

Registered number: SC300161

S&NF LIMITED

**UNAUDITED ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**



S&NF LIMITED

CONTENTS

	Page(s)
Company Information	1
Directors' Report	2 – 4
Directors' Responsibilities Statement	5
Statement of Comprehensive Income	6
Statement of Financial Position	7
Statement of Changes in Equity	8
Notes to the Financial Statements	9 - 18

S&NF LIMITED

COMPANY INFORMATION

Directors	R Kleinjan L J Nicoll K Taylor-Welsh
Registered number	SC300161
Registered office	3-4 Broadway Park South Gyle Broadway Edinburgh EH12 9JZ United Kingdom

S&NF LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

The Directors present their annual report and the unaudited financial statements of S&NF Limited ('the Company') for the year ended 31 December 2022. The Company is a wholly owned subsidiary of Heineken UK Limited. The results of the Company are consolidated into the results of Heineken UK Limited and its subsidiary undertakings (together 'the Group').

PRINCIPAL ACTIVITIES

The principal activity of the Company is to derive royalty income from brand rights across Europe.

RESULTS AND DISTRIBUTIONS

As at 31 December 2022, the Company recognised net assets of £307,244k (2021: £305,116k), principally comprised of a brand intangible asset of £181,613k (2021: £186,753k) and an intercompany loan due from the parent company of £144,139k (2021: £135,137k).

In the prior year, the intercompany loan was reduced by way of a distribution in kind to the parent company of £60,000k. No further distributions were paid or proposed during the current year or following the year end.

Profit before tax in the year amounted to £3,978k (2021: £300k). The increase in profit before tax was principally driven by higher interest income on the loan to the parent company, resulting from the higher rate of interest applied to the loan.

The profit for the year, after tax, was £2,128k (2021: loss of £5,346k). Tax on profit decreased in the year as outlined in note 8. In the prior year, there was a one off adjustment to the deferred tax charge to recognise an increase in the future tax rate.

Given the simple nature of the business, no KPIs are used in the management of the Company other than the figures in the Statement of Comprehensive Income itself.

FUTURE DEVELOPMENTS

The Company expects to continue to derive royalty income from brand rights across Europe.

DIRECTORS

The Directors who served during the year and up to the date of signing the financial statements were:

R Kleinjan (appointed 26 September 2022)

L J Nicoll

R Sikorsky (resigned 15 August 2022)

K Taylor-Welsh

POLITICAL AND CHARITABLE CONTRIBUTIONS

The Company made no political contributions or donations to United Kingdom (UK) charities during the year (2021: £nil).

PRINCIPAL RISKS AND UNCERTAINTIES

The principal risk associated with this entity is the carrying value of the intangible asset and assumptions used in impairment testing. The Directors do not believe this to be a significant risk due to their understanding of the underlying performance of the brand. An impairment review is completed on an annual basis and there are no indicators of impairment.

S&NF LIMITED

DIRECTORS' REPORT (CONTINUED) FOR THE YEAR ENDED 31 DECEMBER 2022

FINANCIAL RISK MANAGEMENT POLICY

The main risks associated with the Company's financial assets and liabilities are set out below.

Interest rate risk

Interest rate risk refers to the risk that changes in market interest rates will adversely affect the fair value or cash flows of a financial instrument and cause volatility in the results of the Company. The most significant risk relates to the variable rate of interest received on intercompany loans owed by the parent company. The variable rate of interest on loans between Group companies is determined by management in line with the Global Credit Policy, ensuring an equitable spread of the cost of funding throughout the Group.

Liquidity risk

Liquidity risk refers to the risk that the Company will not be able to meet payment obligations associated with its liabilities when they are due. The Company has no material financial liabilities. The Group liquidity position is managed by the Management Team in conjunction with the Directors, together ensuring that the maturity of any debt is aligned with the forecasted cash flow generation of the business. There are strong cost and cash management procedures in place, including controls over investment proposals, and as a result liquidity risk is deemed limited.

QUALIFYING THIRD PARTY INDEMNITY PROVISIONS

Qualifying third-party indemnity provisions are in place for the benefit of Directors or Officers of the Heineken Group (which extend to the performance of any duties as a Director or Officer of any associated company) and these remain in force at the date of this report.

GOING CONCERN

The financial position of the Company is set out in the Statement of Financial Position on page 7 of the financial statements. The Company has net current assets of £1,008k at 31 December 2022 (2021: £892k). The Company made a profit for the financial year of £2,128k (2021: loss of £5,346k) as set out in the Statement of Comprehensive Income on page 6.

Having reviewed the UK operating company's forecasts, projections and other relevant evidence including external industry judgement, the Directors have a reasonable expectation that the Group, including the Company, will continue in operational existence for the foreseeable future.

As disclosed in the consolidated financial statements of Heineken UK Limited, the outstanding liabilities of the Company as at 31 December 2022 have been guaranteed by Heineken UK Limited.

Accordingly, the financial statements of the Company have been prepared on a going concern basis and we note that there are no material uncertainties in arriving at this conclusion.

SMALL COMPANIES EXEMPTION

The Directors have taken advantage of the small companies exemption provided by section 414B of the Companies Act 2006 and not provided a strategic report.


S&NF LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

EXEMPTION FROM AUDIT

For the year ended 31 December 2022 the Company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies. The members have not required the Company to obtain an audit of its accounts for the year in question in accordance with section 476. The Directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of accounts.

This report was approved by the Board on 14 September 2023 and signed on its behalf by:

DocuSigned by:

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R Kleinjan
Director

S&NF LIMITED

**DIRECTORS' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2022**

The Directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have elected to prepare the financial statements in accordance with UK Generally Accepted Accounting Practice (UK Accounting Standards and applicable law), including Financial Reporting Standard 101 'Reduced Disclosure Framework'. 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 accounting estimates that are reasonable and prudent; 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.

S&NF LIMITED**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Note	2022 £000	2021 £000
Revenue		5,269	5,219
Administrative expenses		(5,135)	(5,153)
Operating profit	4	134	66
Interest receivable and similar income	7	3,844	234
Profit before tax		3,978	300
Tax on profit	8	(1,850)	(5,646)
Profit/(loss) for the financial year and total comprehensive income/(expense)		2,128	(5,346)

The notes on pages 9 to 18 form an integral part of these financial statements.

Profits/(losses) are derived from continuing operations.


S&NF LIMITED
REGISTERED NUMBER: SC300161

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2022

	Note	2022 £000	2021 £000
Fixed assets			
Intangible asset	9	181,613	186,753
Debtors: amounts falling due after more than one year	10	144,139	135,137
		<u>325,752</u>	<u>321,890</u>
Current assets			
Debtors: amounts falling due within one year	10	107	63
Cash at bank		1,333	915
		<u>1,440</u>	<u>978</u>
Creditors: amounts falling due within one year	11	(432)	(86)
Net current assets		<u>1,008</u>	<u>892</u>
Total assets less current liabilities		<u>326,760</u>	<u>322,782</u>
Deferred tax	12	(19,516)	(17,666)
Net assets		<u>307,244</u>	<u>305,116</u>
Capital and reserves			
Called-up share capital	13	306,102	306,102
Profit and loss account	14	1,142	(986)
Total equity		<u>307,244</u>	<u>305,116</u>

For the year ended 31 December 2022 the Company was entitled to exemption from audit under section 479A of the Companies Act 2006 relating to subsidiary companies. The members have not required the Company to obtain an audit of its accounts for the year in question in accordance with section 476. The Directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and preparation of accounts.

The financial statements were approved and authorised for issue by the Board and were signed on its behalf on 14 September 2023 by:

DocuSigned by:

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R Kleinjan
 Director

The notes on pages 9 to 18 form part of these financial statements.

S&NF LIMITED**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Called-up share capital £000	Profit and loss account £000	Total equity £000
At 1 January 2021	306,102	64,360	370,462
Loss for the financial year and total comprehensive expense	-	(5,346)	(5,346)
Distribution in kind	-	(60,000)	(60,000)
At 31 December 2021	306,102	(986)	305,116

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Called-up share capital £000	Profit and loss account £000	Total equity £000
At 1 January 2022	306,102	(986)	305,116
Profit for the financial year and total comprehensive income	-	2,128	2,128
At 31 December 2022	306,102	1,142	307,244

The notes on pages 9 to 18 form part of these financial statements.

S&NF LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022****1. GENERAL INFORMATION**

The principal activity of S&NF Limited ('the Company') is to derive royalty income from brand rights across Europe. The Company is a private company limited by shares and is incorporated in the UK under the Companies Act 2006 and is registered in Scotland. The address of its registered office is 3-4 Broadway Park, South Gyle Broadway, Edinburgh, EH12 9JZ, United Kingdom.

These financial statements are presented in pounds sterling because that is the currency of the primary economic environment in which the Company operates, and all values are rounded to the nearest thousand except where otherwise indicated.

These financial statements are separate financial statements.

Adoption of new and revised standards***New and amended IFRS standards that are effective for the current year***

The Company has adopted the following new International Financial Reporting Standards (IFRS), International Accounting Standards (IAS), interpretations and amendments to existing standards, which are effective by UK endorsement for annual periods beginning on or after 1 January 2022. Their adoption has not had any material impact on the disclosures or on the amounts reported in these financial statements.

- Amendments to IFRS 3 'Reference to the Conceptual Framework';
- Amendments to IAS 16 'Property, Plant and Equipment - Proceeds before Intended Use';
- Amendments to IAS 37 'Onerous Contracts—Cost of Fulfilling a Contract'; and
- 'Annual Improvements to IFRS Accounting Standards 2018-2020 Cycle'.

2. ACCOUNTING POLICIES**2.1. Basis of preparation of financial statements**

The Company meets the definition of a qualifying entity under Financial Reporting Standard (FRS) 100 'Application of Financial Reporting Requirements' issued by the Financial Reporting Council. Accordingly, these financial statements have been prepared in accordance with FRS 101 'Reduced Disclosure Framework'. The Company's results are included in the Group financial statements of Heineken UK Limited as disclosed in note 15.

The following exemptions from the requirements of IFRS have been applied in the preparation of these financial statements, in accordance with FRS 101:

- IFRS 7 'Financial Instruments: Disclosures'.
- Paragraphs 30 and 31 of IAS 8 'Accounting Policies, changes in Accounting Estimates and Errors' (requirement for the disclosure of information when an entity has not applied a new IFRS that has been issued but is not yet effective).
- IAS 7 'Statement of cash flows'.
- Paragraph 38 of IAS 1, 'Presentation of financial statements' - comparative information requirements in respect of:
 - paragraph 118(e) of IAS 38, 'Intangible assets' (reconciliations between the carrying amount at the beginning and end of the period).
- The following paragraphs of IAS 1, 'Presentation of financial statements':
 - 10(d) (statement of cash flows);
 - 16 (statement of compliance with all IFRS);

S&NF LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022****2. ACCOUNTING POLICIES (CONTINUED)****2.1. Basis of preparation of financial statements (continued)**

The following exemptions from the requirements of IFRS have been applied in the preparation of these financial statements, in accordance with FRS 101 (continued):

- 38A (requirement for minimum of two primary statements, including cash flow statements);
- 38B - D (additional comparative information);
- 111 (statement of cash flows information); and
- 134 - 136 (capital management disclosures).
- The requirements in IAS 24, 'Related party disclosures', to disclose related party transactions entered into between two or more members of a group.
- Paragraphs 17 (key management compensation) and 18A of IAS 24 'Related party disclosures', related to key management services provided by a separate management entity.
- Paragraphs 113(a), 114, 115, 118, 119(a) to (c), 120 to 127, 129 and second sentence of paragraph 110 of IFRS 15 'Revenue from Contracts with Customers' (disaggregation of revenue recognised from contracts with customers, qualitative and quantitative information related to changes in contract assets and contract liabilities, information about an entity's performance obligations, transaction prices and any significant judgements).

The financial statements have been prepared on a going concern basis, based on the historical cost convention. Historical cost is generally based on fair value of the consideration given in exchange for the goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique.

In estimating the fair value of an asset or liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement purposes in these financial statements is determined on such a basis, except for measurements that have some similarities to fair value but are not fair value, such as value in use in IAS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

The following principal accounting policies have been applied consistently throughout the year.

S&NF LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022****2. ACCOUNTING POLICIES (CONTINUED)****2.2. Going concern**

The financial position of the Company is set out in the Statement of Financial Position on page 7 of the financial statements. The Company has net current assets of £1,008k at 31 December 2022 (2021: £892k). The Company made a profit for the financial year of £2,128k (2021: loss of £5,346k) as set out in the Statement of Comprehensive Income on page 6.

Having reviewed the UK operating company's forecasts, projections and other relevant evidence including external industry judgement, the Directors have a reasonable expectation that the Group, including the Company, will continue in operational existence for the foreseeable future.

As disclosed in the consolidated financial statements of Heineken UK Limited, the outstanding liabilities of the Company as at 31 December 2022 have been guaranteed by Heineken UK Limited.

Accordingly, the financial statements of the Company have been prepared on a going concern basis and we note that there are no material uncertainties in arriving at this conclusion.

2.3. Revenue

Revenue represents income from royalties. Royalty revenue is sales-based and recognised in the Statement of Comprehensive Income on an accrual basis in accordance with the relevant agreement (provided that it is probable that the economic benefits will flow to the Company and the amount of revenue can be measured reliably).

2.4. Intangible asset

The brand intangible asset was initially recognised at cost. After initial recognition, under the cost model, the brand is measured at cost less any accumulated amortisation and any accumulated impairment losses.

A strategic brand is amortised on a straight line basis over its expected useful life of 40-50 years from the date it is available for use. The brand is classified as a strategic brand as it is a well known international brand with a strong market position and an established brand name. Further information on the brand is included in note 9. Amortisation in the year is recognised within administrative expenses in the Statement of Comprehensive Income.

2.5. Impairment of intangible asset

At each Statement of Financial Position date, the brand intangible asset is assessed to determine whether there is an indication that the asset may be impaired. If there is such an indication the recoverable amount of the asset is compared to the carrying amount of the asset.

The recoverable amount of the asset is the higher of the fair value less costs to sell and value in use. Value in use is defined as the present value of the future cash flows before interest and tax obtainable as a result of the asset's continued use. These cash flows are discounted using a pre-tax discount rate that represents the current market risk-free rate and the risks inherent in the asset.

If the recoverable amount of the asset is estimated to be lower than the carrying amount, the carrying amount is reduced to its recoverable amount. An impairment loss is recognised in profit or loss for the year, in the Statement of Comprehensive Income, unless the asset has been revalued when the amount is recognised in other comprehensive income to the extent of any previously recognised revaluation. Thereafter, any excess is recognised in the Statement of Comprehensive Income.

S&NF LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022****2. ACCOUNTING POLICIES (CONTINUED)****2.5. Impairment of intangible asset (continued)**

If an impairment loss is subsequently reversed, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the revised carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised in prior periods. A reversal of an impairment loss is recognised in the Statement of Comprehensive Income.

2.6. Financial instruments

The Company recognises financial instruments when it becomes a party to the contractual arrangements of the instrument. Financial instruments are de-recognised when they are discharged or when the contractual terms expire. The Company's accounting policies in respect of financial instruments transactions are explained below:

Financial assets

The Company classifies all of its financial assets as assets at amortised cost.

Financial assets at amortised cost

Financial assets at amortised cost include financial assets held with the objective of collecting contractual cash flows from payments of principle and interest on the principle amount outstanding, such as loans and trade receivables. These assets are subsequently measured at amortised cost using the effective interest rate method, which ensures that the interest income over the period of repayment is at a constant rate on the balance of the asset carried into the Statement of Financial Position.

The Company determines on each reporting date the impairment of trade receivables using a model that estimates the lifetime expected credit losses that will be incurred on these receivables. Individually significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit risk characteristics. Financial assets are written off when there is no reasonable expectation of recovery.

Financial liabilities

The Company classifies all of its financial liabilities as liabilities at amortised cost.

Financial liabilities at amortised cost

Financial liabilities at amortised cost are initially recognised at fair value net of any transaction costs directly attributable to the issue of the instrument. Such interest bearing liabilities are subsequently measured at amortised cost using the effective interest rate method, which ensures that any interest expense over the period to repayment is at a constant rate on the balance of the liability carried into the Statement of Financial Position.

2.7. Cash at bank

Cash is represented by deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.8. Interest receivable

Interest receivable is recognised in the Statement of Comprehensive Income using the effective interest method.

S&NF LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022****2. ACCOUNTING POLICIES (CONTINUED)****2.9. Foreign currency translation****Functional and presentation currency**

The Company's functional and presentational currency is pound sterling.

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 Statement of Comprehensive Income except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of Comprehensive Income within interest receivable and similar income or interest payable and similar expenses. All other foreign exchange gains and losses are presented in the Statement of Comprehensive Income within other operating income.

2.10. Current and deferred tax

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except that a change attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the Company operates and generates income.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each Statement of Financial Position date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised based on tax laws and rates that have been enacted or substantively enacted at the Statement of Financial Position date.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

S&NF LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022****2. ACCOUNTING POLICIES (CONTINUED)****2.10. Current and deferred tax (continued)**

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

3. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of the financial statements requires the Company to make estimates, judgements and assumptions that affect the reported amount of assets, liabilities, revenues and expenses. The Directors base their estimates on historical experience and various other assumptions that they believe are reasonable under the circumstances, the results of which form the basis for making judgements about the carrying value of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions.

Key sources of estimation uncertainty

The Directors believe there are no key sources of estimation uncertainty in preparing these financial statements.

Critical judgements in applying the Company's accounting policies

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of turnover and expenses during the reporting period. Estimates and judgements are continually made and are based on historic experience and other factors, including expectations of future events that are believed to be reasonable in the circumstances. As the use of estimates is inherent in financial reporting, actual results could differ from these estimates. The Directors believe there are no critical accounting judgements in preparing these financial statements.

4. OPERATING PROFIT

The operating profit is stated after (crediting) / charging:

	2022	2021
	£000	£000
Royalty fees	(5,269)	(5,219)
Amortisation of intangible fixed asset	5,140	5,140

Revenue is wholly attributable to the receipt of royalties generated on the brand held by the Company. All revenue arose within the UK.

5. AUDITOR'S REMUNERATION

The Company was entitled to exemption from audit under section 479A of the Companies Act 2006 and incurred no audit fees in 2022 (2021: £nil). No non-audit services were provided to the Company in the current and prior year.

6. EMPLOYEES

The Company has no employees (2021: none). Directors' remuneration is borne by Heineken UK Limited, the principal employer of the Group, in both the current and prior year.

S&NF LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022****7. INTEREST RECEIVABLE AND SIMILAR INCOME**

	2022	2021
	£000	£000
Interest receivable from direct parent undertaking	3,839	234
Other interest receivable	5	-
	3,844	234

8. TAX ON PROFIT

	2022	2021
	£000	£000
CORPORATION TAX		
Current tax on profit for the year	-	1
Foreign tax relief	-	(1)
Foreign tax suffered	-	1
TOTAL CURRENT TAX	-	1
DEFERRED TAX		
Current year	1,850	1,849
Changes to tax rates	-	3,796
TOTAL DEFERRED TAX	1,850	5,645
TAX ON PROFIT	1,850	5,646

FACTORS AFFECTING TAX CHARGE FOR THE YEAR

The effective tax rate of 46.51% (2021: 1,882.00%) for the year is higher (2021: higher) than the standard rate of corporation tax in the UK of 19.00% (2021: 19.00%). The differences are explained below:

	2022	2021
	£000	£000
Profit before tax	3,978	300
Profit before tax multiplied by standard rate of corporation tax in the UK of 19.00% (2021: 19.00%)	756	57
EFFECTS OF:		
Changes in tax rates	444	4,240
Group relief surrendered	650	1,349
TOTAL TAX CHARGE FOR THE YEAR	1,850	5,646

S&NF LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022****8. TAX ON PROFIT (CONTINUED)****FACTORS THAT MAY AFFECT FUTURE TAX CHARGES**

Changes to the UK corporation tax rates were substantively enacted as part of Finance Bill 2021 during the prior year and these changes were reflected within the tax figures. This included an increase to the main rate of corporation tax to 25.00% from 1 April 2023 and this is the rate that has been used to calculate deferred tax where applicable at the year-end and in the prior year. The Finance Act 2022 and 2023, receiving Royal Assent on 24 February 2022 and 10 January 2023 respectively, will have no impact on the corporation tax figures.

9. INTANGIBLE ASSET

	Brand £000
Cost	
At 1 January 2022	313,547
At 31 December 2022	313,547
Accumulated amortisation	
At 1 January 2022	126,794
Charge for the year	5,140
At 31 December 2022	131,934
Net book value	
At 31 December 2022	181,613
At 31 December 2021	186,753

The Company owns the trademark for Foster's beer brand. The brand is amortised over 50 years in line with the useful life of the brand. At the reporting date, the carrying amount of the brand was £181,613k (2021: £186,753k), and the remaining amortisation period was 36 years (2021: 37 years). Management reviewed current and future operating results and found no indication of impairment under IAS 36.

10. DEBTORS

	2022 £000	2021 £000
Amounts falling due after more than one year		
Funding amounts owed by direct parent undertaking	144,139	135,137
Amounts falling due within one year		
Trade amounts owed by Group undertakings	107	63

Amounts falling due after more than one year were expected to be utilised on a continuing basis. Funding amounts owed by direct parent undertaking are unsecured. An annual interest rate of 1.55% (2021: 0.10%) plus average Sterling Overnight Index Average was charged on outstanding balances per annum. All loans with Group companies were recorded at their fair value and were considered to fall due after more than one year due to their use on a continuing basis. No interest was charged on balances considered trading in nature.

S&NF LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022****11. CREDITORS: Amounts falling due within one year**

	2022	2021
	£000	£000
Trade creditors	4	-
Trade amounts owed to direct parent undertaking	399	86
Accruals and deferred income	29	-
	432	86

All loans with Group companies were recorded at their fair value. No interest was charged on balances considered trading in nature.

12. DEFERRED TAX

In respect of prior year:

	£000
At 1 January 2021	12,021
Charged to the Statement of Comprehensive Income	5,645
At 31 December 2021	17,666

In respect of current year:

	£000
At 1 January 2022	17,666
Charged to the Statement of Comprehensive Income	1,850
At 31 December 2022	19,516

The provision for deferred tax is made up as follows:

	2022	2021
	£000	£000
Losses	(12)	(12)
Temporary differences on intangible asset amortisation	19,528	17,678
	19,516	17,666

S&NF LIMITED**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022****13. CALLED-UP SHARE CAPITAL**

	2022	2021
	Number	Number
Authorised shares	<u>400,000,000</u>	<u>400,000,000</u>
	2022	2021
	£000	£000
Allotted, called-up and fully paid		
306,101,626 (2021: 306,101,626) Ordinary shares of £1	<u>306,102</u>	<u>306,102</u>
(2021: £1) each		

14. RESERVES**Profit and loss account**

The profit and loss account represents the accumulated profits, losses and distributions of the Company.

15. ULTIMATE PARENT COMPANY

The immediate parent company as at the Statement of Financial Position date, which was also the smallest group of undertakings for which Group financial statements were drawn up and of which the Company is a member, is Heineken UK Limited, a company registered in Scotland. Group financial statements for this company may be obtained from the Company Secretary, 3-4 Broadway Park, South Gyle Broadway, Edinburgh, EH12 9JZ, United Kingdom, which is also its registered office.

The ultimate parent undertaking at the Statement of Financial Position date is Heineken Holding N.V. and the ultimate controlling party is Mrs C.L. de Carvalho-Heineken. Heineken Holding N.V., a company incorporated and registered in The Netherlands, is the parent for the largest group of undertakings for which group financial statements were drawn up and of which the company is a member. Group financial statements for this company may be obtained from the Company Secretary, Heineken N.V., Tweede Weteringplantsoen 21, 1017 ZD, Amsterdam, The Netherlands, which is also the registered office.