada Square
London
E14 5GL

Date: 24 November 2015

Profit and loss account

	<i>Notes</i>	Year ended 30 June 2015 £m	Year ended 30 June 2014 £m
Income from shares in group undertakings	2	3,620	1,200
Interest payable	3	(352)	(341)
		<hr/>	<hr/>
Profit on ordinary activities before taxation		3,268	859
Taxation on profit on ordinary activities	4	-	-
		<hr/>	<hr/>
Profit for the financial year		3,268	859
		<hr/>	<hr/>

The accounting policies and other notes on pages 7 to 22 form part of the financial statements.

There are no recognised gains and losses other than the result for the year and consequently a statement of total recognised gains and losses has not been presented as part of the financial statements.

There is no difference between the results for the years shown in the profit and loss account and the results for the relevant years restated on an historical cost basis.

All results arise from continuing operations.

Balance sheet

	<i>Notes</i>	Year ended 30 June 2015 £m	Year ended 30 June 2014 £m
Fixed assets			
Investments	5	27,000	27,000
Creditor: amount falling due within one year - Diageo Finance plc	6	(11,730)	(13,378)
Net assets		15,270	13,622
Capital and reserves			
Called up share capital	7	13,000	13,000
Other reserves	8	622	622
Profit and loss account	9	1,648	-
Shareholders' funds	9	15,270	13,622

The accounting policies and other notes on pages 7 to 22 form part of the financial statements.

These financial statements on pages 5 to 22 were approved by the board of directors on 19 November 2015 and were signed on its behalf by:



S L Fennessy
Director

Accounting policies

Future changes to accounting policies

The Financial Reporting Council recently issued *FRS 100 – Application of Financial Reporting Requirements*, *FRS 101 – Reduced Disclosure Framework* and *FRS 102 – The Financial Reporting Standard applicable in the UK and Republic of Ireland* which will be first effective for the company for the year ending 30 June 2016. FRS 100 sets out the overall financial reporting framework whereas FRS 101 applies to the company financial statements allowing them to apply the same accounting policies as the IFRS group accounts but with less disclosure. FRS 102 will replace the current UK GAAP standards with an IFRS based new standard and include a set of disclosure exemptions for qualifying entities formerly preparing UK GAAP financial standards. The company will adopt FRS 101, for its financial statements, for the year ending 30 June 2016. Based on a preliminary assessment the company believes the change will have no significant impact on its results or financial position.

The following accounting policies have been applied consistently in dealing with items that are considered material in relation to the company's financial statements.

Basis of preparation

The financial statements are prepared on a going concern basis under the historical cost convention and in accordance with applicable UK accounting standards.

The company is a wholly owned subsidiary of Diageo plc and is included in the consolidated financial statements of Diageo plc which are publicly available. Consequently the company has taken advantage of the exemption from preparing a cash flow statement under the terms of Financial Reporting Standard No. 1 (Revised 1996).

The company is exempt under the terms of Financial Reporting Standard No. 8 from disclosing related party transactions (but not balances) with entities that are wholly owned by a member of the Diageo plc group ("group undertakings").

The company is exempt from the requirement to prepare consolidated accounts under section 400 of the Companies Act 2006 as its results are included in the published consolidated financial statements of Diageo plc. These financial statements present information about the company as an individual undertaking and not about its group.

Going concern

The financial statements have been prepared on a going concern basis as a fellow group undertaking has agreed to provide financial support for the foreseeable future. The only liabilities at the balance sheet date are in respect of balances due to fellow group undertakings.

Fixed asset investments

Income from fixed asset investments is credited to the profit and loss account when it is approved by the paying company. Investments are stated individually at cost less provision for impairment in value where such impairment is expected by the directors to be permanent.

Accounting policies (continued)

Taxation

Current tax, including UK corporation tax and overseas tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted at the balance sheet date. Except as otherwise required by FRS 19, deferred tax is provided in full on timing differences that have originated but not reversed at the balance sheet date where transactions or events have occurred at that date that will result in an obligation to pay more tax, or a right to pay less tax, in the future. Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date. Any interest or penalties on tax liabilities are provided in the tax charge.

Dividends paid and received

Both interim and final dividends are included in the financial statements in the year in which it is approved by the directors. Dividends received are included in the financial statements in the year in which they are receivable.

Notes to the financial statements

1. Operating costs

The auditor's remuneration was paid on behalf of the company by a fellow group undertaking. Fees in respect of services provided by the auditors are: statutory audit £1,800 (2014 - £1,800). There were no fees payable to the auditor in respect of non-audit services (2014 - £nil).

The company did not employ any staff during either the current or prior year.

None of the directors received any remuneration during the financial year in respect of their services as directors of the company (2014 - £nil).

2. Income from shares in group undertakings

	Year ended 30 June 2015 £m	Year ended 30 June 2014 £m
Dividend income from shares in Grand Metropolitan Limited	3,620	1,200

3. Interest payable

	Year ended 30 June 2015 £m	Year ended 30 June 2014 £m
Interest payable on loan to fellow group undertaking: Diageo Finance plc	352	341

4. Taxation

	Year ended 30 June 2015 £m	Year ended 30 June 2014 £m
(i) Analysis of taxation charge for the year		
Total current tax	-	-
Total deferred tax	-	-
Taxation on profit on ordinary activities	-	-

Notes to the financial statements (continued)

4. Taxation (continued)

	Year ended 30 June 2015 £m	Year ended 30 June 2014 £m
(ii) Factors affecting current tax charge for the year		
Profit on ordinary activities before taxation	3,268	859
Taxation on profit on ordinary activities at UK corporation tax rate of 20.75% (2014 - 22.50%)	(678)	(193)
Items not chargeable for tax purposes	751	270
Group relief surrendered for nil consideration	(73)	(77)
Current ordinary tax charge for the year	-	-

5. Fixed assets – investments

	Subsidiary undertakings £m
Cost and net book value	
At 30 June 2014 and at 30 June 2015	27,000

Details of the investments in which the company holds 20% or more of the nominal value of any class of share capital are as follows. Unless otherwise stated the percentage of shares held are in respect of ordinary share capital.

Direct holdings:

Subsidiary undertakings	Country of incorporation	Principal activity	Percentage of shares owned
Grand Metropolitan Limited	England	Holding company	100%

Indirect holdings:

Subsidiary undertakings	Country of incorporation	Principal activity	Percentage of shares owned
1759 Property Limited	Republic of Ireland	Property company	100%
AGS Employee Shares Nominees (Ireland) Limited	Republic of Ireland	Dormant	100%
Alexander & James B.V.	Netherlands	Distribution, marketing	100%
Allegro GmbH & Co. KG	Germany	Treasury operations	100%

Notes to the financial statements (continued)

5. Fixed assets – investments (continued)

Indirect holdings (continued):

Subsidiary undertakings	Country of incorporation	Principal activity	Percentage of shares owned
Allegro Verwaltungs GmbH	Germany	Partnership	100%
Allsopp (East Africa) Limited ⁽ⁱ⁾	Kenya	Dormant	48.52%
ANEJOS DE ALTURA, SOCIEDAD ANONIMA	Guatemala	Manufacturing	50%
Anyslam Investments	England	Holding company	100%
Arran Tradings, C.A.	Venezuela	Distribution	100%
Arthur Bell & Sons Limited	Scotland	Dormant	100%
Arthur Guinness Son & Company (Dublin)	Republic of Ireland	Dormant	100%
Atalantaf Limited	Bermuda	Holding company	100%
Ballroom Acquisition, Inc.	USA	Holding company	100%
Beijing Johnnie Walker House Ltd	China	Distribution	100%
Bundaberg Distilling Company Pty. Limited	Australia	Manufacturing	100% of class A and class B shares
Bundaberg Distilling Investments Pty Ltd	Australia	Holding company	100%
California Simulcast Inc	USA	Dormant	80%
Carillon U.K. Limited	Scotland	Dormant	100%
Cellarers (Wines) Limited	England	Agency company	100%
Central Glass Industries	Kenya	Manufacturing	50.03%
Chengdu Jianghai Trade Development Co. Limited ⁽ⁱ⁾	China	Distribution	39.71%
Chengdu Jiayuan Jiuye Marketing Co. Limited ⁽ⁱ⁾	China	Dormant	39.71%
Chengdu Rongshangfang Marketing Co. Limited ⁽ⁱ⁾	China	Distribution	39.71%
Chengdu Ruijin Trade Co. Limited ⁽ⁱ⁾	China	Distribution	39.71%
Chengdu Shuijingfang Jiuye Co. Limited ⁽ⁱ⁾	China	Holding company	39.71%
Chengdu Shuijingfang Marketing Co. Limited ⁽ⁱ⁾	China	Distribution	39.71%
Chengdu Tengyuan Jiuye Marketing Co. Limited ⁽ⁱ⁾	China	Distribution	39.71%
CJSC D Distribution	Russia	Distribution, marketing	100%
CJSC IDV Selviac	Russia	Dormant	100%
Clyde Trading, C.A.	Venezuela	Distribution	100% of class A and class B shares
Colorado Drinks, S.L.U.	Spain	Holding company	100%
Crescendo Australia Pty Ltd	Australia	Holding company	100% of class A shares
Cupar Trading, C.A.	Venezuela	Distribution	100% of class A shares
D.C.L (Holdings) Australia Proprietary Limited	Australia	Dormant	100%
D/CE Holdings LLC	USA	Corporate operations	50%
Deasy & Co. Limited	Republic of Ireland	Dormant	100%
DEF Investments Limited	England	Holding company	100%
Desnoes & Geddes Limited ⁽ⁱ⁾	Jamaica	Distribution, manufacturing	57.87%

Notes to the financial statements (continued)

5. Fixed assets – investments (continued)

Indirect holdings (continued):

Subsidiary undertakings	Country of incorporation	Principal activity	Percentage of shares owned
DIAGEO - Guinness USA Inc.	USA	Distribution	100%
Diageo (IH) Limited	England	Dormant	100%
Diageo (Shanghai) Limited	China	Distribution	100%
Diageo Africa B.V.	Netherlands	Holding company	100%
Diageo Americas Supply Quebec Distribution Inc.	Canada	Distribution	100%
Diageo Americas Supply, Inc.	USA	Manufacturing	100%
Diageo Americas, Inc.	USA	Distribution	100%
Diageo Angola Limitada	Angola	Marketing and distribution	100%
Diageo Argentina S.A. ^(vii)	Argentina	Distribution and manufacturing	100%
Diageo Asia Pacific Shared Services Centre Limited, Inc.	Philippines	Shared services centre	100%
Diageo Atlantic B.V.	Netherlands	Holding company	100%
Diageo Australia Limited	Australia	Distribution	100% of class A shares
Diageo Austria GmbH	Austria	Distribution, marketing	100%
Diageo Balkans Limited	England	Marketing, brand management services in Romania	100%
Diageo Belgium N.V.	Belgium	Distribution, marketing	100%
Diageo Brands B.V.	Netherlands	Distribution	100%
Diageo Brands Holdings B.V.	Netherlands	Holding company	100%
Diageo Brands Nigeria Ltd	Nigeria	Distribution, marketing	100%
Diageo Brasil Ltda	Brazil	Distribution	100%
Diageo Bulgaria Ltd	Bulgaria	Marketing	100%
DIAGEO Business Services Limited	Hungary	Shared services centre	100%
Diageo Canada Holdings Inc.	Canada	Holding company	100%
Diageo Canada Inc.	Canada	Distribution	100%
Diageo Capital B.V.	Netherlands	Treasury operations	100%
Diageo Chateau & Estate Wines Company ^(vi)	USA	Distribution, manufacturing	100%
Diageo Chile Limitada	Chile	Distribution	100%
Diageo China Limited	China	Distribution	100%
Diageo CL1 Limited	England	Holding company	100%
Diageo Colombia S.A.	Colombia	Distribution	100%
Diageo Costa Rica S.A.	Costa Rica	Distribution	100%
Diageo Czech Marketing Services LLC	Czech Republic	Marketing	100%
Diageo Dagitim Satis Ve Pazarlama A.S.	Turkey	Dormant	100%
Diageo Del Peru S.A.	Peru	Distribution	100%
Diageo Denmark AS	Denmark	Distribution, marketing	100%
Diageo Distilleries Private Limited	India	Manufacturing, marketing	100%
Diageo Distilling Limited	Scotland	Dormant	100%
Diageo Dominicana S.R.L	Dominican Republic	Import, marketing and distribution	100%
Diageo DV Limited	England	Holding company	100%

Notes to the financial statements (continued)

5. Fixed assets – investments (continued)

Indirect holdings (continued):

Subsidiary undertakings	Country of incorporation	Principal activity	Percentage of shares owned
Diageo Eire Finance & Co	England	Treasury operations	100%
Diageo Employees Benefit Trust	Jersey	Corporate operations	
Diageo Espana S.A.	Spain	Distribution, marketing	100%
Diageo Europe Holdings Limited	Republic of Ireland	Holding company	100%
Diageo Export SR Inc.	Philippines	Dormant	99.8%
Diageo Finance B.V.	Netherlands	Treasury operations	100%
Diageo Finance US Limited	England	Treasury operations	100%
Diageo Financing Turkey Limited	England	Treasury operations	100%
Diageo France Holdings S.E.	Netherlands	Holding company	100%
Diageo France Holdings SAS	France	Holding company	100%
Diageo France Investments S.E.	Netherlands	Holding company	100%
Diageo France Investments SAS.	France	Holding company	100%
Diageo France S.A.S.	France	Holding company	100%
Diageo Germany GmbH	Germany	Distribution, marketing	100%
Diageo Great Britain Limited	England	Distribution, manufacturing, brand owner, corporate operations	100%
Diageo Greater China Limited	Hong Kong	Dormant	100%
Diageo Group Insurance Company Limited	Guernsey	Corporate operations	100%
Diageo GTME Pte Ltd	Singapore	Distribution, marketing	100%
Diageo Healthcare Limited	England	Dormant	100%
Diageo Hellas S.A.	Greece	Distribution, marketing	100%
Diageo Highlands B.V.	Netherlands	Holding company	100%
Diageo Highlands Holding B.V.	Netherlands	Holding company	100%
Diageo Holdings Netherlands B.V.	Netherlands	Holding company	100%
DIAGEO HUNGARY FINANCE Limited Liability Company	Hungary	Treasury operations	100%
DIAGEO Hungary Marketing Services Limited Liability Company	Hungary	Marketing	100%
Diageo Inc.	USA	Corporate operations	100%
Diageo India Private Limited	India	Manufacturing, marketing	100% of equity shares
Diageo Investment Corporation	USA	Treasury operations	100%
Diageo Investment Holdings B.V.	Netherlands	Holding company	100%
Diageo Investment Holdings Limited	England	Holding company	100%
Diageo Ireland	Republic of Ireland	Brand owner, distribution, manufacturing	100%
Diageo Ireland Finance 1	Republic of Ireland	Treasury operations	100%
Diageo Ireland Finance 2	Republic of Ireland	Treasury operations	100%
Diageo Ireland Finance 3	Republic of Ireland	Treasury operations	100%
Diageo Ireland Holdings	Republic of Ireland	Dormant	100%
Diageo Ireland Pension Trustee Company Limited	Republic of Ireland	Holding company, corporate trustee	100%
Diageo Ireland Quebec Distribution Inc.	Canada	Distribution	100%
Diageo Italia S.p.A.	Italy	Distribution, marketing	100%

Notes to the financial statements (continued)

5. Fixed assets – investments (continued)

Indirect holdings (continued):

Subsidiary undertakings	Country of incorporation	Principal activity	Percentage of shares owned
Diageo Jamaica Limited	Jamaica	Non-trading	100%
Diageo Japan K.K	Japan	Marketing	100%
Diageo Kazakhstan LLP.	Kazakhstan	Distribution, marketing	100%
Diageo Kenya Limited	Kenya	Holding company	100%
Diageo Korea Company Limited	South Korea	Distribution, manufacturing	100%
Diageo Latin America & Caribbean LLC	USA	Distribution	100%
Diageo Lebanon Holding SAL	Lebanon	Holding company	99.98%
Diageo Lebanon SAL	Lebanon	Distribution	84.99%
Diageo Mexico Comercializadora SA de CV	Mexico	Distribution	100%
Diageo Mexico II, S.A. de C.V.	Mexico	Distribution	100%
Diageo Mexico S.A. de C.V.	Mexico	Administrative services	100%
Diageo Mozambique Lda.	Mozambique		100%
Diageo Nederland B.V.	Netherlands	Distribution, marketing	100%
Diageo New Zealand Limited	New Zealand	Distribution	100% of class A shares
Diageo North America Foundation, Inc.	USA	Charitable organization	100%
Diageo North America, Inc.	USA	Brand owner, corporate operations	100% of class A and class B shares
Diageo Norway AS	Norway	Distribution, marketing	100%
Diageo Nueva Esparta, C.A.	Venezuela	Distribution	100%
Diageo Operations Italy S.p.A.	Italy	Distribution, manufacturing	100%
Diageo Overseas B.V.	Netherlands	Holding company	100%
Diageo Overseas Holdings Limited	England	Holding company	100% of ordinary and preference shares
Diageo Panama S.A.	Panama	Manufacturing	100%
Diageo Paraguay S.R.L.	Paraguay	Marketing	100%
Diageo Peru S.A.	Peru	Distribution	100%
Diageo Philippines Free Port Inc	Philippines	Dormant	100%
Diageo Philippines, Inc	Philippines	Distribution, manufacturing	100%
Diageo Polska LLC	Poland	Distribution, manufacturing	100%
Diageo Portugal - Distribuidora de Bebidas, Unipessoal, Lda	Portugal	Distribution, marketing	100%
Diageo Premier Holdings B.V.	Netherlands	Holding company	100%
Diageo Puerto Rico, Inc	Puerto Rico	Distribution, marketing	100%
Diageo Reunion 2 SAS	La Reunion	Dormant	100%
Diageo Reunion SA	La Reunion	Distribution	100%
Diageo RTD Hong Kong Limited	Hong Kong	Distribution	100%
Diageo Scotland Investment Limited	England	Holding company	100%
Diageo Scotland Limited	Scotland	Production, marketing and distribution	100%
Diageo Singapore Pte Ltd.	Singapore	Management services, manufacturing, brandowner	100%
Diageo Singapore Supply Pte. Ltd.	Singapore	Provision of labelling, packaging and logistics services	100%
Diageo South Africa (Pty) Limited	South Africa	Production, distribution, marketing	100%

Notes to the financial statements (continued)

5. Fixed assets – investments (continued)

Indirect holdings (continued):

Subsidiary undertakings	Country of incorporation	Principal activity	Percentage of shares owned
Diageo Southern Africa Markets (Pty) Ltd	South Africa	Distribution, marketing	100%
Diageo Suisse S.A.	Switzerland	Distribution, marketing	100%
Diageo Supply Marracuene Lda.	Mozambique		100%
Diageo Sweden AB	Sweden	Distribution, marketing	100%
Diageo Taiwan Inc.	Panama	Holding company	100%
Diageo Treasury Australia LLP	England	Treasury operations	100%
Diageo Turkey Holdings Limited	Republic of Ireland	Dormant	100%
Diageo UK Turkey Finance Limited	England	Treasury operations	100%
Diageo UK Turkey Holdings Limited	England	Holding company	100% of ordinary and preference shares
Diageo UK Turkey Limited	England	Holding company	100%
Diageo Ukraine LLC	Ukraine	Marketing and consulting services	100%
Diageo United Kingdom Limited	England	Trademark owner	100%
Diageo Uruguay SA	Uruguay	Distribution	100%
Diageo US Holdings	England	Holding company	100%
Diageo US Investments	England	Holding company	100%
Diageo US Turkey LLC	USA	Treasury operations	100%
Diageo USVI, Inc.	USA	Manufacturing	100%
Diageo Venezuela C.A	Venezuela	Manufacturing	100%
Diageo Vietnam	Vietnam	Distribution	100%
Don Julio Agavera S.A. de C.V.	Mexico	Manufacturing	100%
DV Paraguana, C.A.	Venezuela	Distribution	100%
DV Release, C.A.	Venezuela	Distribution	100%
DV Trading, C.A.	Venezuela	Distribution	100% of class A and class B shares
E. Smithwick & Sons Limited	Republic of Ireland	Dormant	100%
EABL (Tanzania) Limited	Tanzania	Dormant	50.03%
EABL International Limited	Kenya	Distribution	50.03%
East African Beverages (Southern Sudan) Limited	Republic of South Sudan	Distribution	74.52%
East African Breweries Limited	Kenya	Holding company	50.03%
East African Maltings (Uganda) Limited	Uganda	Distribution	50.03%
East African Maltings Limited	Kenya	Distribution, manufacturing	50.03%
Franchise Acceptance Corporation	Republic of Ireland	Treasury operations	100%
Gilbey Canada Investments Limited	Canada	Holding company	100%
Gilbeys East Africa Limited	Kenya	In liquidation	76.85%
Gilbeys New Zealand Limited	New Zealand	Administrative services	99.99%
Gilbeys of Ireland (R&D) Limited	Republic of Ireland	Dormant	100%
Gilbeys of Ireland Limited	Republic of Ireland	Distribution	100%
Global Farming Initiative B.V.	Netherlands	Holding company	100%
Grand Metropolitan (Cayman Islands) Limited	Cayman Islands	Dormant	100%

Notes to the financial statements (continued)

5. Fixed assets – investments (continued)

Indirect holdings (continued):

Subsidiary undertakings	Country of incorporation	Principal activity	Percentage of shares owned
Grand Metropolitan Capital Company Limited	England	Holding company	100%
Grand Metropolitan Estates Limited	England	Property company	100%
Grand Metropolitan Holdings Limited	England	Dormant	100%
Grand Metropolitan International Holdings Limited	England	Holding company	100%
Grandmet Foods (UK) Limited	England	Dormant	100%
Guinness Canada Limited	Canada	Distribution, manufacturing	51%
Guinness France Holdings S.A.S	France	Holding company	100%
Guinness Ghana Breweries Limited ^(v)	Ghana	Manufacturing, distribution	52.42%
Guinness Hopstore Limited	Republic of Ireland	Dormant	100%
Guinness Nigeria plc ^(iv)	Nigeria	Manufacturing, marketing, distribution	54.32%
Guinness Overseas Limited	England	Holding company	100%
Guinness Storehouse Ireland Pension Trustees Limited	Republic of Ireland	Trustee	100%
Guinness Storehouse Limited	Republic of Ireland	Dormant	100%
Guinness UDV Korea Limited	South Korea	Dormant	100%
Guinness Ventures Limited	Republic of Ireland	Holding company	100%
Harp Distributors Limited	Kenya	In liquidation	76.85%
Harp Ireland Limited	Republic of Ireland	Dormant	100%
Horizon Developments Limited	Cyprus	Dormant	100%
Industrias Pampero C.A.	Venezuela	Dormant	96.80%
International Brands Developers N.V. ⁽ⁱ⁾	Curacao	Manufacturing, distribution	25.00%
International Distillers - Zimbabwe (Private) Limited	Zimbabwe	Dormant	100%
International Distillers Kenya Limited	Kenya	In liquidation	76.85%
International Distillers Uganda Limited	Uganda	Non-trading	50.03%
Irish Ale Breweries	Republic of Ireland	Treasury operations	100%
Irish Ale Breweries (Sales) Limited	Republic of Ireland	Dormant	100%
Irish Ale Breweries Holdings	Republic of Ireland	Dormant	100%
Islay Trading, C.A.	Venezuela	Distribution	100%
James Buchanan & Company Limited	England	Holds armorial bearings for Buchanans and Black & White Whisky	100%
John Haig & Company Limited	Scotland	Holds armorial bearings for Dimple and Haig Whisky	100%
John Walker and Sons Limited	England	Royal warrant holder of Johnnie Walker Whisky	100%
Joseph E. Seagram & Sons Limited	Canada	Dormant	100%
Jus-Rol Limited	England	In liquidation	100%
Justerini & Brooks, Limited	England	Marketing, distribution	100%
Kenya Breweries Limited	Kenya	Distribution, manufacturing	50.03%
Kenya Distillers Limited	Kenya	In liquidation	76.85%
Kenya Liquor Distributors Limited	Kenya	In liquidation	76.85%
Ketel One Worldwide B.V.	Netherlands	Brand owner	50% of class B shares
L4L Trading, C.A.	Venezuela	Distribution	100%

Notes to the financial statements (continued)

5. Fixed assets – investments (continued)

Indirect holdings (continued):

Subsidiary undertakings	Country of incorporation	Principal activity	Percentage of shares owned
Lakeside MWS Limited Liability Partnership	England	Acquisition, holding, management and disposal of maturing whisky stock	
Lamington Company	Republic of Ireland	Dormant	99.99%
Lismore Trading, C.A.	Venezuela	Distribution	100%
LLC Diageo Brands Distributors	Russia	Distribution	100%
LLC Society for Revival of Traditions of P.A.Smirnov	Russia	Dormant	100%
Lochside MWS Limited Partnership	Scotland	Holding company	
Macardle Moore & Company Limited	Republic of Ireland	Dormant	100%
Masterplan (Kenya) Limited	Kenya	In liquidation	50.03%
Mey Alkollu Ickiler Sanayi ve Ticaret A.S	Turkey	Manufacturing, distribution	100%
Mey Icki Sanayi ve Ticaret A.S.	Turkey	Manufacturing, distribution	100%
Mull Trading, C.A.	Venezuela	Distribution	100%
Myers Rum Company (Jamaica) Limited	Jamaica	Dormant	100%
Nangor Holdings	Republic of Ireland	Dormant	100% of class A shares
National Sorghum Breweries Properties Proprietary Limited	South Africa	Dormant	100%
Newsshelf 1167 Proprietary Limited	South Africa	Distribution, manufacturing	100% of class A and class B shares
Nicholas Doyle (New Ross) Limited	Republic of Ireland	Dormant	100%
North Island United Enterprise Holdings Inc	Philippines	Holding company	100%
Oxford Estates Limited	England	Holding company	100%
Phenix Gabon SARL	Gabon	In liquidation	99.75%
Powtom 11 Limited	Republic of Ireland	Property company	100%
Powtom 12 Limited	Republic of Ireland	Property company	100%
Powtom 13 Limited	Republic of Ireland	Property company	100%
Powtom 14 Limited	Republic of Ireland	Property company	100%
Powtom 16 Limited	Republic of Ireland	Property company	100%
Powtom 17 Limited	Republic of Ireland	Property company	100%
Powtom 18 Limited	Republic of Ireland	Property company	100%
Powtom 19 Limited	Republic of Ireland	Property company	100%
Powtom 20 Limited	Republic of Ireland	Property company	100%
PSP (Sales and Distribution) Limited	England	Dormant	100%
PT Langgeng Kreasi Jayaprima	Indonesia	Manufacturing	100%
R & A Bailey & Co	Republic of Ireland	Brand owner, distribution, manufacturing	100%
R&A Bailey Pension Trustee Company Limited	Republic of Ireland	Dormant	100%
Reldann Investments No. 12 Proprietary Limited	South Africa	Dormant	100%

Notes to the financial statements (continued)

5. Fixed assets – investments (continued)

Indirect holdings (continued):

Subsidiary undertakings	Country of incorporation	Principal activity	Percentage of shares owned
RUM CREATION & PRODUCTS, INC.	British Virgin Islands	Brand owner	50% of class B shares
S & B Production Limited	Northern Ireland	Production of beer	100%
Salopia Limited	Kenya	In liquidation	50.03%
Seagram Ukraine Limited	Ukraine	Dormant	60.90%
Selviac Nederland B.V.	Netherlands	Holding company	100%
Serengeti Breweries Limited ⁽ⁱⁱⁱ⁾	Tanzania	Distribution, manufacturing, marketing	25.52%
Servicios Agavera, S.A.de C.V.	Mexico	Outsourcing services	100%
Seychelles Breweries Limited	Seychelles	Distribution, manufacturing	50.40%
Sichuan Chengdu Shuijingfang Group Co., Ltd	China	Holding company	100%
Sichuan Shuijingfang Company Ltd ⁽ⁱ⁾	China	Production, marketing and distribution	39.71%
Sichuan Shuijingfang Jiuye Co. Limited ⁽ⁱ⁾	China	Dormant	39.71%
Skye Trading, C.A.	Venezuela	Distribution	100%
St. James's Gate Trading Company	Republic of Ireland	Dormant	100%
Streetcar Investment Holding Pte. Ltd.	Singapore	Holding company	100%
Sumagro Limited	Tanzania	Dormant	100%
Tembo Properties Limited	Kenya	Dormant	50.03%
Tequila Don Julio S.A. de C.V.	Mexico	Brand owner, manufacturing	100%
Tequila Don Julio Servicios, S.A.de C.V.	Mexico	Outsourcing services	100%
The Bulleit Distillery, Inc.	USA	Manufacturing	100%
The Connacht Mineral Water Company Limited	Republic Of Ireland	Dormant	100%
The Distillers Company (Biochemicals) Limited	England	Dormant	100%
The Pierre Smirnoff Company Limited	USA	Dormant	100% of class A and class B shares
The Pimm's Drinks Company Limited	England	Dormant	100%
Trelawny Estates Limited	Jamaica	Holding company	100%
Turk Alkollu Icki ve Sarap Endustrisi Ltd.Sti.	North Cyprus	Manufacturing, distribution	66%
Tusker Football Club	Kenya	Holding company	50.03%
Udiam Holdings AB	Sweden	Holding company	100%
UDV (SJ) Limited	England	Holding company	100%
UDV Ireland Group	Republic of Ireland	Dormant	100%
UDV Ireland Group (Trustees) Limited	Republic of Ireland	Trustee	100%
UDV Kenya Limited	Kenya	Production and distribution	76.85%
UDV Operations Ireland Limited	Republic of Ireland	Dormant	100%
Uganda Breweries Limited ⁽ⁱ⁾	Uganda	Distribution	49.03%
ULM Holdings Inc. ⁽ⁱ⁾	Philippines	Dormant	40%
United Beverages Pension Trustees Limited	Republic of Ireland	Trustee	100%

Notes to the financial statements (continued)

5. Fixed assets – investments (continued)

Indirect holdings (continued):

Subsidiary undertakings	Country of incorporation	Principal activity	Percentage of shares owned
United Beverages Sales Limited	Republic of Ireland	Dormant	100%
United Distillers & Vintners Philippines Inc	Philippines	Distribution	99.99%
United Distillers (Guernsey) Limited	Guernsey	Dormant	100%
United Distillers Canada Inc.	Canada	Distribution	100%
United Distillers France Limited	England	Dormant	100%
United Distillers France SAS	France	Holding company	100%
United Distillers Investments Limited	England	Dormant	100%
United Distillers UK plc	Scotland	Dormant	100%
United National Breweries (SA) Proprietary Limited	South Africa	Distribution, manufacturing	100%
Ursus Vodka Holding N.V.	Netherlands	Holding company	100%
Vast Fund Limited	Hong Kong	Holding company	100%
Vietnam Spirits and Wine LTD	Vietnam	Manufacturing	55%
Vignobles Internationaux S.A.S.	France	Distribution	100%
W. & A. Gilbey Limited	England	Trademark owner	100%
Wed.A.P.Boonekamp B.V.	Netherlands	Holding company	100%
William Sanderson and Son Limited	Scotland	Corporate Coat of Arms holder	100%
Winchester House Property Company Limited	England	Dormant	100%
Ypioca Agricola LTDA	Brazil	Manufacturing	100%
Ypioca industrial de Bebidas S.A.	Brazil	Manufacturing	100%
Zepf Technologies UK Limited	Scotland	Dormant	100%
Zeta Importers, C.A.	Venezuela	Distribution	100% of class A and class B shares

Associate undertakings

Ballindalloch Distillery LLP	Scotland	Manufacturing	33.33%
Ban Poitin Ltd	England	Manufacturing	20%
Belsazar GmbH	Germany	Manufacturing	20%
Canbrew B.V.	Netherlands	Holding company	28.16%
Clarendon Distillers Limited	Jamaica	Production and distribution	27%
Compania Cervecera De Canarias, S.A.	Spain	Distribution	20%
DHN Drinks (Pty) Ltd ⁽ⁱⁱⁱ⁾	South Africa	Marketing, distribution	42.25%
Hanoi Liquor Joint Stock Company (Halico)	Vietnam	Distribution, manufacturing	45.56%
Moet Hennessy International	France	Holding company	34%
Moet Hennessy, SNC	France	Holding company	34%
NBL Investment Holdings (Pty) Limited	Namibia	Distribution, manufacturing	22.15%
Sedibeng Brewery (Pty) Ltd.	South Africa	Distribution, manufacturing, marketing	25%
Seedlip Ltd	England	Manufacturing	20%
The Rouge Group Limited	Hong Kong	Manufacturing	20%
The Scotch Whisky Heritage Centre Limited	Scotland	Operation of hospitality venue	22.38% of preference shares
The Westbourne Drinks Company Limited	England	Manufacturing	20%
Valdomino Premium Spirits, S.L.	Spain	Manufacturing	20%
Zwack Unicum plc	Hungary	Distribution, manufacturing, marketing	26%

Notes to the financial statements (continued)

5. Fixed assets – investments (continued)

Indirect holdings (continued):

Joint venture undertakings	Country of incorporation	Principal activity	Percentage of shares owned
Celebrations Brand Limited	Jamaica	Distribution	28.9%
DC Brands B.V.	Netherlands	Brand owner, corporate operations	50%
GAPL Pte Limited ^(v)	Singapore	Distribution, holding, marketing	49.99%
Guinness Anchor Berhad ^(v)	Malaysia	Distribution, manufacturing	25.5%
Guinness Anchor Marketing Sendirian Berhad ^(v)	Malaysia	Distribution, marketing	25.5%
Guinness Sabah Sendirian Berhad ^(v)	Malaysia	Dormant	25.5%
Lothian Distillers Limited	Scotland	Holding company	50%
Malayan Breweries (Malaya) Sendirian Berhad ^(v)	Malaysia	Holding company	25.5%
North British Distillery Company Limited	Scotland	Distribution	50%
Ramaha Corporation (M) Sendirian Berhad ^(v)	Malaysia	Holding company	25.5%
Joint operation undertakings⁽ⁱⁱ⁾			
Brandhouse Beverages (Pty) Limited ⁽ⁱⁱⁱ⁾	South Africa	Distribution, marketing	72.29%
Diageo Heineken Namibia B.V.	Netherlands	Holding company	50%
Diageo Kirin Company Limited	Japan	Marketing	51%
Diageo Moet Hennessy (Thailand) Limited	Thailand	Distribution	63.02%
Diageo Moet Hennessy B.V.	Netherlands	Holding company	67%
Gist Dominicana S.A.	Dominican Republic	Dormant	60.9%
HA&COM Bebidas del Mundo, SA	Costa Rica	Distribution	50%
Holcom Industrial, SA	Costa Rica	Manufacturing	47.35%
Industria de Licores Internacionales S.A.	Dominican Republic	Dormant	59.71%
MHD Moet Hennessy Diageo K.K.	Japan	Distribution	67%
Moet Hennessy Diageo (China) Co Ltd	China	Distribution, trading	67%
Moet Hennessy Diageo Hong Kong Limited	Hong Kong	Distribution	67%
Moet Hennessy Diageo Macau Limited	Macau	Distribution	67%
Moet Hennessy Diageo Malaysia Sdn Bhd.	Malaysia	Distribution	67%
Moet Hennessy Diageo Singapore Pte. Ltd	Singapore	Distribution	67%
Seagram Dominicana S.A.	Dominican Republic	Dormant	60.9%
Seagram European Customer Services Limited	England	In liquidation	60.9%
Trafalgar Metropolitan Homes Limited	England	Non-trading company	50%

⁽ⁱ⁾ companies disclosed as subsidiaries are those that are controlled by the Diageo group based on management's assessment

⁽ⁱⁱ⁾ Diageo shares joint control over the company under a shareholders' agreement, and Diageo's rights to the profit, assets and liabilities of the company are dependent on the performance of the group's brands rather the effective equity ownership of the company.

⁽ⁱⁱⁱ⁾ On 28 July 2015 the ultimate holding company has agreed to sell its 42.25% indirect shareholding in DHN Drinks (Proprietary) Limited and its 25% indirect shareholding in Sedibeng Brewery (Pty) Ltd., associate undertakings, to Heineken N.V. In addition, the group has agreed to acquire the remaining 27.71% shares in Brandhouse Beverages (Pty) Limited, which will become a wholly-owned subsidiary of Diageo. The transaction is expected to be completed before the end of the calendar year. The gain arising from the sale of shares will appear in the accounts of the parent companies of the respective entities.

Notes to the financial statements (continued)

5. Fixed assets – investments (continued)

(iv) On 9 September 2015, the ultimate holding company determined to make an offer to increase its equity stake in Guinness Nigeria from 54.3% up to a maximum of 70% and to maintain Guinness Nigeria's listing on the Nigerian Stock Exchange. The offer is awaiting regulatory approval.

(v) On 7 October 2015 the ultimate holding company sold its 50% indirect shareholding in GAPL Pte Limited (GAPL) and its subsidiaries and associates including its investment in Anchor Guinness Berhad and its 57.87% indirect shareholding in Desnoes & Geddes Limited, to Heineken International. The gain arising from the sale of shares will appear in the accounts of the immediate parent companies of the respective entities. In addition, Diageo acquired Heineken's 20% shareholding in Guinness Ghana Breweries Limited (GGBL) which will increase Diageo's shareholding in GGBL to 72.42%.

(vi) On 13 October 2015, the ultimate holding company announced that it has agreed to sell the majority of its wine interests in North America and the United Kingdom including Diageo Chateau & Estate Wines Company to Treasury Wine Estates. The transaction, which is subject to regulatory approval, is expected to be completed by the end of the calendar year.

(vii) On 5 November 2015, the ultimate holding company announced that it has agreed the sale of its wine interests in Argentina to Grupo Peñaflor. The transaction is expected to be completed in early 2016.

The investments in subsidiary and associate undertakings are held at cost less, where appropriate, provision for impairment in value.

In the opinion of the directors, the investments in the company's subsidiary and associate undertakings are worth at least the amount at which they are stated in the financial statements.

6. Creditor: amount falling due within one year

	30 June 2015 £m	30 June 2014 £m
Amount owed to fellow group undertaking: Diageo Finance plc	11,730	13,378

The amount owed to Diageo Finance plc represents a loan which is unsecured, repayable on demand and bears interest at a floating rate.

7. Share capital

	30 June 2015 £m	30 June 2014 £m
<i>Allotted, called up and fully paid:</i>		
13,000,000,001 (2014 - 13,000,000,001) ordinary shares of £1 each	13,000	13,000

Notes to the financial statements (continued)

8. Reserves

	Other reserves	Profit and loss account	Total
	£m	£m	£m
At 30 June 2014	622	-	622
Profit for the year	-	3,268	3,268
Dividends	-	(1,620)	(1,620)
	<hr/>	<hr/>	<hr/>
At 30 June 2015	622	1,648	2,270
	<hr/>	<hr/>	<hr/>

On 19 May 2015 a dividend of \$0.0138 on each ordinary share of the company being \$180 million in aggregate (GBP equivalent: £120 million) and on 30 June 2015 a dividend of £0.1154 on each ordinary share of the company being £1,500 million in aggregate was paid (year ended 30 June 2014 - £0.0923 per share being £1,200 million in aggregate).

Other reserves of £622 million (2014 - £622 million) comprise distributable reserves that arose as a result of a reduction in the share capital of the company of £14,000 million for the year ended 30 June 2003.

9. Reconciliation of movement in shareholders' funds

	30 June 2015	30 June 2014
	£m	£m
Profit for the financial year	3,268	859
Dividend paid	(1,620)	(1,200)
	<hr/>	<hr/>
Net addition to/(reduction in) shareholders' funds	1,648	(341)
Shareholders' funds at the beginning of year	13,622	13,963
	<hr/>	<hr/>
Shareholders' funds at the end of the year	15,270	13,622
	<hr/>	<hr/>

10. Immediate and ultimate parent undertaking

The immediate parent undertaking of the company is Diageo plc, a company incorporated and registered in England.

The consolidated financial statements of Diageo plc can be obtained from the registered office at Lakeside Drive, Park Royal, London, NW10 7HQ.