Refresco Limited

Directors' report and financial statements for the year ended 31 December 2013

Registered number 04021465

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Refresco Limited

Directors' report and financial statements

for the year ended 31 December 2013

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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
Central Square South
Orchard Street
Newcastle upon Tyne
NE1 3AZ

Refresco Limited

Strategic report for the year ended 31 December 2013

The directors present their strategic report for the year ended 31 December 2013.

Principal activity
The principal activity of the company was the manufacture of soft drinks. Following the year end all production has been transferred from Durham to Bridgewater and this company has creased to trade. The company is expected to be liquidated in 2014.

Review of the business and future developments
On 16 April 2013 it was announced that the Refresco group would merge with Gerber Emig, subject to the approval of the competition authorities. This was approved on 12 November 2013. This merger provided 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. However on 14 November 2013 it was announced that the Refresco site in Durham would be closing after the year end and production would be transferred to Gerber in Bridgewater. This has resulted in a significant exceptional item in the profit and loss account to account for the restructure.

Results and dividends
The results for the year are set out on page 7. A dividend was not paid during the year (2012: £nil) and the directors do not recommend a final dividend (2012: £nil).

Going concern
The directors have transferred the company's assets and liabilities to another Group company and intend to liquidate the company in 2014. Accordingly, the company is not regarded as a going concern and the directors have prepared the financial statements on a basis other than a going concern basis. This has resulted in adjustments being made to the year-end stock balance to reduce the value to the recoverable amount. No other adjustments were made to the carrying value of the company's assets and liabilities as at 31 December 2013 apart from the classification of non current assets and liabilities to current.

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 were considered to relate to competition from both national and independent manufacturers and suppliers, employee retention, and product availability. These risks have reduced post year end as production has been transferred to Bridgewater.

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 was exposed to a variety of financial risks. The main exposures were as a result of:

Price risk - as the company used raw materials in its manufacturing process any rises in price would harm the company's margins.

Credit risk – at the year end the company held significant amounts of trade debtors which gave rise to a financial risk due to the potential default of customers.

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

Strategic report for the year ended 31 December 2013 (continued)

Financial risk management (continued)
Foreign exchange risk - the company was exposed to foreign exchange risk through trading in overseas currency.

The company managed 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 was managed through the use of options at a group level.

These risks have reduced post year end as production has been transferred to Bridgewater.

On behalf of the Board

Aart Duijzer
Director

5/11/2014

Refresco Limited

Directors' report for the year ended 31 December 2013

The directors present their report and the audited financial statements of the company for the year ended 31 December 2013.

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 Strategic Report, Directors' Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards 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.

Disclosure of information to auditors
The directors confirm that as far as they are aware, there is no relevant audit information of which the company's auditors are unaware and that they have taken all steps necessary as directors 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

5/11/2014

Refresco Limited

Independent auditors' report to the members of Refresco Limited

Report on the financial statements

Our opinion
In our opinion, Refresco Limited's financial statements (the "financial statements"):

- give a true and fair view of the state of the company's affairs as at 31 December 2013 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.

Emphasis of matter - Basis of preparation
In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosure made in the statement of accounting policies concerning the basis of accounting. Following the year end the Directors have decided that the company will be liquidated in 2014. Accordingly, the going concern basis of accounting is no longer appropriate and the financial statements have been prepared on a basis other than going concern as described in the statement of accounting policies. Adjustments have been made in these financial statements to reduce assets to their realisable values, provide for liabilities arising from the decision and to reclassify fixed assets to current assets.

What we have audited
The financial statements, which are prepared by Refresco Limited, comprise:

- the balance sheet as at 31 December 2013;
- the profit and loss account for the year then ended;
- the statement of total recognised gains and losses for the year then ended;
- the statement of accounting policies; and
- the notes to the financial statements, which include other explanatory information.

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).

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

Opinion on other matter prescribed by the Companies Act 2006
In our opinion the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received
Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Independent auditors' report to the members of Refresco Limited (continued)

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

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors
As explained more fully in the Statement of Directors' Responsibilities set out on page 4, 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 ISAs (UK & Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's 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.

What an audit of financial statements involves
We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) ("ISAs (UK & Ireland)"). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the directors; and
- the overall presentation of the financial statements.

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

Bill MacLeod

Bill MacLeod (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Newcastle upon Tyne
5 November 2014

Refresco Limited

Profit and loss account for the year ended 31 December 2013

	Note	2013 £'000	2012 £'000
Turnover	1	**43,089**	43,300
Cost of sales		**(33,821)**	(33,870)
Gross profit		**9,268**	9,430
Administrative expenses before exceptional costs		**(11,036)**	(13,466)
Exceptional costs	3	**(12,047)**	-
Total administrative expenses		**(23,083)**	(13,466)
Operating loss	4	**(13,815)**	(4,036)
Interest payable and similar charges	5	**(2,149)**	(2,031)
Other finance income	13	**34**	29
Loss on ordinary activities before taxation		**(15,930)**	(6,038)
Tax on loss on ordinary activities	6	**-**	-
Loss for the financial year	15	**(15,930)**	(6,038)

All activities derive from discontinuing 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 2013

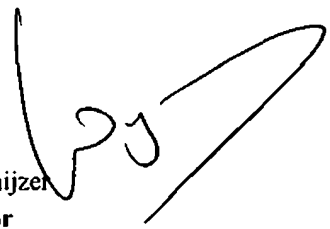
	Note	2013 £'000	2012 £'000
Loss for the financial year		**(15,930)**	(6,038)
Actuarial (loss)/gain relating to the pension scheme	13	**(445)**	33
Movement on deferred tax in relation to pension scheme	13	**70**	(29)
Total recognised gains and losses for the financial year		**(16,305)**	(6,034)

Refresco Limited

Balance sheet as at 31 December 2013

	Note	2013 £'000	2012 £'000
Fixed assets			
Tangible assets	7	-	12,522
Current assets			
Tangible assets	7	**2,882**	-
Stocks	8	**3,296**	4,399
Debtors	9	**8,698**	6,961
Cash at bank and in hand		**1,763**	1,132
		16,639	12,492
Creditors: amounts falling due within one year	10	**(39,331)**	(33,879)
Net current liabilities		**(23,692)**	(21,387)
Total assets less current liabilities		**(22,692)**	(8,865)
Provisions for liabilities	12	**(2,999)**	(819)
Pension liability	13	**(377)**	(79)
Net liabilities		**(26,068)**	(9,763)
Capital and reserves			
Called up share capital	14	**120**	120
Capital contribution reserve	15	**10,000**	10,000
Profit and loss account	15	**(36,188)**	(19,883)
Total shareholders' deficit	16	**(26,068)**	(9,763)

These financial statements on pages 7 to 22 were approved by the Board of directors on 5/11/2014 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 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 are set out below.

Going concern
The directors have transferred the company's assets and liabilities to another Group company and intend to liquidate the company in 2014. Accordingly, the company is not regarded as a going concern and the directors have prepared the financial statements on a basis other than a going concern basis. This has not resulted in any adjustments made to the carrying value of the company's assets and liabilities as at 31 December 2013 apart from the classification of non current assets and liabilities to current.

The comparative financial information continues to be prepared on a 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.

Statement of accounting policies (continued)

Deferred taxation (continued)
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 could be transferred to Bridgewater. Stocks are held at recoverable value.

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.

Notes to the financial statements for the year ended 31 December 2013

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

	2013	2012
	£'000	£'000
Wages and salaries	**3,209**	3,540
Social security costs	**295**	342
Other pension costs (note 13)	**164**	198
	3,668	4,080

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

	2013	2012
	Number	Number
Administration	**18**	20
Production	**66**	70
Distribution	**12**	15
	96	105

The directors did not receive any emoluments during the year in respect of their services to the company (2012: £nil).

Notes to the financial statements for the year ended 31 December 2013 (continued)

3 Exceptional costs

During the year a restructuring provision was put in place following the announcement of the closure for the Durham site.

The total amount charged to the profit and loss account was £12,047,000. This included £7,960,000 in relation to impairment of fixed assets. £1,088,000 was incurred during the year and a provision remains at the year end of £2,999,000 (note 12).

4 Operating loss

	2013	2012
	£'000	£'000
The operating loss is stated after charging/(crediting):		
Operating leases - plant and machinery	547	758
Depreciation:		
- owned assets	1,916	2,252
Impairment	7,960	149
Auditors' remuneration:		
- audit fee	42	34
Government grants	(57)	(70)
Foreign currency (profit)/loss	(340)	22

5 Interest payable and similar charges

	2013	2012
	£'000	£'000
Bank interest	227	45
Group interest	1,922	1,986
	2,149	2,031

Notes to the financial statements for the year ended 31 December 2013 (continued)

6 Tax on loss on ordinary activities

	2013	2012
	£'000	£'000
Current tax	-	-

Factors affecting the tax credit for the year
The tax assessed for the year is higher (2012: higher) than the standard rate of corporation tax in the UK of 23.25% (2012: 24.5%). The differences are explained below:

	2013	2012
	£'000	£'000
Loss on ordinary activities before taxation	(15,930)	(6,038)
Loss on ordinary activities multiplied by standard United Kingdom tax rate of 23.25% (2012: 24.5%)	(3,704)	(1,479)
Factors affecting charge for the year:		
Net of expenses not deductible for tax purposes and income not taxable	232	260
Tax losses not recognised	1,193	680
Capital allowances in excess of depreciation	2,296	557
Other timing differences	(17)	(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 £6,987,000 (2012: £4,514,000), 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.

Notes to the financial statements for the year ended 31 December 2013 (continued)

7 Tangible fixed assets

	Freehold land and buildings	Plant and machinery	Computers	Motor vehicles	Total
	£'000	£'000	£'000	£'000	£'000
Cost					
At 1 January 2013	3,002	20,014	695	18	23,729
Additions	-	213	23	-	236
At 31 December 2013	**3,002**	**20,227**	**718**	**18**	**23,965**
Accumulated depreciation					
At 1 January 2013	1,065	9,636	488	18	11,207
Charge for the year	103	1,710	103	-	1,916
Impairment	203	7,757	-	-	7,960
At 31 December 2013	**1,371**	**19,103**	**591**	**18**	**21,083**
Net book value					
At 31 December 2013	**1,631**	**1,124**	**127**	**-**	**2,882**
At 31 December 2012	1,937	10,378	207	-	12,522

8 Stocks

	2013	2012
	£'000	£'000
Raw materials and consumables	**1,827**	2,708
Finished goods and goods held for resale	**1,469**	1,691
	3,296	4,399

Notes to the financial statements for the year ended 31 December 2013 (continued)

9 Debtors

	2013	2012
	£'000	£'000
Trade debtors	**8,354**	6,866
Other debtors	**57**	27
Prepayments and accrued income	**287**	68
	8,698	6,961

10 Creditors: amounts falling due within one year

	2013	2012
	£'000	£'000
Bank loans and overdrafts (see note 11)	**10,096**	336
Trade creditors	**3,989**	5,703
Loans owed to parent undertaking (see note 11)	**23,069**	21,216
Other amounts owed to group undertakings	**425**	3,705
Other creditors	**-**	12
Taxation and social security	**527**	553
Accruals	**1,225**	2,354
	39,331	33,879

11 Borrowings

	2013	2012
	£'000	£'000
Overdraft	**10,096**	336
Loans owed to parent undertaking	**23,069**	21,216
Due within one year or less or on demand	**33,165**	21,552

Amounts owed to parent undertaking relates to a loan from Refresco Holdings GB Limited which attracts interest at an average of 7.26% (2012: 7.26%).

Notes to the financial statements for the year ended 31 December 2013 (continued)

12 Provisions for liabilities

	2013
	£'000
At start of year	819
Utilised during the year (note 3)	(1,088)
Additional provision	3,268
Provision for restructuring	2,999

During the year a restructuring provision was put in place following the announcement of the closure for the Durham site.

13 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 £164,000 (2012: £198,000). The amount prepaid at the year-end was £nil (2012: £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:

	2013	2012
Rate of increase of pensions in payment	3.60%	2.75%
Discount rate	4.60%	4.50%
Inflation assumption	3.60%	2.75%

Notes to the financial statements for the year ended 31 December 2013 (continued)

13 Pension contributions (continued)

The mortality assumptions used were as follows:

	2013 Years	2012 Years
Longevity at age 65		
- Men	**22.0**	21.9
- Women	**24.2**	24.1
Longevity at age 45		
- Men	**23.8**	23.7
- Women	**26.2**	26.1

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

	Expected rate of return 2013	Value 2013 £'000	Expected rate of return 2012	Value 2012 £'000
Equities	**7.25%**	**3,062**	7.25%	2,082
Bonds	**4.40%**	**3,115**	4.10%	3,511
Gilts	**3.60%**	**-**	2.70%	119
Cash	**3.60%**	**21**	3.00%	238
Total market value of assets		**6,198**		5,950
Present value of plan liabilities		**(6,669)**		(6,053)
Deficit in scheme		**(471)**		(103)
Related deferred tax		**94**		24
Net pension liability		**(377)**		(79)

Analysis of the amounts charged to the profit and loss

	2013 £'000	2012 £'000
Analysis of the amount credited to other finance income:		
Expected return on pension scheme assets	**300**	297
Interest on pension scheme liabilities	**(266)**	(268)
Net other finance income	**34**	29

Notes to the financial statements for the year ended 31 December 2013 (continued)

13 Pension contributions (continued)

Reconciliation of the present value of the scheme liabilities

	2013	2012
	£'000	£'000
Scheme liabilities as at 1 January	(6,053)	(5,677)
Interest	(268)	(268)
Actuarial loss	(528)	(301)
Benefits paid	180	193
Scheme liabilities as at 31 December	(6,669)	(6,053)

Reconciliation of the fair value of scheme assets

	2013	2012
	£'000	£'000
Scheme assets at 1 January	5,950	5,467
Expected return on assets	300	297
Actuarial gain	83	334
Employer contributions	45	45
Benefits paid	(180)	(193)
Scheme assets as at 31 December	6,198	5,950

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.

Notes to the financial statements for the year ended 31 December 2013 (continued)

13 Pension contributions (continued)

Amounts for current and previous years

	2013	2012	2011	2010	2009
	£'000	£'000	£'000	£'000	£'000
Market value of plan assets	**6,198**	5,950	5,467	5,454	5,011
Plan liabilities	**(6,669)**	(6,053)	(5,677)	(5,118)	(5,398)
(Deficit)/assets in scheme	**(471)**	(103)	(210)	336	(387)
Experience adjustments on plan assets	**83**	301	(109)	220	389
Changes in assumptions and experience adjustments on plan liabilities	**(528)**	(334)	(521)	424	(1,276)

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

	2013	2012
	£'000	£'000
Cumulative amount as at 1 January	**(849)**	(882)
Actuarial (loss)/gain	**(445)**	33
Cumulative amount as at 31 December	**(1,294)**	(849)

The company expects to contribute £45,000 to the scheme in the year to 31 December 2013.

14 Called up share capital

	2013	2012
	£'000	£'000
Authorised		
120,000 (2012: 120,000) ordinary shares of £1 each	**120**	120
Allotted and fully paid		
120,000 (2012: 120,000) ordinary shares of £1 each	**120**	120

Notes to the financial statements for the year ended 31 December 2013 (continued)

15 Reserves

	Profit and loss account £'000	Capital contribution reserve £'000
At 1 January 2013	(19,883)	10,000
Loss for the financial year	(15,930)	-
Actuarial gain relating to the pension scheme	(445)	-
Movement on deferred tax in relation to pension scheme	70	-
At 31 December 2013	**(36,188)**	**10,000**

16 Reconciliation of movements in shareholders' deficit

	2013 £'000	2012 £'000
Loss for the financial year	**(15,930)**	(6,038)
Actuarial gain relating to the pension scheme	**(445)**	33
Movement on deferred tax in relation to pension scheme	**70**	(29)
Net movement to shareholders' deficit	**(16,305)**	(6,034)
Opening shareholders' deficit	**(9,763)**	(3,729)
Closing shareholders' deficit	**(26,068)**	(9,763)

Notes to the financial statements for the year ended 31 December 2013 (continued)

17 Operating lease obligations

At 31 December 2013 the company was committed to making the following payments during the next year in respect of operating leases:

	Other 2013	Other 2012
	£'000	£'000
Expiring within one year	225	630
Expiring within two to five years	-	98
	225	728

18 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.

19 Ultimate parent company and controlling party

The immediate parent undertaking is Refresco Holdings GB Limited.

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

Refresco Gerber B.V. is the parent undertaking of the largest and smallest group to consolidate these financial statements as at 31 December 2013. Copies of the consolidated financial statements of Refresco Gerber B.V. can be obtained from Refresco Gerber B.V., Fascinatio Boulevard 270, 3065 WB Rotterdam, The Netherlands.

20 Post balance sheet events

Production ceased in 2014 and the trade, assets and all the liabilities of the business transferred to Refresco Gerber UK Limited (formerly Gerber Juice Company Limited) with effect from 1 April 2014. As a result of this transfer the former Refresco Limited trade is now continued within what is now Refresco Gerber UK Limited.