

Natural Water Limited
Annual report and financial statements
for the year ended 31 December 2003

Registered Number SC149165



Natural Water Limited

Annual report and financial statements for the year ended 31 December 2003

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Natural Water Limited

Directors and advisers for the year ended 31 December 2003

Directors

G Cunia (appointed 29 January 2004)
A J Y Guttinger (appointed 29 January 2004)
M Hecker (appointed 29 January 2004; resigned 24 April 2004)
R G Kitley (resigned 29 January 2004)
R W Stephens (appointed 27 January 2003; resigned 29 January 2004)
S E Allen (resigned 27 January 2003)
D Schickli (resigned 27 January 2003)

Secretary

BLP Secretaries (appointed 28 Jan 2004)
K Harvey (resigned 20 May 2004)
L J Stordy (resigned 27 Jan 2003)

Registered Office

130 St Vincent Street
Glasgow
G2 5HF

Auditors

PricewaterhouseCoopers LLP
Kintyre House
209 West George Street
Glasgow
G2 2LW

Solicitors

Semple Fraser
130 St Vincent Street
Glasgow
G2 5HF

Natural Water Limited

Directors' report for the year ended 31 December 2003

The directors present their report and financial statements for the year ended 31 December 2003.

Results and dividends

The company has now ceased to trade. The profit for the year, after taxation, amounted to £Nil (2002: loss £37,000). The directors do not recommend the payment of a dividend.

Acquisition

On 27 January 2003, Water at Work Limited, the immediate parent company of Natural Water Limited, was acquired by Group Danone, a company registered in France.

On 1 September 2003, the company was acquired by The Danone Springs of Eden BV.

Directors and their interests

The directors of the company throughout the period to 31 December 2003 are listed on page 1. No director had any interest in the share capital of the company at 31 December 2003.

Statement of directors' responsibilities

Company law requires the directors to prepare financial statements for each financial year that 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. The directors are required to prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors confirm that suitable accounting policies have been used and applied consistently. They also confirm that reasonable and prudent judgements and estimates have been made in preparing the financial statements for the year ended 31 December 2003 and that applicable accounting standards have been followed.

The directors are responsible for keeping proper accounting records that 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 1985. They are also responsible for *safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.*

Natural Water Limited

Auditors

During the year, Ernst & Young, resigned as auditors and the directors appointed PricewaterhouseCoopers LLP to fill the casual vacancy. PricewaterhouseCoopers LLP have indicated their willingness to continue in office and a resolution concerning their reappointment will be proposed at the Annual General Meeting.

By order of the Board



G Cunia
Director

2nd June 2005

Natural Water Limited

Independent auditors' report to the members of Natural Water Limited

We have audited the financial statements on pages 5 to 11, which comprise the profit and loss account, the balance sheet and the related notes.

Respective responsibilities of directors and auditors

The directors' responsibilities for preparing the annual report and the financial statements in accordance with applicable United Kingdom law and accounting standards are set out in the statement of directors' responsibilities.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards issued by the Auditing Practices Board. This report, including the opinion, has been prepared for and only for the company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, 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.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions is not disclosed.

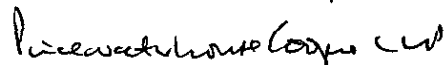
Basis of audit opinion

We conducted our audit in accordance with auditing standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the affairs of the company at 31 December 2003 and of its result for the year ended and have been properly prepared in accordance with the Companies Act 1985.



PricewaterhouseCoopers LLP

Chartered Accountants and Registered Auditors

Glasgow

2 June 2005

Natural Water Limited

Profit and loss account for the year ended 31 December 2003

	Note	2003 £'000	2002 £'000
Turnover		-	-
Cost of sales		-	3
Gross profit		-	3
Net operating expenses		-	(51)
Profit on ordinary activities before taxation	1	-	(48)
Tax on profit on ordinary activities	3	-	11
Loss for the financial year		-	(37)

All items dealt with in arriving at operating profit above relate to discontinued operations.

The company has no recognised gains and losses other than the profit above and therefore no separate statement of total recognised gains and losses has been presented.

There is no difference between the profit on ordinary activities before taxation and the retained profit for the year stated above and their historical cost equivalents.

Natural Water Limited

Balance sheet as at 31 December 2003

	Note	2003 £'000	2002 £'000
Fixed assets			
Tangible assets	4	-	-
Current assets			
Debtors	5	617	618
		617	618
Creditors - amounts falling due within one year	6	-	(1)
Net current assets		617	617
Total assets less current liabilities		617	617
Net assets		617	617
Capital and reserves			
Called up share capital	7	25	25
Profit and loss account	8	592	592
Equity shareholders' funds	9	617	617

The financial statements on pages 5 to 11 were approved by the board of directors on 2nd June 2005 and were signed on its behalf by:



G Cunia
Director

Natural Water Limited

Accounting policies

The financial statements have been prepared in accordance with applicable accounting standards in the United Kingdom. A summary of the more important accounting policies, which have been applied consistently, is set out below.

Basis of preparation

The financial statements have been prepared under the historical cost convention. The company has taken advantage of the exemption from preparing a cash flow statement conferred by FRS 1 (Revised) on the grounds that it is a wholly owned subsidiary of a parent undertaking which produces publicly available group financial statements.

Natural Water Limited

Notes to the financial statements for the year ended 31 December 2003

1 Profit on ordinary activities before tax

	2003 £'000	2002 £'000
Operating profit is stated after charging/(crediting)		
Depreciation of tangible fixed assets		
- owned assets	-	51

2 Directors' emoluments

The directors of the company are remunerated by other group companies and the emoluments are appropriately disclosed within the financial statements of those companies.

3 Tax on profit on ordinary activities

	2003 £'000	2002 £'000
Taxation on the profit for the year		
UK corporation tax at 30% (2002: 31%)	-	1
Deferred tax	-	(12)
Prior year adjustment for under/(over) provision	-	-
	-	(11)

The tax assessed on the profit on ordinary activities is lower than the standard rate of corporation tax in the UK of 30% (2002: 30%). The differences are explained below:

	2003 £'000	2002 £'000
Profit on ordinary activities before tax	-	(48)
Profit on ordinary activities multiplied by the standard rate of corporation tax in the UK of 30% (2002: 30%)	-	(14)
Disallowed expenses and non taxable income	-	3
Depreciation in excess of capital allowances	-	12
Current tax charge for the period	-	1

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4 Tangible assets

	Freehold land and buildings	Plant and machinery	Fixtures and fittings	Total
	£'000	£'000	£'000	£'000
Cost or valuation				
At 1 January 2003 and 31 December 2003	18	98	8	124
Accumulated depreciation				
At 1 January 2003 and 31 December 2003	18	98	8	124
Net book value				
At 31 December 2003 and 31 December 2002	-	-	-	-

5 Debtors

	2003	2002
	£'000	£'000
Amounts owed by group undertakings	617	618

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6 Creditors – Amounts falling due within one year

	2003 £'000	2002 £'000
Corporation tax	-	1

7 Called up share capital

	2003 £'000	2002 £'000
Authorised		
100 ordinary shares of £1 each	-	-
25,000 preference shares of £1 each	25	25
Allotted and fully paid		
90 ordinary shares of £1 each	-	-
25,000 preference shares of £1 each	25	25

8 Reserves

	Profit and loss account £'000
At 1 January 2003 and 31 December 2003	592

9 Reconciliation of movements in shareholders' funds

	2003 £'000	2002 £'000
Opening shareholders' funds	617	654
Retained loss for the financial year	-	(37)
Closing shareholders' funds	617	617

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10 Related party disclosures

In accordance with the provisions of Financial Reporting Standard 8, "Related Party Disclosures", the company, being a wholly owned subsidiary undertaking, has taken advantage of the exemption from disclosing related party transactions with group companies.

11 Capital commitments

The company has no capital commitments at 31 December 2003 or 31 December 2002.

12 Contingent liabilities

In the opinion of the directors, the company has no material contingent liabilities at 31 December 2003.

13 Ultimate parent undertaking

The ultimate parent undertaking and controlling party is The Danone Springs of Eden BV, which is the parent undertaking of the smallest and largest group to consolidate these financial statements. Copies of The Danone Springs of Eden BV consolidated financial statements can be obtained from its registered office at Frederik Roeskestraat 123, 1076EE, Amsterdam.