Refresco Limited

Directors' report and financial statements

for the year ended 31 December 2012

Registered number 04021465

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Refresco Limited

Directors' report and financial statements for the year ended 31 December 2012

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Refresco Limited

Directors and advisers

Directors
Aart Duijzer
Refresco B V

Company secretary
Aart Duijzer

Registered office
Belmont Industrial Estate
County Durham
DH1 1ST

Bankers
BNP Paribas
5 Aldermanbury Square
London
EC2V 7HR

Independent auditors
PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
89 Sandyford Road
Newcastle upon Tyne
NE1 8HW

Refresco Limited

Directors' report for the year ended 31 December 2012

The directors present their report and the audited financial statements of the company for the year ended 31 December 2012

Principal activities
The principal activity of the company is the manufacture of soft drinks

Review of the business and future developments
The soft drinks market continues to be highly competitive in a challenging UK economic environment This has lead to a reduction in the turnover of the business and there remains unused capacity in some production lines This has continued to have an impact on the gross margin, but provides potential for increased production volumes Despite this the company has seen a reduction in the operating loss for the current year due to a continued focus on cost saving initiatives and a restructuring of the plant to reflect the reduced volume

On 16 April 2013 it was announced that the Refresco group will merge with Gerber Emig, subject to the approval of the competition authorities This merger provides greater opportunities to invest in innovation, achieve growth and optimise the business The combined supply chain platform will be well positioned to meet customers' continuously changing needs and requirements

The ultimate parent company, Refresco Group B V , remains confident in the future growth of the business and the immediate parent company Refresco B V has confirmed that it will continue to provide financial support to the business for the foreseeable future and for at least 12 months from the date of approval of these financial statements Accordingly the financial statements have been prepared on the going concern basis The directors remain confident in the company's competitive position and its strategy

Principal risks and uncertainties
The directors are confident that the company is structured and positioned in a manner that will enable it to meet the demands of its markets and business environment The key business risks and uncertainties affecting the company are considered to relate to competition from both national and independent manufacturers and suppliers, employee retention, and product availability

Key performance indicators ("KPIs")
Given the straightforward nature of the business, the company's directors are of the opinion that analysis using KPIs is not necessary for an understanding of the development, performance or position of the business

Financial risk management
The company is exposed to a variety of financial risks The main exposures are as a result of

Price risk - as the company uses raw materials in its manufacturing process any rises in price will harm the company's margins

Credit risk - the company holds significant amounts of trade debtors which give rise to a financial risk due to the potential default of customers The company also has significant amounts of cash at bank and in hand, which in the current global financial crisis present further credit risk

Liquidity risk and cash flow risk - the company is exposed to liquidity risk and cash flow risk through its trading patterns and requirement to pay creditors

Foreign exchange risk - the company is exposed to foreign exchange risk through trading in overseas currency

The company manages exposure to price risk, credit risk, liquidity risk and cash flow risk by completing detailed forecasting and by continuous examination of both the trading market place and current economic climate Foreign exchange risk is managed through the use of options

Results and dividends
The results for the year are set out on page 6 A dividend was not paid during the year (2011 £nil) and the directors do not recommend a final dividend (2011 £nil)

Directors
The directors who held office during the year and up to the date of signing the financial statements were
Aart Duijzer
Refresco B V

Statement of directors' responsibilities
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 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 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

The directors are responsible for the maintenance and integrity of the company's website Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions

Disclosure of information to auditors
In accordance with Section 418, directors reports shall include a statement, in the case of each director in office at the date the directors' report is approved, that

(a) so far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware, and
(b) they have taken all the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information

On behalf of the Board

Aart Duijzer
Director

28 August 2013

Refresco Limited

Independent auditors' report to the members of Refresco Limited

We have audited the financial statements of Refresco Limited for the year ended 31 December 2012 which comprise the Profit and loss account, the Statement of total recognised gains and losses, the Balance sheet, the Statement of accounting policies 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 2012 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

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



Bill MacLeod (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Newcastle upon Tyne
28 August 2013

Refresco Limited

Profit and loss account for the year ended 31 December 2012

	Note	2012 £'000	2011 £'000
Turnover	1	**43,300**	49,259
Cost of sales		**(33,870)**	(38,192)
Gross profit		**9,430**	11,067
Administrative expenses (including restructuring costs of £1,250,000)	4	**(13,466)**	(15,409)
Operating loss	3	**(4,036)**	(4,342)
Interest receivable and similar income		**-**	2
Interest payable and similar charges	5	**(2,031)**	(1,766)
Other finance income	12	**29**	39
Loss on ordinary activities before taxation		**(6,038)**	(6,067)
Tax on loss on ordinary activities	6	**-**	-
Loss for the financial year	14	**(6,038)**	(6,067)

All activities derive from continuing operations

There is no material difference between the loss on ordinary activities before taxation and the loss for the financial years stated above and their historical cost equivalents

Refresco Limited

Statement of total recognised gains and losses for the year ended 31 December 2012

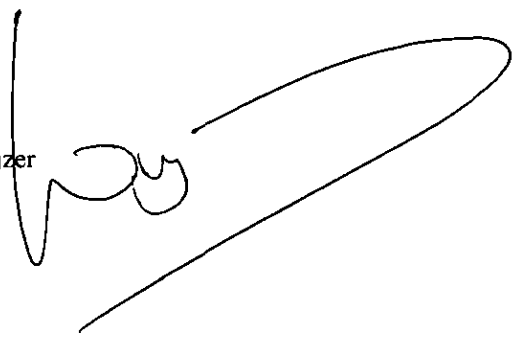
	Note	2012 £'000	2011 £'000
Loss for the financial year		**(6,038)**	(6,067)
Actuarial gain/(loss) relating to the pension scheme	12	**33**	(630)
Reversal of cumulative restriction on recognition of asset	12	**-**	336
Movement on deferred tax in relation to pension scheme	12	**(29)**	53
Total recognised gains and losses for the financial year		**(6,034)**	(6,308)

Refresco Limited

Balance sheet as at 31 December 2012

	Note	2012 £'000	2011 £'000
Fixed assets			
Tangible assets	7	**12,522**	13,663
Current assets			
Stocks	8	**4,399**	4,213
Debtors	9	**6,961**	6,287
Cash at bank and in hand		**1,132**	1,046
		12,492	11,546
Creditors: amounts falling due within one year	10	**(34,698)**	(28,781)
Net current liabilities		**(22,206)**	(17,235)
Total assets less current liabilities		**(9,684)**	(3,572)
Creditors: amounts falling due after more than one year		-	-
Net liabilities excluding pension liability		**(9,684)**	(3,572)
Pension liability	12	**(79)**	(157)
Net liabilities		**(9,763)**	(3,729)
Capital and reserves			
Called up share capital	13	**120**	120
Capital Contribution	14	**10,000**	10,000
Profit and loss account	14	**(19,883)**	(13,849)
Total shareholders' deficit	15	**(9,763)**	(3,729)

These financial statements on pages 6 to 20 were approved by the Board of directors on 28 August 2013 and are signed on their behalf by



Aart Duijzer
Director

Registered number 04021465

Refresco Limited

Statement of accounting policies

Basis of preparation
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 principal accounting policies, which have been consistently applied throughout the year, are set out below

The ultimate parent company, Refresco Group B V , remains confident in the future growth of the business and the immediate parent company Refresco B V has confirmed that it will continue to provide financial support to the business for the foreseeable future and for at least 12 months from the date of approval of these financial statements Accordingly the financial statements have been prepared on the going concern basis

Cash flow statement
The company is a wholly owned subsidiary company of a group headed by Refresco Group B V , and is included in the consolidated financial statements of that company, which are publicly available Consequently, the company has taken advantage of the exemption within FRS 1 (revised 1996) 'Cash flow statements' from preparing a cash flow statement

Government grants
Government grants relating to tangible fixed assets are treated as deferred income and released to the profit and loss account over the expected useful lives of the assets concerned

Turnover
Turnover is the amount derived from the provision of goods falling within the company's ordinary activities, after deduction of trade discounts and value added tax, before rebates Turnover is recognised at the point which goods are despatched

Tangible fixed assets and depreciation
Tangible fixed assets are stated at historic purchase cost less accumulated depreciation Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use Depreciation is calculated to write off the cost of tangible fixed assets, less their residual values, over their expected useful lives using the straight line basis No depreciation is provided on freehold land Straight line annual rates of depreciation are

Freehold buildings	-	4% on cost
Plant and machinery	-	10% -12 5% on cost
Motor vehicles	-	33% on cost
Computers	-	25% on cost

Deferred taxation
Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date, where transactions or events 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 recognised 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 against which to recover carried forward tax losses and from which the future reversal of underlying timing differences can be deducted

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date Deferred tax is measured on an undiscounted basis

Stocks
Stocks are stated at the lower of cost and net realisable value and consist of raw materials and consumables and finished goods purchased for resale Net realisable value is the price at which stocks can be sold in the normal course of business after allowing for the costs of realisation Stocks are held at standard cost and where necessary a provision is made for obsolete, slow moving and defective stocks

Pension costs
The company operates a defined contribution pension scheme The assets of the scheme are held separately from those of the company in an independently administered fund Contributions payable for the year are charged in the profit and loss account

The company also operates a defined benefit pension scheme For defined benefit schemes, the amounts charged to the operating results are the current service costs and gains and losses on settlements and curtailments They are included as part of staff costs Past service costs are not recognised immediately in the profit and loss account if the benefits have vested If the benefits have not vested immediately, the costs are recognised over the period until vesting occurs The interest cost and the expected return on the assets are shown as a net amount of other finance costs or credits adjacent to interest Actuarial gains and losses are recognised immediately in the statement of total recognised gains and losses

Defined benefit schemes are funded with the assets of the scheme held separately from those of the company, in separate trustee administered funds Pension scheme assets are measured at fair value and liabilities are measured on an actuarial basis using the projected unit method and discounted at a rate equivalent to the current rate of return on a high quality corporate bond of equivalent currency and term to the scheme liabilities The actuarial valuations are obtained at least triennially are updated at each balance sheet date The resulting defined benefit asset or liability, net of the related deferred tax, is presented separately after other net assets in the dance of the balance sheet The company do not recognise a net pension asset as they do not own the right to any surplus assets

The Final Salary Plan was discontinued on 31 December 2005 and all current employee members were offered membership of the defined contribution scheme with effect from January 2006

Leases
The company has no assets under finance leases Operating lease rentals are charged to profit and loss in equal annual amounts over the lease term

Translation of foreign currencies
Monetary assets and liabilities denominated in foreign currencies are translated into sterling at the rates of exchange ruling at the yearend date. Transactions in currencies other than sterling are translated at the rates ruling at the dates of the transactions All exchange differences are dealt with in the profit and loss account

Refresco Limited

Notes to the financial statements for the year ended 31 December 2012

1 Turnover

The turnover is wholly attributable to the principal activity of the company Turnover arises wholly from sales within the United Kingdom and Ireland

2 Employees' and directors' emoluments

	2012	2011
	£'000	£'000
Wages and salaries	**3,540**	4,086
Social security costs	**342**	385
Other pension costs	**198**	144
	4,080	4,615

The average monthly number of employees, including directors, during the year by activity was as follows

	2012	2011
	Number	Number
Administration	**20**	26
Production	**70**	94
Distribution	**15**	17
	105	137

The directors did not receive any emoluments during the year in respect of their services to the company (2011 £nil)

3 Exceptional costs

During the year a restructuring exercise was announced as a result of the reduced volumes being produced at the site Costs incurred during the year were £431,000 and provisions were put in place to cover the remaining expected costs of this exercise, which included a redundancy provision of £100,000, onerous lease provision of £197,000, dilapidation costs of £62,000 and equipment reconfiguration costs of £460,000

4 Operating loss

	2012	2011
	£'000	£'000
The operating loss is stated after charging/(crediting)		
Operating leases - plant and machinery	**758**	795
Depreciation		
- owned assets	**2,252**	1,927
Impairment	**149**	-
Auditors' remuneration		
- audit fee	**34**	34
Government grants	**(70)**	(19)
Foreign currency profit	**22**	(176)

5 Interest payable and similar charges

	2012	2011
	£'000	£'000
Bank interest	**45**	16
Group interest	**1,986**	1,750
	2,031	1,766

6 Tax on loss on ordinary activities

	2012	2011
	£'000	£ 000
Current tax	-	-

Factors affecting the tax credit for the year
The tax assessed for the year is lower (2011 lower) than the standard rate of corporation tax in the UK of 24 5% (2011 26 5%) The differences are explained below

	2012	2011
	£'000	£'000
Loss on ordinary activities before taxation	**(6,038)**	(6,067)
Loss on ordinary activities multiplied by standard United Kingdom tax rate of 24 5% (2011 26 5%)	**(1,479)**	(1,608)
Factors affecting charge for the year		
Net of expenses not deductible for tax purposes and income not taxable	**260**	17
Tax losses not recognised	**680**	761
Capital allowances in excess of depreciation	**557**	830
Other timing differences	**(18)**	-
Total current tax credit for the year	-	-

Factors that may affect future tax charges
The standard rate of corporation tax in the UK changed from 26% to 24% with effect from 1 April 2012 A further reduction in this corporation tax rate effective on 1 April 2013 from 24% to 23% was substantively enacted on 3 July 2012 Accordingly, the Company's results for this accounting period are taxed at an effective rate of 24 5%

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 2013 UK Budget Statement Changes to the corporation tax rate on 1 April 2013, expected to be substantively enacted in July 2013, will reduce to the rate for that year to 23%, a 1% reduction from the rate previously enacted Further reductions to the main rate are proposed to reduce the rate by 1% per annum to 20% by 1 April 2015 These are expected to be enacted separately each year

A deferred tax asset of £4,514,000 (2011 £3,680,000), relating to losses and capital allowances for the company, has not been recognised as the directors consider that it is more likely than not that the losses will not be surrendered as group relief or there will be insufficient taxable profits in the future such as to realise this deferred tax asset

7 Tangible fixed assets

	Freehold land and buildings	Plant and machinery	Computers	Motor vehicles	Total
	£'000	£'000	£'000	£'000	£'000
Cost					
At 1 January 2012	2,971	21,390	970	18	25,349
Additions	38	1,210	51	-	1,299
Disposals	(7)	(2,586)	(326)	-	(2,919)
At 31 December 2012	**3,002**	**20,014**	**695**	**18**	**23,729**
Accumulated depreciation					
At 1 January 2012	1,096	9,937	635	18	11,686
Charge for the year	104	1,996	130	-	2,230
Impairment	-	149	-	-	149
Disposals	(135)	(2,446)	(277)	-	(2,858)
At 31 December 2012	**1,065**	**9,636**	**488**	**18**	**11,207**
Net book value					
At 31 December 2012	**1,937**	**10,378**	**207**	**-**	**12,522**
At 31 December 2011	1,875	11,453	335	-	13,663

8 Stocks

	2012	2011
	£'000	£'000
Raw materials and consumables	**2,708**	2,334
Finished goods and goods held for resale	**1,691**	1,879
	4,399	4,213

9 Debtors

	2012	2011
	£'000	£'000
Trade debtors	**6,866**	6,074
Other debtors	**27**	40
Prepayments	**68**	173
	6,961	6,287

10 Creditors: amounts falling due within one year

	2012	2011
	£'000	£'000
Bank overdraft (see note 11)	**336**	2,507
Trade creditors	**5,703**	5,160
Loans owed to parent undertaking (see note 11)	**21,216**	19,230
Other amounts owed to group undertakings	**3,705**	156
Other creditors	**12**	65
Taxation and social security	**553**	451
Accruals	**2,354**	1,212
Provision for restructuring	**819**	-
	34,698	28,781

11 Borrowings

	2012	2011
	£'000	£'000
Overdraft	**336**	2,507
Loans owed to parent undertaking	**21,216**	19,230
Due within one year or less or on demand	**21,552**	21,737

Amounts owed to parent undertaking relates to a loan from Refresco Holdings GB Limited which attracts interest at an average of 7 26% (2011 6 27%)

12 Pension contributions

The company operates two pension plans for its employees the Refresco Limited (formerly Histogram Limited) Final Salary Plan (the "Final Salary Plan"), which is a defined benefit occupational pension scheme and the Refresco Limited (formerly Histogram Limited) Money Purchase Plan (The "Money Purchase Plan"), which is a defined contribution stakeholder pension scheme

The cost of company contributions into the defined contribution pension scheme was £198,000 (2011 £144,000) The amount prepaid at the year-end was £nil (2011 £nil)

The Final Salary Plan was discontinued on 31 December 2005 and all current employee members were offered membership of the Money Purchase Plan with effect from 1 January 2006

The assets of the Final Salary Plan and the Money Purchase Plan are held separately from the assets of the company and are administered by trustees and managed professionally

The net pension asset for the Final Salary Plan is derived from the market value of the assets and the value of the liabilities, after offsetting deferred tax

The value of the scheme's liabilities has been determined by a qualified actuary based on the results of the actuarial valuation as at 1 June 2011 updated to the balance sheet date The principal assumptions used in valuing the pension liabilities were

	2012	2011
Rate of increase in salaries		
Rate of increase of pensions in payment	**2.75%**	2 90%
Discount rate	**4.50%**	4 80%
Inflation assumption	**2.75%**	2 90%

The mortality assumptions used were as follows

	2012	2011
	Years	Years
Longevity at age 65		
- Men	**21.9**	21 8
- Women	**24.1**	24 3
Longevity at age 45		
- Men	**23.7**	23 7
- Women	**26 1**	26 1

12 Pension contributions (continued)

The assets in the scheme and the expected rate of return were

	Expected rate of return 2012	**Value 2012 £'000**	Expected rate of return 2011	Value 2011 £ 000
Equities	**7.25%**	**2,082**	7 25%	1,913
Bonds	**4.10%**	**3,511**	4 70%	3,335
Gilts	**2.70%**	**119**	-	-
Cash	**3.00%**	**238**	3 15%	219
Total market value of assets		**5,950**		5,467
Present value of plan liabilities		**(6,053)**		(5,677)
Deficit in scheme		**(103)**		(210)
Related deferred tax		**24**		53
Net pension liability		**(79)**		(157)

Analysis of the amounts charged to the profit and loss

	2012 £'000	2011 £'000
Analysis of the amount charged to operating profit:		
Current service cost	-	-
Analysis of the amount credited to other finance income:		
Expected return on pension scheme assets	**297**	324
Interest on pension scheme liabilities	**(268)**	(285)
Net other finance income	**29**	39

Reconciliation of the present value of the scheme liabilities

	2012 £'000	2011 £ 000
Scheme liabilities as at 1 January	**(5,677)**	(5,118)
Interest	**(268)**	(285)
Actuarial loss	**(301)**	(521)
Benefits paid	**193**	247
Scheme liabilities as at 31 December	**(6,053)**	(5,677)

12 Pension contributions (continued)

Reconciliation of the fair value of scheme assets

	2012	2011
	£'000	£'000
Scheme assets at 1 January	**5,467**	5,454
Expected return on assets	**297**	324
Actuarial gain/(loss)	**334**	(109)
Employer contributions	**45**	45
Benefits paid	**(193)**	(247)
Scheme assets as at 31 December	**5,950**	5,467

The expected return is based on the average value of the assets over the year (allowing for income in and out) and is calculated using the long-term average rate of return expected over the remaining term of the scheme's liabilities The long-term average rate of return expected is determined by considering the past and likely future performance of assets held in the scheme

Amounts for current and previous years

	2012	2011	2010	2009	2008
	£'000	£'000	£'000	£'000	£ 000
Market value of plan assets	**5,950**	5,467	5,454	5,011	4,405
Plan liabilities	**(6,053)**	(5,677)	(5,118)	(5,398)	(4,027)
(Deficit)/assets in scheme	**(103)**	(210)	336	(387)	378
Experience adjustments on plan assets	**301**	(109)	220	389	(956)
Changes in assumptions and experience adjustments on plan liabilities	**(334)**	(521)	424	(1,276)	1,052

Cumulative amounts recognised in the statement of total recognised gains and losses

	2012	2011
	£'000	£'000
Cumulative amount as at 1 January	**(882)**	(588)
Actuarial gain/(loss)	**33**	(630)
Reversal of cumulative restriction on recognition of assets	**-**	336
Cumulative amount as at 31 December	**(849)**	(882)

The company expects to contribute £45,000 to the scheme in the year to 31 December 2012

13 Called up share capital

	2012	2011
	£'000	£'000
Authorised		
120,000 (2011 120,000) ordinary shares of £1 each	**120**	120
Allotted and fully paid		
120,000 (2011 120,000) ordinary shares of £1 each	**120**	120

14 Reserves

	Profit and loss account	Capital contribution
	£'000	£'000
At 1 January 2012	(13,849)	10,000
Loss for the financial year	(6,038)	-
Actuarial gain relating to the pension scheme	33	-
Movement on deferred tax in relation to pension scheme	(29)	-
At 31 December 2012	**(19,883)**	**10,000**

15 Reconciliation of movements in shareholders' deficit

	2012	2011
	£'000	£'000
Loss for the financial year	**(6,038)**	(6,067)
Actuarial gain/(loss) relating to the pension scheme	**33**	(630)
Capital contribution	-	10,000
Reversal of cumulative restriction on recognition of pension asset	-	336
Movement on deferred tax in relation to pension scheme	**(29)**	53
Net (decrease from)/increase to shareholders' deficit	**(6,034)**	3,692
Opening shareholders' deficit	**(3,729)**	(7,421)
Closing shareholders' deficit	**(9,763)**	(3,729)

16 Operating lease obligations

At 31 December 2012 the company was committed to making the following payments during the next year in respect of operating leases

	Other 2012	Other 2011
	£'000	£'000
Expiring within one year	**630**	593
Expiring within two to five years	**98**	189
	728	782

17 Related party transactions

The company has taken advantage of the exemption available to subsidiary undertakings in FRS 8 ('Related party disclosures') which allows it not to disclose transactions with other group entities or investees of the group qualifying as related parties

18 Ultimate parent company and controlling party

The immediate parent undertaking is Refresco Holdings GB Limited

The ultimate parent company and controlling party is Refresco Group B V , a company incorporated in the Netherlands

Refresco Group B V is the parent undertaking of the largest and smallest group to consolidate these financial statements as at 31 December 2012 Copies of the consolidated financial statements of Refresco Group B V can be obtained from Refresco Group B V , Fascinatio Boulevard 270, 3065 WB Rotterdam, The Netherlands

19 Post balance sheet events

On 16 April 2013 it was announced that the Refresco group will merge with Gerber Emig, subject to the approval of the competition authorities, with the new corporate name of the Group being Refresco Gerber

The envisioned transaction will be executed through a new group with the founding shareholder of Gerber Emig and the shareholders of Refresco retaining their shareholdings, Gerber Emig shareholders will own 30% of the shares in the new group and Refresco shareholders will own 70% of the shares