

Chromium Acquisitions Limited
Annual report and financial statements
for the year ended 31 December 2011

Registered Number 07036171

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Chromium Acquisitions Limited

Annual report and financial statements for the year ended 31 December 2011

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Chromium Acquisitions Limited

Directors and advisors for the year ended 31 December 2011

Directors

L A Cutler
T E Jack
C L M Jennings

Secretary

Cadbury Nominees Limited

Registered Office

Cadbury House
Sanderson Road
Uxbridge
Middlesex
UB8 1DH

Auditors

PricewaterhouseCoopers LLP
Cornwall Court
19 Cornwall Street
Birmingham
B3 2DT

Chromium Acquisitions Limited

Directors' report for the year ended 31 December 2011

The Directors present their annual report, together with the audited financial statements of Chromium Acquisitions Ltd (the "Company") for the year ended 31 December 2011 (the "year")

Principal activities

The principal activities of the Company are the acquisition and sale of investments and the provision of finance for companies in the Kraft Foods group of companies (the "Group") During the year the Company subscribed for shares in Cadbury Limited ("CL") to the value of £500,000,000 Chromium Suchex LLP transferred Kraft Foods Latin America Holdings LLC ("KFLAH LLC") to the Company in exchange for shares to the value of £909,184,000 The Company then transferred KFLAH LLC to CL in exchange for shares to the same value Chromium Suchex LLP also transferred loan notes receivable of £4,286,000 from Cadbury Schweppes Overseas Ltd ("CSOL") to the Company in exchange for shares which were later sold to CL for shares CL distributed £53,946,000 cash to the Company from proceeds indirectly received from the integration of Cadbury and Kraft in Singapore The Company also received a return of capital of £1,185,746,000 from CL

Principal risks and uncertainties

From the perspective of the Company, the principal risks and uncertainties are integral to the principal risks of the Group and are not managed separately Further information can be found in the Annual Report of Kraft Foods Inc, the Company's ultimate parent company

Results and dividends

The loss for the financial year was £541,408,000 (2010 loss £172,313,000) and at the year end the Company had net assets of £4,090,841,000 (2010 £3,718,779,000) The Directors do not recommend the payment of any dividends

Future prospects

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

Going concern

On the basis of the current financial projections and facilities available to the Company, and with due regard to the Company's principal activities during 2011 and its position within the Group, the Directors, after making enquiries, have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future Accordingly, they consider it appropriate to continue to adopt the going concern basis in preparing the annual report and accounts

Directors and their interests

The Directors who served throughout the year, except as noted, are as listed on page 1

Financial risk management

Market risk

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

Credit risk

All receivables during 2011 were with other members of the Group The Directors therefore believe there is no credit risk arising from these receivables

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

Chromium Acquisitions Limited

Directors' report for the year ended 31 December 2011 (continued)

Financial Risk Management (continued)

Interest rate risk

During the year the company repaid its floating rate £8.2bn loan and immediately switched to a fixed rate £8.2bn loan. The transition from a floating rate to a fixed rate loan is in line with Company's policy to minimise its exposure to interest rate fluctuations, as a result this ensures certainty of future interest cash flows. The directors will revisit the appropriateness of this policy should the Company's operations change in size or nature.

Statement of directors' responsibilities for the year ended 31 December 2011

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 the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards 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 year. In preparing these financial statements, the directors are required to

- select suitable accounting policies and then apply them consistently,
- make judgements and accounting 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,
- 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 are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors

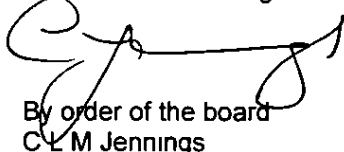
Each of the persons who is a director at the date of approval of this report confirms that

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

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Independent auditors

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and a resolution concerning their re-appointment will be proposed at the Annual General Meeting.



By order of the board
C. L. M. Jennings

20 November 2012

Independent auditors' report to the members of Chromium Acquisitions Limited

We have audited the financial statements of Chromium Acquisitions Limited for the year ended 31 December 2011 which comprise the Profit and Loss Account, the Balance Sheet, and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Respective responsibilities of directors and auditors

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 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.

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.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed, the reasonableness of significant accounting estimates made by the directors, and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

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 31 December 2011 and of its loss for the year then ended,
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter 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.

Independent auditors' report to the members of Chromium Acquisitions Limited (continued)

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



Phil Harrold (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
Cornwall Court, 19 Cornwall Street, Birmingham, B3 2DT
Chartered Accountants and Statutory Auditors
21 November 2012

Chromium Acquisitions Limited

Profit and loss account for the year ended 31 December 2011

	Notes	2011 £'000	15 month period to 31 December 2010 £'000
Interest receivable and similar income	4	1,152	-
Interest payable and similar charges	5	(542,560)	(172,313)
Loss on ordinary activities before taxation		(541,408)	(172,313)
Tax on loss on ordinary activities	6	-	-
Loss for the financial year /period		(541,408)	(172,313)

All activity is derived from continuing operations throughout the year

There is no material difference between the result as disclosed in the profit and loss account and the result on a historical cost basis

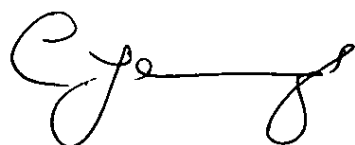
There were no recognised gains or losses in either period other than the loss for the financial period

Chromium Acquisitions Limited

Balance sheet as at 31 December 2011

	Notes	2011 £'000	2010 £'000
Fixed assets			
Investments	7	13,984,108	13,810,331
Current assets			
Debtors	8	532,842	-
Creditors: amounts falling due within one year	9	(2,215,811)	(10,091,552)
Net current liabilities		(1,682,969)	(10,091,552)
Total assets less current liabilities		12,301,139	3,718,779
Creditors amounts falling due after more than a year	10	(8,210,298)	-
Net assets		4,090,841	3,718,779
Capital and reserves			
Called up share capital	11	5	3
Share premium	12	4,804,557	3,891,089
Profit and loss account	12	(713,721)	(172,313)
Total shareholders' funds	13	4,090,841	3,718,779

The financial statements on pages 6 to 14 were approved by the board of directors on 20 November 2012 and signed on its behalf by



C L M Jennings
Director

REGISTERED NUMBER 07036171

Chromium Acquisitions Limited

Notes to the financial statements for the year ended 31 December 2011

1. Accounting policies

The financial statements are prepared in accordance with applicable United Kingdom accounting standards. The particular accounting policies adopted are described below.

a) Accounting convention

These financial statements are prepared on the going concern basis, under the historical cost convention and in accordance with the Companies Act 2006 and applicable accounting standards in the United Kingdom. The accounts are prepared in GBP, being the functional currency of the Company. The principal accounting policies are set out below and have been applied consistently through the year.

b) Financial instruments

Recognition

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

Loans and receivables

Loans and receivables are measured at cost with the interest recognised in the profit and loss.

Interest rates

During the year the company repaid its floating rate £8.2bn loan and immediately switched to a fixed rate £8.2bn loan. The transition from a floating rate to a fixed rate loan is in line with Company's policy to minimize its exposure to interest rate fluctuations, as a result this ensures certainty of future interest cash flows. The directors will revisit the appropriateness of this policy should the Company's operations change in size or nature.

c) Taxation

The tax charge for the year includes the charge for tax currently payable and movements on deferred taxation. The current tax charge represents the estimated amount due that arises from the operations of the Company in the financial year, after making adjustments to estimates in respect of prior years.

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

A net deferred tax asset is regarded as recoverable and therefore recognised only when, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted. Deferred tax is measured at the average tax rates that are expected to apply in the years in which the timing differences are expected to reverse, based on tax rates and laws that have been substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

Chromium Acquisitions Limited

Notes to the financial statements for the year ended 31 December 2011

1. Accounting policies (continued)

d) Cash flow statement, consolidated financial statements and related party transactions

In accordance with the provision of FRS 1, the Company has not prepared a cash flow statement or consolidated financial statements because its ultimate parent company, Kraft Foods Inc has prepared consolidated financial statements which include the financial statements of the Company for the year and which are publicly available. The financial statements presented here include information in relation to the Company only. The Company is also exempt under FRS 8 from disclosing related party transactions with entities that are wholly owned by the Kraft Foods Inc group.

e) Dividends

Dividend income received in the form of in specie assets other than cash is recognised in reserves. Dividend income received in the form of cash is recognised in the profit and loss account. All dividend expense is recognised in reserves. Where dividend income is received that reduces the value of the subsidiary held as an investment in the Company's accounts it is treated as a return of capital and the investment value is reduced by the value of the dividend receipt.

f) Investments

Fixed asset investments are stated at cost less any provision for impairment. On the sale of a fixed asset investment the profit or loss on sales is recorded in operating profit.

2. Auditors' remuneration

Auditors' remuneration for the audit of the 2011 financial statements of £15,808 (2010: £4,000) is borne by another Kraft Group undertaking, Cadbury Holdings Limited. There were no amounts paid to the auditors in respect of non-audit fees in either year.

3. Directors' emoluments and employee information

The Directors are remunerated by Cadbury Holdings Limited for their services to the Group as a whole. No remuneration was paid to them specifically in respect of Chromium Acquisitions Limited in the year. Chromium Acquisitions Limited had no employees in the year.

4. Interest receivable and similar income

	2011 £'000	15 month period to 31 December 2010 £'000
Interest receivable from group undertakings	1,152	-

5. Interest payable and similar charges

	2011 £'000	15 month period to 31 December 2010 £'000
Interest payable to group undertakings	542,560	172,313

Chromium Acquisitions Limited

Notes to the financial statements for the year ended 31 December 2011

6. Tax on loss on ordinary activities

	2011 £'000	15 month period to 31 December 2010 £'000
UK corporation tax	-	-
Deferred tax	-	-
Tax on loss	-	-

The tax assessment for the year is higher than the effective rate of UK corporation tax for the year ended 31 December 2011 of 26.5%. The differences are explained below

	2011 £'000	15 month period to 31 December 2010 £'000
Loss on ordinary activities before tax	(541,408)	(172,313)
Loss on ordinary activities before tax multiplied by standard rate in the UK 26.5% (2010- 28%)	(143,473)	48,248
Nondeductible interest	6,541	-
Group relief not paid for	109,882	-
Unrecognised losses	27,050	(48,248)
Total current tax credit	-	-

The company has unrecognised deferred tax assets as follows

Deferred Tax	2011 £'000	2010 £'000
Losses	27,050	-

The asset is not provided as there is currently no expectation of reversal in the foreseeable future due to the availability of Group tax losses

Chromium Acquisitions Limited

Notes to the financial statements for the year ended 31 December 2011

6. Tax on loss on ordinary activities (continued)

Factors affecting current and future tax changes

On 19 July 2011, The Finance Act 2011 was enacted and reduced the rate of UK Corporation tax from 27% to 26% with effect from 1 April 2011, along with a further reduction to 25% with effect from 1 April 2012

In addition to the changes in rates of Corporation tax disclosed above, a number of further changes to the UK Corporation tax system were announced in the March 2012 UK Budget Statement. A resolution passed by Parliament on 26 March 2012 reduced the main rate of corporation tax to 24% from 1 April 2012

Legislation to reduce the main rate of corporation tax from 24% to 23% from 1 April 2013 was included in the Finance Act 2012. A further reduction to the main rate is also proposed to reduce the rate to 22% from 1 April 2014. None of these rate reductions had been substantively enacted at the balance sheet date and, therefore, are not included in these financial statements

7 Fixed asset investments

	£'000
At 31 December 2010	13,810,331
Additions	2,322,654
Disposals	(909,184)
Returns of capital	(1,239,693)
At 31 December 2011	13,984,108

During the year, the Company acquired, disposed of and received returns of capital in the following entities

Investments	Additions £'000	Disposals £'000	Returns of capital £'000
Cadbury Limited	1,413,470	-	(1,239,693)
Kraft Foods Latin America Holdings LLC	909,184	(909,184)	-
	2,322,654	(909,184)	(1,239,693)

The investment held at the end of the year is in Cadbury Limited, a holding company incorporated in England and Wales and is for 100% of the equity share capital. The directors are of the opinion that the investment in subsidiary undertaking is worth not less than the balance sheet amount

Chromium Acquisitions Limited

Notes to the financial statements for the year ended 31 December 2011

7. Fixed asset investments (continued)

During the year the Company subscribed for shares in Cadbury Limited ("CL") to the value of £500,000,000. Chromium Suchex LLP transferred Kraft Foods Latin America Holdings LLC ("KFLAH LLC") to the Company in exchange for shares to the value of £909,184,000. The Company then transferred KFLAH LLC to CL in exchange for shares to the same value. Chromium Suchex LLP also transferred loan notes receivable of £4,286,000 from Cadbury Schweppes Overseas Ltd ("CSOL") to the Company in exchange for shares, which were later sold to CL for shares.

CL made a return of capital of £53,947,000 to the Company from proceeds indirectly received from the integration of Cadbury and Kraft in Singapore. The Company also received a return of capital of £1,185,746,000 from CL.

The functional currency of CL is GBP and as at 31 December 2011 the fair market value of CL was £18,913,363,460.

8. Debtors

	2011 £'000	2010 £'000
Amounts owed by group undertakings	532,842	-

Amounts owed by group undertakings are unsecured and are interest bearing at Libor +1%. The loans are repayable by 25 May 2012 and is denominated in GBP.

9. Creditors: amounts falling due within one year

	2011 £'000	2010 £'000
Amounts owed to group undertakings	2,215,811	10,091,552

Amounts owed to group undertakings are unsecured, it consists of loans for £2,154,994,000 non-interest bearing and £19,428,000 at Limean +0.25%. It also includes accrued interest for £41,389,000 in relation to the fixed rate long term borrowing for £8,210,298,000. The loans are repayable during 2012 and are denominated in GBP.

Chromium Acquisitions Limited

Notes to the financial statements for the year ended 31 December 2011

10. Creditors: amounts falling due after more than a year

	2011 £'000	2010 £'000
Amounts owed to group undertakings	8,210,298	-

Amounts owed to group undertakings relates to an unsecured, interest bearing at +5.75% fixed rate listed bond on the Channel Islands stock exchange. The loan is repayable by 30 November 2017.

The Company's fixed rate borrowings were as follows:

	Fixed rate borrowing £'000	Weighted average interest rate %	Weighted average life Years
As at 31 December 2011			
GBP	8,210,298	5.75	7

The bond has been valued at the book value which is equal to its fair value at 31 December 2011.

Maturity of financial liabilities

The maturity profile of the carrying amount of the Company's liabilities, at 31 December was as follows:

	Debt £'000
In more than five years	8,210,298

The table above excludes financial assets and liabilities due within one year.

11. Called up share capital

	2011 £'000	2010 £'000
Allotted, called up and fully paid		
5,003 (2010: 3,003) ordinary shares of £1 each	5	3

All shares are fully paid and there are no rights, preferences or restrictions attached to the shares. On 1 June 2011 the Company issued 1,000 ordinary shares of £1 each to Chromium Suchex LLP at a value of £909,184,000. On 5 July a further 1,000 ordinary shares of £1 each were issued to Chromium Suchex LLP to the value of £4,286,000.

Chromium Acquisitions Limited

Notes to the financial statements for the year ended 31 December 2011

12. Reserves

	Share premium account	Profit and loss account
	2011 £'000	2011 £'000
At beginning of the year	3,891,089	(172,313)
Issued share capital	913,468	-
Loss for the year	-	(541,408)
At end of year	4,804,557	(713,721)

13 Reconciliation of movement in shareholders' funds

	2011 Total £'000	2010 Total £'000
Shareholders' funds at beginning of the year	3,718,779	3,891,089
Issued share capital	913,470	-
Loss for the year	(541,408)	(172,313)
Shareholders' funds at the end of the year	4,090,841	3,718,779

14. Ultimate parent undertaking

The immediate parent undertaking is Chromium Suchex LLP. During the year the Company's controlling and ultimate parent undertaking was Kraft Foods Inc, a company incorporated in the United States of America. Kraft Foods Inc is the parent undertaking of the largest and smallest group of undertakings to consolidate these financial statements. The consolidated financial statements are available from their registered address of Three Lakes Drive, Northfield, Illinois 60093, USA.

15. Post Balance Sheet Events

On 4 August 2011 Kraft Foods Inc announced its intention to split its North American grocery business from its global snacks group. This transaction was completed on 1 October 2012. This has no impact to the Company or these financial statements.