

**COMPANY REGISTRATION NUMBER: 07579155**

**KRAFT FOODS UK IP & PRODUCTION HOLDINGS LIMITED**  
**FINANCIAL STATEMENTS**  
**31 DECEMBER 2015**



# **KRAFT FOODS UK IP & PRODUCTION HOLDINGS LIMITED**

## **FINANCIAL STATEMENTS**

**YEAR ENDED 31 DECEMBER 2015**

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# KRAFT FOODS UK IP & PRODUCTION HOLDINGS LIMITED

## STRATEGIC REPORT

YEAR ENDED 31 DECEMBER 2015

The directors have pleasure in presenting their strategic report for the year ended 31 December 2015.

### Principal activities and business review

The principal activity of the company is that of a holding company.

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

### Results and dividends

The profit for the financial year, after taxation, amounted to £3,280,000 (2014 - loss of £36,616,000) and at the year end the company had net assets of £1,644,004,000 (2014 - £1,640,724,000).

During the year dividends of £70,407,000 (2014 - £Nil) were received from South Africa LP Partnership, however, as this reduced the value of the subsidiary held as an investment in the company's financial statements this dividend income was treated as a return of capital.

During the year cash dividends of £nil (2014 - £967,987,000) were paid to Kraft Foods Investment Holdings UK Limited. The directors do not recommend the payment of a final dividend.

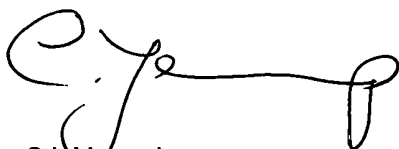
### Key performance indicators

The directors believe that the company's key performance indicators include those measures used to monitor adherence to the group's treasury policies which address risk management for the group. These measures and the risks which they mitigate include the forecast notional value of currency exposure to monitor currency risk. These and other measures are discussed in the financial risk management section in the directors' report.

### 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.

This report was approved by the board of directors on 22/9/16 and signed on behalf of the board by:



C L M Jennings  
Director

# **KRAFT FOODS UK IP & PRODUCTION HOLDINGS LIMITED**

## **DIRECTORS' REPORT**

**YEAR ENDED 31 DECEMBER 2015**

The directors present their report and the audited financial statements of the company for the year ended 31 December 2015.

### **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:

L A Cutler  
M B Foye  
T E Jack  
C L M Jennings

### **Dividends**

Particulars of dividends are detailed in the strategic report.

### **Future developments**

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 2015 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 financial statements.

### **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 2015 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.

### **Qualifying indemnity provision**

Qualifying third party indemnity provisions and pension scheme 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 2015.

# KRAFT FOODS UK IP & PRODUCTION HOLDINGS LIMITED

## DIRECTORS' REPORT *(continued)*

YEAR ENDED 31 DECEMBER 2015

### Directors' responsibilities statement

The directors are responsible for preparing the strategic report, 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, comprising Financial Reporting Standard 102 The Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS 102), 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 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 accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements;
- notify its shareholders in writing about the use of disclosure exemptions, if any, of FRS 102 used in the preparation of 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 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.

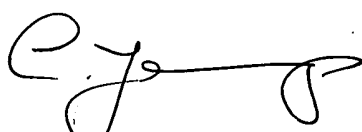
### Disclosure of information to auditors

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

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

A resolution to reappoint PricewaterhouseCoopers LLP as auditors will be proposed at the forthcoming Annual General Meeting.

This report was approved by the board of directors on 22/9/16 and signed on behalf of the board by:



C L M Jennings  
Director

# **KRAFT FOODS UK IP & PRODUCTION HOLDINGS LIMITED**

## **INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF KRAFT FOODS UK IP & PRODUCTION HOLDINGS LIMITED**

**YEAR ENDED 31 DECEMBER 2015**

### **Report on the financial statements**

#### **Our opinion**

In our opinion, Kraft Foods UK IP & Production Holdings Limited's financial statements (the "financial statements"):

- give a true and fair view of the state of the company's affairs as at 31 December 2015 and of its profit 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.

#### **What we have audited**

The financial statements comprise:

- the Statement of financial position as at 31 December 2015;
- the Statement of comprehensive income for the year then ended;
- the Statement of changes in equity for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

#### **Opinion on other matter prescribed by the Companies Act 2006**

In our opinion, the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

#### **Other matters on which we are required to report by exception**

##### **Adequacy of accounting records and information and explanations received**

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, 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.

We have no exceptions to report arising from this responsibility.

# **KRAFT FOODS UK IP & PRODUCTION HOLDINGS LIMITED**

## **INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF KRAFT FOODS UK IP & PRODUCTION HOLDINGS LIMITED (continued)**

**YEAR ENDED 31 DECEMBER 2015**

### **Directors' remuneration**

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

### **Responsibilities for the financial statements and the audit**

#### **Our responsibilities and those of the directors**

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) ("ISAs (UK & 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 shareholders 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.

#### **What an audit of financial statements involves**

We conducted our audit in accordance with ISAs (UK & Ireland). 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.

We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

# **KRAFT FOODS UK IP & PRODUCTION HOLDINGS LIMITED**

## **INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF KRAFT FOODS UK IP & PRODUCTION HOLDINGS LIMITED *(continued)***

**YEAR ENDED 31 DECEMBER 2015**

In addition, we read all the financial and non-financial information in the financial statements to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.



Phil Harrold (Senior Statutory Auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants & Statutory Auditors  
Birmingham

28 September 2016



# KRAFT FOODS UK IP & PRODUCTION HOLDINGS LIMITED

## STATEMENT OF COMPREHENSIVE INCOME

YEAR ENDED 31 DECEMBER 2015

	Note	2015 £000	2014 £000
Income from shares in group undertakings	5	–	14,154
Other interest receivable and similar income	6	3,377	8,119
Amounts written off investments	7	(97)	(58,889)
<b>Profit/(loss) on ordinary activities before taxation</b>		<b>3,280</b>	<b>(36,616)</b>
Tax on profit/(loss) on ordinary activities	8	–	–
<b>Profit/(loss) for the financial year and total comprehensive income</b>		<b><u>3,280</u></b>	<b><u>(36,616)</u></b>

All the activities of the company are from continuing operations.

The notes on pages 10 to 17 form part of these financial statements.

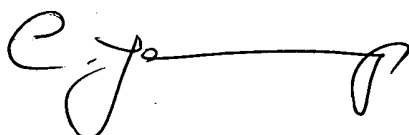
# KRAFT FOODS UK IP & PRODUCTION HOLDINGS LIMITED

## STATEMENT OF FINANCIAL POSITION

31 DECEMBER 2015

	Note	2015 £000	2014 £000
<b>Fixed assets</b>			
Investments in subsidiary undertakings	10	1,377,234	1,447,738
<b>Current assets</b>			
Debtors	11	266,770	192,986
<b>Net current assets</b>		<u>266,770</u>	<u>192,986</u>
<b>Total assets less current liabilities</b>		<u>1,644,004</u>	<u>1,640,724</u>
<b>Capital and reserves</b>			
Called up share capital	12	3	3
Share premium account	13	1,793,472	1,793,472
Profit and loss account	13	(149,471)	(152,751)
<b>Total shareholders' funds</b>		<u>1,644,004</u>	<u>1,640,724</u>

These financial statements were approved by the board of directors and authorised for issue on 22/9/16, and are signed on behalf of the board by:



C L M Jennings  
Director

Company registration number: 07579155

The notes on pages 10 to 17 form part of these financial statements.

# KRAFT FOODS UK IP & PRODUCTION HOLDINGS LIMITED

## STATEMENT OF CHANGES IN EQUITY

YEAR ENDED 31 DECEMBER 2015

		Called up share capital £000	Share premium account £000	Profit and loss account £000	<b>Total £000</b>
<b>At 1 January 2014</b>		3	1,793,472	851,852	2,645,327
Loss for the year		—	—	(36,616)	(36,616)
<b>Total comprehensive income for the year</b>		—	—	(36,616)	(36,616)
Dividends paid and payable	<b>9</b>	—	—	(967,987)	(967,987)
<b>Total investments by and distributions to owners</b>		—	—	(967,987)	(967,987)
<b>At 31 December 2014</b>		3	1,793,472	(152,751)	<b>1,640,724</b>
Profit for the year		—	—	3,280	<b>3,280</b>
<b>Total comprehensive income for the year</b>		—	—	3,280	<b>3,280</b>
<b>At 31 December 2015</b>		<u>3</u>	<u>1,793,472</u>	<u>(149,471)</u>	<u><b>1,644,004</b></u>

The notes on pages 10 to 17 form part of these financial statements.

# KRAFT FOODS UK IP & PRODUCTION HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

YEAR ENDED 31 DECEMBER 2015

### 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

#### Basis of preparation

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.

#### Transition to FRS 102

The entity transitioned from previous UK GAAP to FRS 102 as at 1 January 2014. Details of how FRS 102 has affected the reported financial position and financial performance is given in note 15.

#### 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)).
- (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 2015.

#### Consolidation

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.

#### Related party transactions

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

# KRAFT FOODS UK IP & PRODUCTION HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 DECEMBER 2015

### 2. Accounting policies *(continued)*

#### Taxation

Taxation expense for the period comprises current and deferred tax recognised in the reporting period. Tax is recognised in the profit and loss account, 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 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.

#### Investments in subsidiary undertakings

Investments in subsidiary 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.

#### 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.

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.

# KRAFT FOODS UK IP & PRODUCTION HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 DECEMBER 2015

### 2. Accounting policies *(continued)*

#### Financial instruments *(continued)*

##### (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 receipts discounted at a market rate of interest.

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.

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

#### Foreign currencies

##### (i) Functional and presentation currency

The company's functional and presentation currency is the Pound Sterling.

##### (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 profit and loss account except when deferred in other comprehensive income as qualifying cash flow hedges.

#### 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 financial statements it is treated as a return of capital and the investment value is reduced by the value of the dividend receipt.

# KRAFT FOODS UK IP & PRODUCTION HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 DECEMBER 2015

### 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.

Due to the simple nature of the business, the directors have not identified any critical accounting judgements.

#### Key accounting estimates and assumptions

##### (i) Going concern basis of accounting

The financial statements have been prepared on a going concern basis, which assumes the company will be able to meet any financial obligations as they fall due.

As at 31 December 2015 the company had negative profit and loss account reserves of £149,471,000 (2014 - £152,751,000). This was a result of the impairment of the South Africa LP Partnership at 31 December 2014 and the return of capital from Kraft Russia Limited during 2014. The group has sufficient resources to fully support the company financially to ensure that it is able to meet any financial obligations as they fall due.

### 4. Operating profit/(loss)

The directors did not receive any emoluments for their services as directors of the company during the year. The directors were remunerated by other group companies and no recharges were made. It is not possible to apportion the proportion of the directors' work that was done for the company.

Audit fees for the company are borne on behalf of the company by a fellow subsidiary undertaking and not recharged to the company. An estimated allocation of the audit fee for the year is £6,000 (2014 - £6,000) 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.

The company incurs no employee costs.

### 5. Income from shares in group undertakings

	2015 £000	2014 £000
Income from group undertakings	—	14,154

### 6. Other interest receivable and similar income

	2015 £000	2014 £000
Interest from group undertakings	3,377	8,119

### 7. Amounts written off investments

	2015 £000	2014 £000
Impairment of investments in subsidiary undertakings	97	58,889

# KRAFT FOODS UK IP & PRODUCTION HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 DECEMBER 2015

### 7. Amounts written off investments *(continued)*

At 31 December 2015 a decision was made to impair the value of the company's investments in Kraft Russia Limited. Please refer to note 10 for further details.

At 31 December 2014 a decision was made to impair the value of the company's investments in Kraft Russia Limited and South Africa LP Partnership.

### 8. Tax on profit/(loss) on ordinary activities

#### Reconciliation of tax income

The tax assessed on the profit on ordinary activities for the year is lower than (2014: higher than) the standard rate of corporation tax in the UK of 20.25% (2014: 21.50%).

	2015 £000	2014 £000
Profit/(loss) on ordinary activities before taxation	3,280	(36,616)
Profit/(loss) multiplied by the standard rate of tax in the UK	664	(7,873)
Partnership's result adjustments	1,673	(348)
Expenses not deductible for tax purposes	19	12,661
Group relief not paid for	(2,356)	(4,440)
Tax on profit/(loss) on ordinary activities	—	—

#### Factors that may affect future tax income

The tax rate for the current period is lower than the prior period due to changes in the UK Corporation Tax rate which decreased from 21% to 20% from 1 April 2015.

Further reductions to the UK Corporation Tax rates were enacted as part of the Finance (No 2) Act 2015 which received royal assent on 18 November 2015. These reduce the main corporation tax rate to 19% from 1 April 2017 and 18% from 1 April 2020.

An additional change to the UK Corporation Tax rate was announced in the chancellor's budgets on 16 March 2016. This proposes a further reduction to the main Corporation Tax rate to reduce it to 17% from 1 April 2020. As this change had not been substantively enacted at the balance sheet date the impact is not included in these financial statements.

### 9. Dividends

Dividends paid during the year (excluding those for which a liability existed at the end of the prior year):

	2015 £000	2014 £000
Equity dividends paid to group undertakings	—	967,987



# KRAFT FOODS UK IP & PRODUCTION HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 DECEMBER 2015

### 10. Investments in subsidiary undertakings

	Shares in group undertakings £000
<b>Cost</b>	
At 1 January 2015	1,660,211
Return of capital	(70,407)
<b>At 31 December 2015</b>	<b>1,589,804</b>
<b>Impairment</b>	
At 1 January 2015	212,473
Impairment for the financial year	97
<b>At 31 December 2015</b>	<b>212,570</b>
<b>Net book value</b>	
<b>At 31 December 2015</b>	<b>1,377,234</b>
At 31 December 2014	1,447,738

The company's investment represents its interest in the following entities:

	2015 £000	2014 £000
Cadbury UK Limited	1,262,646	1,262,646
Ernest Jackson & Co Limited	1,365	1,365
Kraft Russia Limited	—	97
Mondelez UK Confectionery Production Limited	204	204
South Africa LP Partnership	90,548	160,955
The Old Leo Company Limited	22,471	22,471
	<b>1,377,234</b>	<b>1,447,738</b>

At 31 December 2015 a decision was made to fully impair the value of the company's investments in Kraft Russia Limited as the carrying value were not supported by its underlying net asset values.

During the year dividend income of £70,407,000 was received from South Africa LP Partnership. As this reduced the value of the subsidiary held as an investment in the company's financial statements this dividend income was treated as a return of capital and the investment value was reduced by the same amount.

The table below shows the full list of investments:

	Country of incorporation	Principal activity	Holding
Cadbury UK Limited	UK	Manufacturing	100%
Ernest Jackson & Co Limited	UK	Manufacturing	100%
Kraft Russia Limited	UK	Holding	100%
Mondelez UK Confectionery Production Limited	UK	Manufacturing	100%
South Africa LP Partnership	South Africa	Holding	99.50%
The Old Leo Company Limited	UK	Holding	100%

# KRAFT FOODS UK IP & PRODUCTION HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 DECEMBER 2015

### 10. Investments in subsidiary undertakings *(continued)*

	Country of incorporation	Principal activity	Holding
Cadbury Confectionery Malaysia Sdn. Bhd.*	Malaysia	Manufacturing	26.67%
Cadbury Confectionery Sales (M) Sdn. Bhd.*	Malaysia	Manufacturing	100%
Cadbury International Limited*	UK	Holding	100%
LCH.Clearnet Group Limited*	UK	Clearing house	0.01%
Mondelez Pakistan Limited*	Pakistan	Manufacturing	1.37%
The Cocoa Research Association Limited*	UK	Support of cocoa research projects	8.33%
The Ghana Cocoa Growing Research Association Limited*	UK	Support of cocoa research projects	11.11%
Trebor (Dublin) Limited*	Ireland	Dormant	99.99%
Trebor Bassett Limited*	UK	Property holder	100%
Trebor International Limited*	UK	Dormant	100%

With the exception of Kraft Russia Limited and South Africa LP Partnership the directors believe that their carrying values of the investments held in Kraft Foods UK IP & Production Holdings Limited are supported by the value of their underlying net assets. The carrying value of the remaining investments is £nil (2014 - £Nil).

\* denotes these are indirect holdings.

### 11. Debtors

	2015 £000	2014 £000
Amounts owed by group undertakings	<u>266,770</u>	<u>192,986</u>

Amounts owed by group undertakings are unsecured and repayable on demand. Loans in relation to cash pooling are interest bearing at London Interbank Mean Rate (LIMEAN) less 0.25% and non cash pooling loans are interest bearing at London Interbank Lending Rate (LIBOR) plus 0.125%.

### 12. Called up share capital

#### Issued, called up and fully paid

	2015		2014	
	No	£000	No	£000
Ordinary shares of £1 each	<u>3,000</u>	<u>3</u>	<u>3,000</u>	<u>3</u>

### 13. Reserves

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

# KRAFT FOODS UK IP & PRODUCTION HOLDINGS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS *(continued)*

YEAR ENDED 31 DECEMBER 2015

### 14. Controlling party

At 31 December 2015 the immediate parent company was Kraft Foods Investment Holdings UK Limited.

At 31 December 2015 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.

### 15. Transition to FRS 102

These are the first financial statements that comply with FRS 102. The company transitioned to FRS 102 on 1 January 2014.

No transitional adjustments which reconcile profit for the financial year ended 31 December 2014 and the total equity as at 1 January 2014 and 31 December 2014 have been presented as no material changes were identified.