Refresco Limited

Annual report and financial statements for the year ended 31 December 2010

Registered number 04021465

WEDNESDAY

A83QQXQO
A42 21/09/2011 100
COMPANIES HOUSE

Refresco Limited

Annual report and financial statements for the year ended 31 December 2010

Contents

Directors and advisers	1
Directors' report for the year ended 31 December 2010	2
Independent auditors' report to the members of Refresco Limited	5
Profit and loss account for the year ended 31 December 2010	6
Statement of total recognised gains and losses for the year ended 31 December 2010	7
Balance sheet as at 31 December 2010	8
Statement of accounting policies	9
Notes to the financial statements for the year ended 31 December 2010	11

Refresco Limited

Directors and advisers

Directors
Aart Duijzer
Refresco BV
Louise Atack
Robert Tomsa

Company secretary
Aart Duijzer

Registered office
Belmont Industrial Estate
County Durham
DH1 1ST

Bankers
Fortis Bank SA-NV UK Branch
Camomile Court
London
EC3A 7PP

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 2010

The directors present their annual report and the audited financial statements of the company for the year ended 31 December 2010

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

Review of the business and future developments
The company continues to grow strongly in a very competitive market The company is successful in broadening its product mix and expanding its customer base, however at a lower margin

The expansion is supported by investments in new production lines In the year the company incurred additional cost while starting up these new lines Cost for the start-up of the production lines and a cost for underutilisation have eroded the company's profit margins For coming years the company will work to increase the productivity and efficiency of these recent investments

The future strategy of the business will remain unchanged The company will continue to invest in its capital base in order to continue to grow its volume, whilst expanding both product and customer portfolio

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/cash flow risk - the company is exposed to liquidity risk/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

Refresco Limited

Results and dividends
The results for the year are set out on page 6 A dividend was not paid during the year (2009 £nil) and the directors do not recommend a final dividend (2009 £nil)

Directors
The directors who held office during the year and up to the date of signing the financial statements were

Aart Duijzer
Refresco BV
Marnie Millard (resigned 03/12/10)
Stephen Elder (resigned 24/11/10)
Louise Atack (appointed 04/01/10)
Robert Tomsa (appointed 22/09/10)

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 elected to prepare 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 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

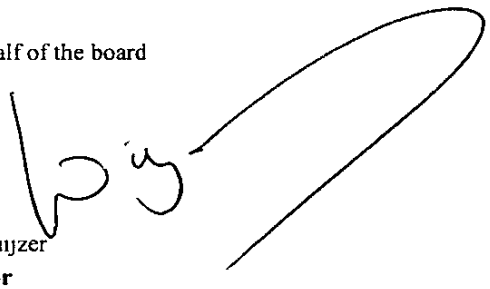
Refresco Limited

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

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

On behalf of the board



Aart Duijzer
Director

5 September 2011

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 2010 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

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 2010 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

Jonathan Greenaway (Senior Statutory Auditor)
For and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Newcastle upon Tyne

06 September 2011

Refresco Limited

Profit and loss account for the year ended 31 December 2010

	Note	2010 £'000	2009 £'000
Turnover	1	**43,052**	33,219
Cost of sales		**(33,294)**	(25,133)
Gross profit		**9,758**	8,086
Administrative expenses		**(14,647)**	(10,980)
Operating loss	3	**(4,889)**	(2,894)
Interest receivable and similar income	4	**4**	2
Interest payable and similar charges	5	**(694)**	(280)
Other finance income	15	**34**	77
Loss on ordinary activities before taxation		**(5,545)**	(3,095)
Tax on loss on ordinary activities	6	**-**	169
Loss for the financial year	16	**(5,545)**	(2,926)

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 2010

	Note	2010 £'000	2009 £'000
Loss for the financial year		**(5,545)**	(2,926)
Actuarial gain/ (loss) relating to the pension scheme	15	**644**	(887)
Restriction on recognition of asset	15	**(336)**	-
Reversal of cumulative restriction on recognition of asset	15	-	378
Total recognised gains and losses for the financial year		**(5,237)**	(3,435)

Refresco Limited

Balance sheet as at 31 December 2010

	Note	2010 £'000	2009 £'000
Fixed assets			
Tangible assets	7	**16,170**	11,001
Current assets			
Stocks	8	**4,738**	3,120
Debtors	9	**6,821**	6,329
Cash at bank and in hand		**2,336**	1,708
		13,895	11,157
Creditors: amounts falling due within one year	10	**(37,461)**	(23,910)
Net current liabilities		**(23,566)**	(12,753)
Total assets less current liabilities		**(7,396)**	(1,752)
Creditors: amounts falling due after more than one year	11	**(25)**	(45)
Net assets excluding pension liability		**(7,421)**	(1,797)
Pension liability	15	-	(387)
Net liabilities		**(7,421)**	(2,184)
Capital and reserves			
Called up share capital	14	**120**	120
Profit and loss account	16	**(7,541)**	(2,304)
Total shareholders' deficit	17	**(7,421)**	(2,184)

These financial statements on pages 6 to 22 were approved by the board of directors on 5 September 2011 and are signed on their behalf by

Aart Duijzer
Director

Refresco Limited **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

Cash flow statement
The company is a wholly owned subsidiary company of a group headed by Refresco Holding BV, 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 'Cash flow statements (revised 1996)' 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 Revenue 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% 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 Where necessary provision is made for obsolete, slow moving and defective stocks Cost is determined on a first in first out basis

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
Where the company enters into a lease which entails taking substantially all the risks and rewards of ownership of an asset, the lease is treated as a "finance lease' The asset is recorded in the balance sheet as a tangible fixed asset and is depreciated over its estimated useful life or the term of the lease, whichever is shorter Future instalments under such leases, net of finance charges, are included within creditors Rentals payable are apportioned between the finance element, which is charged to the profit and loss account, and the capital element which reduces the outstanding obligation for future instalments

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

Notes to the financial statements for the year ended 31 December 2010

1 Turnover

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

2 Employees and directors' emoluments

	2010	2009
	£'000	£'000
Wages and salaries	**3,859**	2,874
Social security costs	**396**	305
Other pension costs	**152**	200
	4,407	3,379

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

	2010	2009
	Number	Number
Administration	**24**	14
Production	**102**	74
Distribution	**21**	19
	147	107

Directors' emoluments

	2010	2009
	£'000	£'000
Aggregate directors' emoluments	**377**	284
Company contributions to money purchase pension schemes	**17**	7
Compensation for loss of office	**8**	-
	402	291

During the year one director (2009 one) accrued benefits under a money purchase pension scheme

2 Employees and directors' emoluments (continued)

Highest paid director		
Aggregate emoluments	**93**	95
Defined benefit pension scheme	**9**	9

3 Operating loss

	2010	2009
	£'000	£'000
The operating loss is stated after charging/(crediting)		
Operating leases - plant and machinery	**505**	453
Depreciation		
- owned assets	**2,338**	1,298
- leased assets	**482**	222
Auditors' remuneration		
- audit fee	**34**	32
Government grants	**(20)**	(22)
Foreign currency profit	**(148)**	(219)

4 Interest receivable and similar income

	2010	2009
	£'000	£'000
Bank interest	**4**	2

5 Interest payable and similar charges

	2010	2009
	£'000	£'000
Bank interest	**8**	30
Group interest	**686**	250
	694	280

6 Tax on loss on ordinary activities

	2010	2009
	£'000	£'000
Current taxation		
United Kingdom corporation tax on losses of the year	-	-
Adjustment in respect of previous years	-	-
Total current tax	-	-
Deferred taxation		
Origination and reversal of timing differences (note 14)	-	(169)
Adjustment in respect of previous years	-	-
Total deferred tax	-	(169)
Tax on loss on ordinary activities	-	(169)

Factors affecting the tax credit for the year
The tax assessed for the year is lower (2009 lower) than the standard rate of corporation tax in the UK of 28% (2009 28%) The differences are explained below

	2010	2009
	£'000	£'000
Loss on ordinary activities before taxation	**(5,545)**	(3,095)
Tax on loss on ordinary activities at standard United Kingdom tax rate of 26 5% (2009 28 5%)	**(1,469)**	(882)
Factors affecting charge for the year		
Expenses not deductible for tax purposes	**93**	594
Tax losses not recognised	**617**	-
Capital allowances less than depreciation	**712**	275
Other timing differences	**47**	13
Current tax credit for the year	-	-

Factors that may affect future tax charges
A number of changes to the UK Corporation tax system were announced in the June 2010 Budget Statement The Finance Act (No 2) 2010 is expected to include legislation to reduce the main rate of corporation tax from 28% to 27% from 1 April 2011 Further reductions to the main rate are proposed to reduce the rate by 1% per annum to 24% by 1 April 2014 The changes had not been substantively enacted at the balance sheet date and, therefore, are not included in these financial statements

7 Tangible assets

	Freehold land and buildings	Plant and machinery	Computers	Motor vehicles	Total
	£'000	£'000	£'000	£'000	£'000
Cost					
At 1 January 2010	2,850	12,992	822	18	16,682
Additions	14	8,008	-	-	8,022
Disposals	-	-	(33)	-	(33)
At 31 December 2010	**2,864**	**21,000**	**789**	**18**	**24,671**
Accumulated depreciation					
At 1 January 2010	915	4,288	463	15	5,681
Charge for the year	89	2,660	68	3	2,820
At 31 December 2010	**1,004**	**6,948**	**531**	**18**	**8,501**
Net book value					
At 31 December 2010	**1,860**	**14,052**	**258**	**-**	**16,170**
At 31 December 2009	1,935	8,704	359	3	11,001

Plant and machinery includes plant and machinery held under finance leases The net book value of assets held under finance lease at the year end is £869,808 (2009 £1,372,605)

8 Stocks

	2010	2009
	£'000	£'000
Raw materials and consumables	**2,908**	1,519
Finished goods and goods held for resale	**1,830**	1,601
	4,738	3,120

9 Debtors

	2010	2009
	£'000	£'000
Trade debtors	**6,297**	5,205
Amounts owed by group undertakings	**105**	15
Other debtors	**83**	390
Prepayments	**336**	719
	6,821	6,329

10 Creditors: amounts falling due within one year

	2010	2009
	£'000	£ 000
Bank overdraft (see note 12)	**1,397**	2,116
Finance lease (see note 12)	**-**	47
Trade creditors	**6,506**	4,830
Loans owed to parent undertaking (see note 12)	**27,514**	15,172
Other amounts owed to group undertakings	**235**	123
Other taxation and social security	**559**	580
Accruals	**1,056**	994
Other creditors	**194**	48
	37,461	23,910

11 Creditors: amounts falling due after more than one year

	2010	2009
	£'000	£'000
Accruals and deferred income	25	45

12 Borrowings

	2010	2009
	£'000	£ 000
Overdraft	1,397	2,116
Finance leases	-	47
Loans owed to parent undertakings	27,514	15,172
	28,911	17,335
Due within one year or less or on demand	28,911	17,335

Finance leases are secured by a charge on the leased assets

Loans owed to parent undertakings are unsecured and interest free

	2010	2009
	£'000	£'000
Analysis of finance leases:		
In less than one year	-	47

13 Provisions for liabilities

	2010	2009
	£'000	£'000
Deferred taxation	-	-
Balance at 1 January	-	169
Credited to the profit and loss account	-	(169)
Balance at 31 December	-	-

Deferred taxation for which provision has been made in the financial statements are as follows

	2010	2009
	£'000	£'000
Accelerated capital allowances	-	-
Losses	-	-
Timing differences	-	-
	-	-

The company has an unrecognised deferred tax asset of £2,121,000 (2009 £881,000)

14 Called up share capital

	2010	2009
	£'000	£'000
Authorised		
120,000 ordinary shares of £1 each	**120**	120
Allotted and fully paid		
120,000 ordinary shares of £1 each	**120**	120

15 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 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 2008 updated to the balance sheet date The principal assumptions used in valuing the pension liabilities were

	2010	2009
Rate of increase in salaries	**-**	-
Rate of increase of pensions in payment	**3 30%**	3 50%
Discount rate	**5.70%**	5 70%
Inflation assumption	**3.40%**	3 50%

The mortality assumptions used were as follows

	2010	2009
	Years	Years
Longevity at age 65		
- Men	**21.7**	21 5
- Women	**24 2**	24 1
Longevity at age 45		
- Men	**23.6**	23 5
- Women	**26.0**	26 0

15 Pension contributions (continued)

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

	Expected rate of return 2010	**Value 2010 £'000**	Expected rate of return 2009	Value 2009 £ 000
Equities	**7.25%**	**2,230**	8 50%	2,061
Bonds	**5.40%**	**3,022**	5 70%	2,804
Cash	**3.65%**	**202**	3 75%	146
Total market value of assets		**5,454**		5,011
Present value of plan liabilities		**5,118**		(5,398)
Surplus/(deficit) in scheme		**336**		(387)
Related deferred tax		-		-
Restriction on recognition of asset		**(336)**		-
Net pension asset/(liability)		-		(387)

Analysis of the amounts charged to the profit and loss

	2010 £'000	2009 £'000
Analysis of the amount charged to operating profit:		
Current service cost	-	-
Analysis of the amount credited to other finance costs:		
Expected return on pension scheme assets	**337**	330
Interest on pension scheme liabilities	**(303)**	(253)
Net other finance costs	**34**	77

Reconciliation of the present value of the scheme liabilities

	2010 £'000	2009 £'000
Scheme liabilities as at 1 January	**(5,398)**	(4,027)
Interest	**(303)**	(253)
Actuarial gain/(loss)	**424**	(1,276)
Benefits paid	**159**	158
Scheme liabilities as at 31 December	**(5,118)**	(5,398)

15 Pension contributions (continued)

Reconciliation of the fair value of scheme assets

	2010	2009
	£'000	£'000
Scheme assets at 1 January	**5,011**	4,405
Expected return on assets	**337**	330
Actuarial gain	**220**	389
Employer contributions	**45**	45
Benefits paid	**(159)**	(158)
Scheme assets as at 31 December	**5,454**	5,011

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

	2010	2009	2008	2007	2006
	£'000	£'000	£ 000	£'000	£'000
Market value of plan assets	**5,454**	5,011	4,405	5,389	5,425
Plan liabilities	**(5,118)**	(5,398)	(4,027)	(5,142)	(5,604)
Assets/(deficit) in scheme	**336**	(387)	378	247	(179)
Experience adjustments on plan assets	**220**	389	(956)	(12)	(20)
Experience adjustments on plan liabilities	**(12)**	(3)	128	86	(283)

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

	2010	2009
	£'000	£'000
Cumulative amount as at 1 January	**(896)**	(387)
Actuarial gain	**644**	(887)
Restriction on recognition of asset	**(336)**	-
Reversal of cumulative restriction on recognition of assets	**-**	378
Cumulative amount as at 31 December	**(588)**	(896)

The company expects to contribute £45,000 to the scheme in the year to 31 December 2010

15 Pension contributions (continued)

Defined contribution pension scheme
During the year the company participated in a defined contribution pension scheme The cost of contributions in the year was £146,300 (2009 £200,505) The amount prepaid at the year end was £nil (2009 £nil) The amounts were included within prepayments

16 Profit and loss account

	£'000
At 1 January 2010	**(2,304)**
Loss for the financial year	**(5,545)**
Actuarial loss relating to the pension scheme	**644**
Restriction on recognition of asset	**(336)**
At 31 December 2010	**(7,541)**

17 Reconciliation of movements in shareholders' funds

	2010	2009
	£'000	£'000
Loss for the financial year	**(5,545)**	(2,926)
Actuarial gain relating to the pension scheme	**644**	(887)
Pension movement relating to restriction on recognition of assets	**(336)**	378
Net reduction to shareholders' deficit	**(5,237)**	(3,435)
Opening shareholders' deficit	**(2,184)**	1,251
Closing shareholders' deficit	**(7,421)**	(2,184)

18 Operating lease obligations

At 31 December 2010 the company was committed to making the following payments during the next year in respect of operating leases

	Other 2010	Other 2009
	£'000	£'000
Expiring within one year	-	-
Expiring within two to five years	505	121
	505	121

19 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

20 Ultimate parent company and controlling party

The immediate parent undertaking is Histogram Holdings Limited

The ultimate parent company and controlling party is Refresco Holding BV, a company incorporated in the Netherlands

Refresco Holding BV is the parent undertaking of the largest and smallest group to consolidate these financial statements as at 31 December 2010 Copies of the consolidated financial statements of Refresco Holding BV can be obtained from Refresco Holding BV, Fascination Boulevard 270-272, 3065 WB Rotterdam, The Netherlands