Company registered no: 2836071

Cott Beverages Limited

Directors' report and financial statements

for the 52 week period ended 28 December 2013

Cott Beverages Limited

Contents

Cott Beverages Limited

Directors and advisers
for the 52 week period ended 28 December 2013

Directors

Jeremy Hoyle
Gregory Leiter
Trevor Cadden
Matthew Vernon
Mark Grover
Stephen Corby
Joanne Lloyd-Davies

Company Secretary

Squire Patton Boggs Secretarial Services Limited (formerly known as Squire Sanders (UK) LLP)

Company number

2836071

Registered office

Citrus Grove
Side Ley
Kegworth
Derby
DE74 2FJ

Bankers

JP Morgan Chase Bank NA
125 London Wall
London
EC2Y 5AJ

Independent auditors

PricewaterhouseCoopers LLP
Donington Court
Pegasus Business Park
Castle Donington
East Midlands
DE74 2UZ

Cott Beverages Limited

Strategic Report
for the 52 week period ended 28 December 2013

The directors present their strategic report and the audited financial statements of Cott Beverages Limited for the 52 week period ended 28 December 2013.

Principal activity
The principal activity of the Company during the period was the manufacture and sale of soft drinks.

Strategy Report
During the year the overall soft drinks market delivered single digit growth, in both volume and value terms. However, Own Label soft drinks showed single digit declines in both volume and value, whilst Sports & Energy were in double digit decline. In that challenging market environment the Company has sought to protect its core retail business whilst continuing to drive its Sports & Energy business, to develop its own brand portfolio, to broaden its channel presence and also its co-packing business. This strategy helped to mitigate the effects of the market such that revenue decline was only 0.5% over the previous year (52 weeks ending 29 December 2012).

Gross margins slipped back slightly to 17.0% (52 weeks ending 29 December 2012: 17.3%), due to an increase in input prices and the cost of manufacturing. Our strategy on input costs has continued to be, where possible, to fix input prices of key commodities to allow certainty of costs for ourselves and our customers. At the same time the business has continued its focus on managing input costs and its operational efficiency, seeking opportunities to deliver cost or efficiency savings wherever possible.

Our selling, distribution and administration expenses have reduced compared to the prior year, excluding exceptional costs.

The company continues to generate cash from trading and focuses some of its efforts on the careful management of cash throughout the year, in particular the prompt collection of debts and the timing of capital investments. Through this the company is well placed to continue to invest in growth opportunities and also benefits from the wider resources and strength of the Cott group to support growth. During the year the Company increased its investment in its production capacity with the purchase of two PET production lines from the administrators of Silver Spring, one of which was installed into our Kegworth site during the year.

The company also acquired the Calypso Soft Drinks business through the purchase of 100% of the shares in Cooke Bros (Holdings) Ltd as part of our drive to diversify our business beyond the traditional soft drinks categories. Calypso has a strong presence in the Food Service and Schools market, is predominantly a branded business and benefits from production capabilities in formats different to our core business all of which the directors believe will help to deliver further mutual growth under Cott's ownership.

During the year the company also increased it investments in its subsidiaries, receiving a significant income from these investments, and also supported the group as it redeemed a significant proportion of its long term debt. The company will continue to seek opportunities to make further investments, inside and outside the group, and to support the group in its management of its debt financing.

The principal risks facing the business are the continuing declines in the Own Label soft drinks market and the fluctuation of prices of key commodities, in particular those against which we cannot buy forward to give us certainty in our customer pricing. With some commodities this is further complicated by currency fluctuations. We continue to work with our key suppliers to manage this risk and wherever possible to obtain certainty in our cost prices over the short term.

Future developments

The Company will continue with its strategy to support and develop its core retail business, invest in and develop new distribution channels, seek opportunities to drive Sports & Energy category, build its portfolio of brands, whilst also strengthening relationships with major brand owners in the provision of co-packing services.

The Company will continue to make further investments in capacity and flexibility at its production sites in order to allow it to continue to grow sales and to secure contracts with customers and will also make selective investments in new formats or capabilities, to meet proven customer demand, and continue to secure export opportunities that utilise the Company's existing asset base and core strengths.

The Company will continue to seek opportunities to generate growth in revenues, profit and cash flow through strategic acquisitions which support the objective of the company to continue to diversify its product and format capabilities, along with its customer channels.

The directors remain committed to delivering excellent service, stringent cost control and manufacturing efficiency, whilst making selective capital investments. By delivering to the Company's customers both value and service, the directors will seek to increase revenue during the forthcoming year.

Key performance indicators

The key performance measures for the Company are revenue growth, profit growth and cash flow generation. Progress toward achievement of these targets is monitored on a monthly basis by comparing actual and expected volume, sales, margin, cost and working capital performance against the annual budget, periodic re-forecasts and previous periods.

Financial risk management

The Company's operations expose it to a variety of financial risks that include the effects of changes in debt market prices, credit risk, liquidity risk and interest rate cash flow risk. The Company is a participant in the Cott Corporation global credit facility which provides the Company with extra funding capacity. Management also has access to Cott Corporation's Treasury Department that assists in the monitoring and managing of financial risk.

Price risk

The Company's primary risk is its exposure to commodity price risk as a result of its operations. If the Company's operations change in size of nature, the directors revisit price risk to ensure the risks are still being managed appropriately. The Company has no exposure to equity securities price risk as it holds no listed or other equity investments.

Credit risk

The Company has in place policies that require appropriate credit checks on potential customers before sales are made.

Financial risk management (continued)

Liquidity risk

The company manages UK liquidity risk through regular monitoring of performance against forecast and have regular discussions with the ultimate parent company (Cott Corporation) to ensure appropriate funding is in place to meet its commitments.

Foreign exchange risk

The company sells to a number of customers in Europe in currencies other than Sterling; however this is still a small proportion of the overall sales of Cott Beverages Limited and is partially balanced by purchases of ingredients and packaging from European suppliers which means the foreign exchange risk is considered to be immaterial to the business.

Interest rate cash flow risk

The Company has both interest bearing assets and interest bearing liabilities. Interest bearing assets include only cash balances, all of which earn interest at floating rates. The interest bearing liabilities relate to group liabilities which are managed by a Treasury team within the ultimate parent company (Cott Corporation).

By order of the board

Jeremy Hoyle
Director

29 September 2014

Cott Beverages Limited

Directors Report
for the 52 week period ended 28 December 2013

The directors present their directors' report and the audited financial statements of Cott Beverages Limited for the 52 week period ended 28 December 2013.

Results and dividends

The profit and loss account for the period is set out on page 9. The profit for the financial period is £130,913,000 (52 weeks ended 29 December 2012: £11,390,000).

The directors have approved a dividend of £125,237,000 in respect of the current period which was settled on 7th November 2013. (52 weeks ending 29 December 2012: £nil).

Donations

The Company made charitable donations totalling £nil to national charities (52 weeks ending 29 December 2012: £nil).

Directors

The directors, who held office during the period and up to the date of signing these financial statements, unless otherwise stated, are given below:

Greg Leiter
Trevor Cadden
Jeremy Hoyle
Matthew Vernon
Laura Jackson -Resigned 13th August 2014
Mark Grover
Steve Corby – Appointed 11th June 2013
Joanne Lloyd - Davies – appointed 4th September 2013
Michael Turner – Resigned – 4th September 2013
Steven Kitching – Resigned 11th June 2013

Qualifying third-party indemnity insurance was held by all the directors during the period.

Research and development

We continue to invest in developing new products within all markets in which the Company trades. The directors regard innovation as integral to the continuing success of the business and the ongoing growth of all our businesses. The amount spent on research and development in the period was £523,000 (52 weeks ending 29 December 2012: £463,000).

Employees

Applications for employment by disabled persons are always fully considered, bearing in mind the respective aptitudes and abilities of the applicant concerned. All necessary assistance with initial training courses is given, and, in common with all employees, a career plan is prepared so as to maximise individual development opportunities. In the event of members of staff becoming disabled, arrangements are made where possible for retraining, to enable them to perform work identified as appropriate to their aptitudes and abilities. It is the policy of the Company that the training, career development and promotion of a disabled person should, as far as possible, be identical to that of a person who does have a disability.

Consultation with employees or their representatives has continued at all levels, through staff consultation committees and at meetings with the aim of ensuring that their views are taken into account when decisions are made that are likely to affect their interests and that all employees are whole. Communication with employees continues through quarterly briefs and through the use of staff notice boards.

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 period. 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; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditors

In accordance with section 418 of the Companies' Act 2006, the directors confirm that the auditors have been provided with appropriate information, and that:

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

Independent auditors

The auditors, PricewaterhouseCoopers LLP, have indicated their willingness to continue in office and a resolution concerning their re-appointment will be proposed at the Annual General Meeting.

By order of the board

Jeremy Hoyle
Director

29 September 2014

Independent auditors' report to the members of Cott Beverages Limited

Report on the financial statements

Our opinion

In our opinion the financial statements, defined below:

- give a true and fair view of the state of the company's affairs as at 28 December 2013 and of its profit for the period 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.

This opinion is to be read in the context of what we say in the remainder of this report.

What we have audited

The financial statements, which are prepared by Cott Bevearges Limited, comprise:

- the Balance Sheet as at 28 December 2013;
- the Profit and Loss account for the 52 week period to 28 December 2013;
- The Statement of total recognised gains and losses for the 52 week period ended 28 December 2013 and
- the notes to the financial statements, which include a summary of significant accounting policies and 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.

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.

Independent auditors report to the members of Cott Beverages Limited (continued)

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 period 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.

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 6, 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.

Christopher Hibbs (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors

East Midlands
29 September 2014

Cott Beverages Limited

Profit and loss account
for the 52 week period ended 28 December 2013

	Note	52 week period ended 28 December 2013 £'000	52 week period ended 29 December 2012 £'000
Turnover	2	**296,939**	298,505
Cost of sales		**(246,509)**	(246,916)
Gross profit		**50,430**	51,589
Administrative expenses		**(9,648)**	(11,335)
Administrative expenses – exceptional	3	**-**	(1,526)
Administrative expenses – total		**(9,648)**	(12,861)
Selling and distribution expenses		**(22,779)**	(22,019)
Operating Profit		**18,003**	16,709
Exceptional Items	3	**(6,498)**	-
Income from subsidiary undertakings	9	**125,237**	-
Profit on ordinary activities before interest and taxation	3	**136,742**	16,709
Interest receivable and similar income	6	**23**	126
Interest payable and similar charges	7	**(5,956)**	(6,170)
Other finance expense		**(34)**	(124)
Profit on ordinary activities before taxation		**130,775**	10,541
Tax on profit on ordinary activities	10	**138**	849
Profit for the financial period		**130,913**	11,390

All items dealt with in arriving at the profit on ordinary activities before taxation relate to continuing activities.

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

Cott Beverages Limited

Statement of total recognised gains and losses for the 52 week period ended 28 December 2013

	Note	**52 week period ended 28 December 2013**	52 week period ended 29 December 2012
		£'000	£'000
Profit for the financial period		**130,913**	11,390
Actuarial (losses) / gains on pension scheme	19	**(523)**	1,826
Current tax deductions allocated to actuarial gains/(losses)	8	**136**	140
Movement on deferred tax relating to pension deficit	19	**(155)**	(893)
Total recognised gains and losses relating to the period		**130,371**	12,463

Cott Beverages Limited

Balance Sheet
as at 28 December 2013

	Note	28 December 2013 £'000	29 December 2012 £'000
Fixed assets			
Intangible assets	11	**478**	704
Tangible assets	12	**60,456**	60,426
Investments	13	**300,131**	154,930
		361,065	216,060
Current assets			
Stock	14	**20,753**	19,455
Debtors	15	**76,968**	38,830
Cash a bank and in hand		**16,666**	40,242
		114,387	98,527
Creditors: amounts falling due within one year	16	**(77,050)**	(51,299)
Net current assets		**37,337**	47,228
Total assets less current liabilities		**398,402**	263,288
Creditors: amounts falling due after more than one year	17	**(68,710)**	(68,710)
Provisions for liabilities	18	**(1,734)**	(2,008)
Net assets excluding pension deficit		**327,958**	192,570
Net pension liabilities	18	**(3,192)**	(3,194)
Net assets including pension deficit		**324,766**	189,376
Capital and reserves			
Called up share capital	21	**94,809**	94,809
Share premium accounts	22	**137,227**	11,765
Other reserve	22	**51,001**	46,207
Profit and loss account	22	**41,729**	36,595
Total shareholders' funds	23	**324,766**	189,376

The financial statements on pages 9 to 34 were approved by the board of directors on 29 September 2014 and were signed on its behalf by:

Jeremy Hoyle
Director

Registered company number: 2836071

Notes to the financial statements for the 52 week period ended 28 December 2013

1. Accounting policies

The principal accounting policies, which have been consistently applied in the preparation of these financial statements, are set out below.

Basis of preparation

These financial statements are prepared on a going concern basis, under the historical cost convention, and in accordance with Companies Act 2006 and applicable accounting standards in the United Kingdom. The directors consider that the Company's accounting policies and estimation techniques are the most appropriate in accordance with FRS 18.

Basis of consolidation

These financial statements contain information about Cott Beverages Limited as an individual company and do not contain consolidated financial information. The company is exempt under section 401 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it is a wholly owned subsidiary of Cott Corporation, a company incorporated in Canada, and it and its subsidiary undertakings are included in the consolidated financial statements of its ultimate parent, which are publicly available.

Cash flow statement

Given that the company is a wholly owned subsidiary of Cott Corporation and is included in the consolidated financial statements of Cott Corporation which are publicly available, the company has taken advantage of the exemption from preparing a cash flow statement under the terms of FRS 1 (revised 1996).

Turnover

Turnover, which excludes value added tax, represents the invoiced amounts derived from the manufacture and sale of soft drinks after deductions have been made for trade discounts. Turnover is recognised when the goods are accepted by the customer.

Research and development

Costs incurred in respect of research and development are expensed to the profit and loss account in the period in which they are incurred.

Pension costs

The Company's defined benefit pension scheme is assessed annually in accordance with FRS 17. The accounting valuation is based on assumptions determined with independent actuarial advice. These assumptions include price inflation, pension and salary increases, the discount rate used in assessing actuarial liabilities, mortality and other demographic assumptions, and the level of contributions. Further details are included in note 19.

Since 2008, the Company has adopted the amendment to FRS 17 which requires that equity investments and bonds held in plan assets are valued at current bid-price rather than mid-price.

Payments to the Company's defined contribution schemes are charged as an expense as they fall due.

1. Accounting policies (continued)

Finance and operating leases

Costs in respect of operating leases are charged on a straight line basis over the term of the lease.

Leasing arrangements which transfer to the Company substantially all the benefits and risks of ownership of an asset are treated as if the asset had been purchased outright. The assets are included in tangible fixed assets and the capital element of the leasing commitments is shown as an obligation under finance leases. The lease rentals are treated as consisting of capital and interest elements. The capital element is applied to reduce the outstanding obligations and the interest element is charged against profit in proportion to the reducing capital element outstanding. Assets held under finance leases are depreciated over the shorter of the lease terms or the useful lives of equivalent owned assets.

Foreign currencies

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date, or if appropriate, at the forward contract rate.

Intercompany balances denominated in foreign currencies are translated at each balance sheet date using the rates prevailing at that date. Differences are recognised within administrative gains and expenses.

Taxation

The charge for taxation is based on the profits for the period as adjusted for disallowable items.

Deferred taxation has been recognised as a liability or asset if transactions have occurred at the balance sheet date that give rise to an obligation to pay more taxation in future, or a right to pay less taxation in future. Deferred tax balances are not discounted and are recognised to the extent that it is regarded more than likely that there will be suitable taxable profits against which these assets can be recovered in future periods.

Tangible assets and depreciation

Tangible assets are stated at historic purchase cost less accumulated depreciation and any provision for impairment.

Depreciation is calculated so as to write off the cost of tangible assets, less their estimated residual values, on a straight line basis over the expected useful economic lives of the assets concerned.

The principal annual rates used for this purpose are:

Freehold buildings	2.50% to 10.00%
Plant and machinery	8.33% to 25.00%
Computer equipment	33.00%
Fixtures and fittings	10.00%

Freehold land is not depreciated.

Capitalisation of finance costs

Financing fees in relation to the cost of raising debt are capitalised and written off on a straight line basis over the life of the financing arrangement.

1. Accounting policies (continued)

Purchased intangible assets

Intangible assets are amortised over 10 years and are stated at historic cost net of amortisation and any provision for impairment.

Impairment of goodwill, intangible and tangible assets

In accordance with FRS11, the Company performs impairment reviews where there is an indication that the carrying amount of goodwill, intangible or tangible assets may not be recoverable. The impairment review involves using measurement techniques to estimate the asset's recoverable amount, based upon the higher of post-tax net realisable value and value in use, and comparing that with the carrying value of the asset.

Where it is established that an asset has been impaired, then an amount equal to the impairment is charged to the profit and loss account in the period of the impairment. Where an impairment review has been carried out and the recoverable amount has been based on value in use, the Company monitors the results of the review of the next five periods. If, during this monitoring period, the results of the original impairment review are no longer considered to be appropriate, then a reversing credit or increased charge is made to the profit and loss account.

Share based payments

The company operates a share based compensation scheme where the ultimate parent company issues equity-settled share based payments to certain employees of Cott Beverages Limited. Shares issued to employees have been measured at fair value at the date of the grant. The fair value of equity settled share based payments is determined at the date of grant and is expensed on a straight-line basis over the vesting period based on the group's estimate of when shares or share options will eventually vest and adjusted for the effect of non-market conditions.

Investments

Investments are stated at cost less provisions for impairment.

Stocks

Stocks are valued at the lower of cost and net realisable value, cost being determined on the first-in, first-out (FIFO) basis and net realisable value being the sales price less costs of sale. In the case of manufactured products, cost includes all direct expenditure and production overheads based on the normal level of activity. Where necessary, provision is made for obsolete, slow moving or defective stocks.

Exceptional Items

Where certain expense or revenue items recorded in a year are material by their size or incidence and one off in nature, these are disclosed as exceptional within a separate line of the income statement.

Cott Beverages Limited

Notes to the financial statements
for the 52 week period ended 28 December 2013 (continued)

2. Turnover

The directors consider there to be one class of business. The analysis by geographical area of destination of the Company's turnover and profit before interest and tax is set out below:

	52 week period ended 28 December 2013		52 week period ended 29 December 2012	
	Turnover	**Profit**	Turnover	Profit
	£'000	**£'000**	£'000	£'000
United Kingdom and Ireland	**285,600**	**134,968**	291,925	16,340
Europe	**11,216**	**655**	6,460	362
Rest of the World	**123**	**7**	120	7
Total	**296,939**	**135,630**	298,505	16,709

All the Company's assets and liabilities are held in the UK.

3. Profit on ordinary activities before interest and taxation

	52 week period ended 28 December 2013	52 week period ended 29 December 2012
	£'000	£'000
Operating profit is stated after charging:		
Wages and salaries	**29,538**	28,426
Social security costs	**3,142**	3,205
Other pension costs	**1,296**	1,158
Share based compensation (note 20)	**131**	511
Staff costs	**34,107**	33,300
Amortisation of intangible assets	**226**	174
Depreciation of tangible fixed assets:		
- Owned assets	**6,151**	6,626
Operating lease charges		
- Plant and machinery	**546**	463
- Other	**85**	72
Hire of plant and machinery	**848**	737
Loss on disposal of fixed assets	**82**	181
Research and development	**523**	463
Services provided by the company's auditors		
Fees payable for the audit	**194**	212
Fees payable for other services – tax	**-**	8
Exceptional items		
Prior year management fees	**-**	1,526*
Loss on strike off of investment	**6,498****	-

3 **Profit on ordinary activities before interest and taxation (continued)**

* Following the conclusion of a tax audit of Cott Corporation, in Canada, the Canadian Revenue Authority agreed with HMRC that the above adjustment should be made to the management fees charged 2001 to 2004.

** During the year Cott US Holdings LLC was liquidated into Cott Beverages (see note 13) this resulted in a loss on the strike off of the investment.

4. Directors' emoluments

	52 week period ended 28 December 2013 £'000	52 week period ended 29 December 2012 £'000
Aggregate emoluments	**825**	1,171
Compensation for loss of office	**129**	-
Company pension contributions to defined contribution pension schemes	**52**	54
	1,006	1,225

Emoluments for the services of G Leiter were paid by other subsidiaries of the Cott Corporation group of companies and accordingly his emoluments are disclosed in the financial statements of Cott Corporation. No recharge is made to Cott Beverages Limited.

Retirement benefits are accruing to eight directors (52 weeks ending 29 December 2012: five) under defined contribution pension schemes. Retirement benefits are accruing to one director (52 weeks ending 29 December 2012: one) under defined benefit pension schemes. No directors exercised share options in Cott Corporation during the period (52 weeks ending 29 December 2012: none).

Nine directors received shares under long term incentive schemes (52 weeks ending 29 December 2012: six).

Highest paid director	**52 week period ended 28 December 2013 £'000**	52 week period ended 29 December 2012 £'000
Total amount of emoluments and amounts (excluding shares) receivable under long-term incentive schemes	**169**	351
Company pension contributions to defined contribution pension schemes	**14**	16
	183	367

Cott Beverages Limited

Notes to the financial statements
for the 52 week period ended 28 December 2013 (continued)

5. Employee information

The average monthly number of persons (including executive directors) employed by the Company during the period was:

	52 week period ended 28 December 2013	52 week period ended 29 December 2012
By activity		
Production	**762**	735
Selling and distribution	**72**	70
Administration	**124**	116
	958	921

6. Interest receivable and similar income

	52 week period ended 28 December 2013 £'000	52 week period ended 29 December 2012 £'000
Interest receivable - Bank Interest	**23**	4
Interest receivable on overpaid Corporation Tax	**-**	103
Interest receivable from other group undertakings	**-**	19
	23	126

7. Interest payable and similar charges

	52 week period ended 28 December 2013 £'000	52 week period ended 29 December 2012 £'000
Interest payable on overdrafts and bank loans	**241**	122
Interest payable to other group undertakings	**5,628**	5,902
Amortisation of financing costs	**87**	146
	5,956	6,170

8. Income from shares in group undertakings

	52 week period ended 28 December 2013	52 week period ended 29 December 2012
	£'000	£'000
Income from shares in group undertakings	125,237	-

On 7 November 2013 a dividend of £69,014,000 was received from Cott Holdings Inc, a direct subsidiary of Cott Beverages Limited

On 7 November 2013 a dividend of £56,223,000 was received from Cott Holdings Inc, a direct subsidiary of Cott Beverages Limited

9. Dividends Paid

	52 week period ended 28 December 2013	52 week period ended 29 December 2012
	£'000	£'000
	125,237	-

On 7 November 2013 a dividend of £69,014,000 was paid to its immediate parent Cott Retail Brands Limited

On 7 November 2013 a dividend of £56,223,000 was paid to its immediate parent Cott Retail Brands Limited.

Dividends	2013	2012
	£'000	£'000
Equity – ordinary		
Final paid (2013): 1.32p per share	125,237	-

10. Tax on profit on ordinary activities

	52 week period ended 28 December 2013	52 week period ended 29 December 2012
	£'000	£'000
Current tax:		
- UK corporation tax on profits of the year	**-**	(373)
- Adjustment in respect of previous years	**136**	(147)
Total current tax	**136**	(520)
Deferred tax:		
- Origination and reversal of timing differences	**(12)**	(142)
- Impact of change in tax rate	**(262)**	(187)
Total deferred tax (note 18)	**(274)**	(329)
Tax on profit on ordinary activities	**(138)**	(849)

The current tax (credit)/charge is lower (52 weeks ending 29 December 2012: lower) than the standard effective rate of corporation tax in the UK for the period ended 28 December 2013 of 23.25% (52 weeks ending 29 December 2012: 24.49%).

The differences are explained below

	52 week period ended 28 December 2013	52 week period ended 29 December 2012
	£'000	£'000
Profit on ordinary activities before tax	**130,775**	10,541
Profit on ordinary activities multiplied by standard rate in the UK 23.25% (52 weeks ending 29 December 2012: 24.49%)	**30,405**	2,581
Effects of:		
- Non-taxable income (inter-group dividend)	**(29,117)**	-
- Expenses not deductible for tax purposes	**1,864**	276
- Accelerated capital allowances and other timing differences	**(53)**	38
- Tax effect of controlled foreign company apportionment	**41**	126
- Group relief claimed not paid	**(3,140)**	(3,394)
- Adjustments to tax charge in respect of previous years	**136**	(147)
Current tax (credit)/charge for the year	**136**	(520)

10 Tax on profit on ordinary activities (continued)

Tax on recognised gains and losses not included in the profit and loss account

	52 week period ended 28 December 2013 £'000	52 week period ended 29 December 2012 £'000
UK corporation tax at 23.25% (52 weeks ending 29 December 2012: 24.9%)	**(105)**	447
Impact of change in tax rate	**124**	306
	19	753

Factors affecting future and current tax charges

The March 2013 Budget Announcement included a further proposal to reduce the main rate of corporation tax to 21% from 1 April 2014 and 20% from 1 April 2015. This was substantively enacted on 2 July 2013.

11. Intangible assets

	Brand £'000
Cost	
At 29 December 2012	2,137
Additions for the year	-
At 28 December 2013	**2,137**
Accumulated amortisation	
At 29 December 2012	1,433
Charge for the period	226
At 28 December 2013	**1,659**
Net book amount at 28 December 2013	**478**
Net book amount at 29 December 2012	704

12. Tangible assets

	Land and buildings £'000	Plant and machinery £'000	Fixtures and fittings £'000	Total £'000
Cost				
At 29 December 2012	34,868	92,246	1,322	128,446
Additions	357	5552	372	6,281
Disposals	-	(1,041)	-	(1,041)
At 28 December 2013	**35,225**	**96,757**	**1,704**	**133,686**
Accumulated deprecation				
At 29 December 2012	11,055	55,935	1,030	68,020
Charge for the period	883	5,184	84	6,151
Disposals	-	(941)	-	(941)
At 28 December 2013	**11,938**	**60,178**	**1,114**	**73,230**
Net book amount				
At 28 December 2013	**23,287**	**36,579**	**590**	**60,456**
At 29 December 2012	21,282	39,095	49	60,426

The assets are subject to a fixed and floating charge in favour of the Company's bankers.

All land and buildings relate to freehold land and buildings.

Freehold land and buildings includes £6,080,000 (2012: £6,080,000) in respect of land which is not subject to depreciation.

There are no assets held under finance leases and capitalised within any of the above tangible asset categories (52 weeks ending 29 December 2012: none).

The company has restated the opening balances of cost and accumulated depreciation to better reflect the underlying records.

13. Fixed asset investments

	£'000
At 29 December 2012	154,930
Additions	299,622
Disposals	(154,421)
At 28 December 2013	**300,131**

On 7 November 2013 a new financing structure was created in the UK. This resulted in the strike off Cott US Holdings LLC into Cott Beverages Limited and therefore the creation of a direct investment in Cott Holdings Inc of £147,923

On 7 November 2013 the company subscribed for shares in Cott Holdings Inc resulting in an increase to the investment balance of £26,237,000

On 7 November 2013 the Directors approved the issue of one ordinary share at the nominal value of £1 and a premium of £125,462,000 (see note 22), as part of the same transaction Cott Retail Brands transferred ownership of the 'Certificate 2' and 'Certificate 3' shares in Cott Luxembourg directly to to Cott Beverages Limited resulting in an investment of £125,462,000.

All fixed asset investments relate to interests in group undertakings, all of which are subsidiaries of Cott Beverages Limited. The directors believe that the carrying values are supported by the recoverable amounts of the subsidiary companies that are detailed on the following page:

The special provisions within the Companies Act 2006 sections 611 and 615 in relation to group reconstruction relief has been applied in relation to the transfer of shares between Cott Retail Brands Limited and Cott Beverages Limited.

Cott Beverages Limited

Notes to the financial statements for the 52 week period ended 28 December 2013 (continued)

13. Fixed asset investments (continued)

Name of subsidiary	Country of incorporation	Principal activity	Description of shares held	Group ownership	Share ownership
Cott Nelson (Holdings) Limited *	England and Wales	Dormant	Ordinary shares	100%	100%
Cott (Nelson) Limited	England and Wales	Dormant	Ordinary shares	100%	100%
Cott Private Label Limited *	England and Wales	Dormant	Ordinary shares	100%	100%
Cott Holdings Incorporated*	Delaware, United States of America	Holding Company	Ordinary shares	100%	100%
Cott Beverages Incorporated	Georgia, United States of America	Manufacture of soft drinks	Ordinary shares	100%	100%
Cott US Acquisition LLC	Delaware, United States of America	Holding Company	Ordinary shares	100%	100%
Cott UK Acquisition Limited	England and Wales	Holding Company	Ordinary shares	100%	100%
Cott Acquisition Limited	England and Wales	Holding Company	Ordinary shares	100%	100%
Cott Acquisition LLC	Delaware, United States of America	Holding Company	Ordinary shares	100%	100%
Cliffstar LLC	Delaware, United States of America	Manufacture of fruit juice drinks	Ordinary shares	100%	100%
Star Real Property LLC	Delaware, United States of America	Holding Company	Ordinary shares	100%	100%
Interim BCB. LLC	Delaware, United States of America	Holding Company	Ordinary shares	100%	100%
Cott IP Holdings Corporation	Delaware, United States of America	Holding Company	Ordinary shares	100%	100%
Cott Vending Incorporated	Delaware, United States of America	Holding Company	Ordinary shares	100%	100%
Northeast Finco Incorporated	Delaware, United States of America	Holding Company	Ordinary shares	100%	100%
Cott NE Holdings Incorporated	Delaware, United States of America	Holding Company	Ordinary shares	100%	100%
Northeast Retailer Brands LLC	Delaware, United States of America	Holding Company	Ordinary shares	100%	100%
Cott Developments Limited*	England and Wales	Holding Company	Ordinary shares	100%	100%
Cooke Bros Holdings Limited	England and Wales	Holding Company	Ordinary shares	100%	100%
Cooke Bros (Tattenhall) Limited	England and Wales	Dormant	Ordinary shares	100%	100%
Mr Freeze (Europe) Limited	England and Wales	Dormant	Ordinary shares	100%	100%
Calypso Soft Drinks Limited	England and Wales	Manufacture of soft drinks	Ordinary shares	100%	100%
Jay Juice Limited	England and Wales	Dormant	Ordinary shares	100%	100%
TT Calco Limited	England and Wales	Dormant	Ordinary shares	100%	100%
Total Water Solutions Limited	England and Wales	Dormant	Ordinary shares	100%	100%
Tip Top Soft Drinks	England and Wales	Dormant	Ordinary shares	100%	100%

*indicates direct subsidiary

14. Stock

	52 week period ended 28 December 2013 £'000	52 week period ended 29 December 2012 £'000
Raw materials	**4,144**	5,979
Finished goods	**16,609**	13,476
	20,753	19,455

15. Debtors

	52 week period ended 28 December 2013 £'000	52 week period ended 29 December 2012 £'000
Trade debtors	**36,685**	36,405
Amounts owed by group undertakings	**38,063**	536
Other debtors	**1,025**	606
Corporation tax	**118**	118
Prepayments and accrued income	**1,077**	1,165
	76,968	38,830

The amounts owed by group undertakings are unsecured, repayable on demand and are non-interest bearing.

16. Creditors: amounts falling due within one year

	52 week period ended 28 December 2013 £'000	52 week period ended 29 December 2012 £'000
Trade creditors	**38,209**	33,535
Amounts owed to group undertakings	**1,322**	2,234
Short Term Borrowing	**21,000**	-
Taxation and social security	**5,530**	4,901
Accruals and deferred income	**10,989**	10,629
	77,050	51,299

The amounts owed to group undertakings are unsecured, repayable on demand and are non-interest bearing.

17. Creditors: amounts falling due after more than one year

	52 week period ended 28 December 2013	52 week period ended 29 December 2012
	£'000	£'000
Amounts owed to group undertakings	**68,708**	68,708
Redeemable preference shares	**2**	2
	68,710	68,710

Included within amounts owed to other group companies is an amount of £68,000,000 (29 December 2012: £68,000,000) which represents a bond listed on the Channel Island Stock Exchange which is owned entirely by other group companies. Interest is charged on this bond at a fixed rate of 8.3% (29 December 2012: 8.3%) and the bond is redeemable at par on 31 March 2020.

The Directors are of the opinion that the fair value of the loan notes at 28 December 2013 is £69,013,376 (29 December 2012: £68,041,078). The fair value of the loan notes is calculated by discounting future cash flows at prevailing rates.

The redeemable (at par) preference shares are undated and are eligible to receive a fixed cumulative dividend of 0.5% payable bi-annually on 25 March and 29 September on the nominal value of the shares. The shares are non-voting and have a preferential right to return of capital upon winding-up of the Company. Since these shares were acquired by Cott Retail Brands Limited, the rights to these dividends have been waived.

18. Provisions for liabilities

Excluding deferred tax on pension liability:

	Deferred tax
	£'000
At 29 December 2012	2,008
Credited to the profit and loss account (note 10)	(274)
At 28 December 2013	**1,734**

18. Provisions for liabilities (continued)

Deferred taxation provided in the financial statements is as follows:

	52 week period ended 28 December 2013 £'000	52 week period ended 29 December 2012 £'000
Tax effect of timing differences because of:		
Excess of capital allowances over depreciation	1,476	2,050
Other timing differences	258	(42)
Deferred tax liability excluding the asset relating pension liability	1,734	2,008
Deferred tax asset on pension scheme liability (note 19)	(798)	(954)
Net deferred tax liability	936	1,054

19. Pension commitments

The Company operates a number of defined contribution schemes.

The assets of these schemes are held separately from those of the Company in independently administered funds. The pension charge represents contributions payable by the Company, and amounted to £968,000 (29 December 2012: £875,000) for the period.

Defined benefit schemes

The Company operates a defined benefit pension scheme in the UK, the Cott Beverages Limited Retirement and Death Benefit Scheme ("the Scheme"). The Scheme is closed to new members and in June 2013 the company entered into consultation with the employees in the scheme to close the scheme to future accrual. With effect from 31 May 2014 all future accrual in the scheme ceased. During 2013 employed members earned benefits that are linked to final pensionable salary and service at date of retirement (or date of leaving the Scheme if earlier.)

For the year ended 28 December 2013, the employer contributed £1,017,000 to the Scheme (29 December 2012: £1,017,000). During the year which commenced 30 December 2012, the employer paid contributions of 17.2% of pensionable salary until June 2013 then 20.6% July 2013 onwards and deficit contributions at the rate of £67,000 per calendar month.

The Scheme assets are held in a separate trustee-administered fund to meet long-term pension liabilities to past and present employees. The Trustees of the Scheme are required to act in the best interests of the Scheme's beneficiaries.

The liabilities of the Scheme are measured by discounting the best estimate of future cash flows to be paid out by the Scheme using the projected unit method, which is an accrued benefits valuation method.

The liabilities set out in this note have been calculated by an independent actuary based on the preliminary results of the most recent full actuarial valuation at 1 May 2012, updated to 28 December 2013. The results of the calculations and the assumptions adopted are shown below.

19 Pension commitments (continued)

Principal assumptions

The principal actuarial assumptions at the balance sheet date were:

	28 December 2013	29 December 2012
	%	%
Rate of increase in salaries	**3.40%**	3.25%
Expected return on scheme assets	**6.20%**	5.50%
Discount rate	**4.50%**	4.65%
Rate of inflation (RPI)	**3.40%**	3.25%
Rate of inflation (CPI)	**2.40%**	2.50%
Rate of increase in pensions in payment		
Lesser of 5%/RPI	**3.20%**	3.1%
Less of 5%/CPI, min 3%	**2.20%**	2.1%

Mortality assumptions used were 110% PCxA00, year of birth, with medium cohort projections 1% minimum.

	52 week period ended 28 December 2013	52 week period ended 29 December 2012
	Years	Years
Life expectancy of male aged 65 now	**21.80**	21.70
Life expectancy of female aged 65 now	**24.20**	24.10
Life expectancy of male aged 65 in 20 years	**23.70**	23.60
Life expectancy of female aged 65 in 20 years	**26.00**	25.60

Notes to the financial statements for the 52 week period ended 28 December 2013 (continued)

19. Pension commitments (continued)

Scheme assets

The fair value of the scheme's assets, which are not intended to be realised in the short term and may be subject to significant change before they are realised and the present value of the scheme's liabilities, which are derived from cash flow projections over long periods and thus inherently uncertain are:

	Long-term rate of return expected at 28 December 2013	**Value at 28 December 2013**	Long-term rate of return expected at 29 December 2012	Value at 29 December 2012
	%	**£'000**	%	£'000
Equities		**11,768**		10,381
Bonds		**7,472**		7,120
Cash		**10**		67
Total market value of assets	**6.2%**	**19,250**	5.5%	17,568
Present value of scheme liabilities		**(23,240)**		(21,716)
Deficit in scheme		**(3,990)**		(4,148)
Related deferred tax asset		**798**		954
Net pension deficit		**(3,192)**		(3,194)

The Company adopted the amendment to FRS 17 "Retirement benefits" in 2008 which requires that equity investments and bonds held in plan assets are valued at current bid price rather than mid price. This has not had a material impact on the results or balances at 28 December 2013 or 29 December 2012 and consequently no restatement is required.

Change in Scheme assets

	52 week period ended 28 December 2013	52 week period ended 29 December 2012
	£'000	£'000
Opening value	**17,568**	15,091
Expected return on Scheme assets	**980**	883
Actuarial gains/(losses)	**310**	961
Benefits paid	**(693)**	(458)
Contributions paid by employees	**68**	74
Contributions paid by employer	**1,017**	1,017
Closing value	**19,250**	17,568

The expected return on Scheme assets is determined by considering the expected returns available on the assets underlying the current investment policy. Expected yields on fixed interest investments are based on gross redemption yields as at the balance sheet date. Expected returns on equity investments reflect long-term real rates of expected return experienced in the respective markets.

19. **Pension commitments (continued)**

The actual return on Scheme assets in the year was a gain of £1,290,000 (52 weeks ending 29 December 2012: gain of £1,844,000).

Change in Scheme liabilities:

	52 week period ended 28 December 2013 £'000	52 week period ended 29 December 2012 £'000
Opening cost	**(21,716)**	(21,675)
Current service cost	**(301)**	(283)
Interest cost	**(1,014)**	(1,007)
Employee contributions	**(68)**	(74)
Benefits paid	**692**	458
Actuarial gain/(loss)	**(833)**	865
Closing cost	**(23,240)**	(21,716)

Analysis of amounts charged to the profit and loss account:

	52 week period ended 28 December 2013 £'000	52 week period ended 29 December 2012 £'000
Current service cost	**301**	283
Expected return on pension scheme assets	**(980)**	(883)
Interest on pension scheme liabilities	**1,014**	1,007
Total	**335**	407

Analysis of the amounts recognised in statement of total recognised gains and losses:

	52 week period ended 28 December 2013 £'000	52 week period ended 29 December 2012 £'000
Actuarial gains/(losses) on assets	**310**	961
Actuarial gains/(losses) on liabilities*	**(833)**	865
Total gain/(loss) recognised in the statement of total recognised gains and losses before adjustment for tax	**(523)**	1,826
Cumulative actuarial loss recognised in statement of total recognised gains and losses	**(1,756)**	(1,233)

**Includes changes to actuarial assumptions*

Notes to the financial statements for the 52 week period ended 28 December 2013 (continued)

19. Pension commitments (continued)

History of experience gains and losses:

	Dec 2013	Dec 2012	Dec 2011	Jan 2011	Dec 2009
Value of Scheme liabilities	(23,240)	(21,716)	(21,675)	(18,936)	(16,836)
Scheme assets	19,250	17,568	15,091	14,487	12,131
Deficit	(3,990)	(4,148)	(6,584)	(4,449)	(4,705)
Experience adjustments on Scheme assets	310	961	(1,059)	708	1,866
(Loss)/gain from changes in the assumptions on the value of Scheme liabilities	(833)	258	(1,239)	(952)	(2,954)
Experience adjustments on Scheme liabilities		607	(560)	(111)	474
Total amount recognised in the statement of total recognised gains and losses	(523)	1,826	(2,858)	(355)	(614)

20. Share based payments

In 2013, Cott Corporation granted 8,953 Performance based RSU's, 32,448 Time based RSU's.

At 28 December 2013, Cott Corporation had the following types of share-based payments in issuance to Cott Beverages Limited employees: Performance based RSU's, Time based RSU's and stock options

Cott Corporation issued the following awards related to common shares to certain Cott Beverages Limited directors and other eligible employees, pursuant to the restricted stock units ('RSU') and performance shares ('PSU').

Time-based RSUs are granted with a $nil exercise price. The awards have a three year vesting period and employees must remain in the employment of Cott Beverages Limited for the full three year vesting period to achieve the award. The holder of a RSU is entitled to receive one common share for each vest RSU, with awards considered exercised once vested. In 2013 Cott Corporation granted 32,448 RSU awards to Cott Beverages Limited employees. The RSUs were granted with a $nil exercise price and the market price of the underlying shares at the date of grant was $9.29.

Performance based PSUs are granted with a $nil exercise price. The awards vest based on the achievement of specified targets established at the time of grant with a condition being that the employees are still employed when the targets are met. The holder of a PSU is entitled to receive one common share for each vest PSU, subject to the achievement of pre-determined performance targets, with awards considered exercised once vested. In 2013 Cott Corporation granted 8,953 PSU awards to Cott Beverages Limited employees. The PSUs were granted with a $nil exercise price and the market price of the underlying shares at the date of grant was $9.29.

20. Share based payments (continued)

In 2013 share options were granted to Cott Beverages employees.

Cott Beverages Limited accounts for the above as equity-settled share based payment transactions as the employees are entitled to shares in the ultimate parent company if the vesting conditions are met. The total charge recognised during the period is £130,546 (52 weeks ending 29 December 2012: £511,161). These amounts are recharged to the company directly from the ultimate parent company and therefore a capital contribution is not recognised for these transactions.

All share price values relating to share-based payments have been disclosed in US Dollars. This is due to the fact that all shares issued to Cott Beverages Limited employees are issues from the ultimate parent company, being Cott Corporation, a company incorporated within Canada and listed on the New York Stock Exchange.

	No. of shares
Balance at the beginning of the financial period	204,743
Granted during the financial period	41,401
Forfeited during the financial period	(5,903)
Issued during the financial period	(26,712)
Cancelled during the financial period	(66,923)
Outstanding at 28 December 2013	146,606
Exercisable at 28 December 2013	-

In 2011, Cott Corporation granted 67,530 Performance- based RSUs and 22,509 Time based RSUs to certain employees. The performance targets established for these Performance-based RSUs were not met, and as a result, such awards did not vest. During the fourth quarter of 2013, the Time-based RSUs vested on the last day of our 2013 fiscal year and were issued for approximately £107,000.

21. Called up share capital

	£'000
Allotted and fully paid up	
94,809,316 shares of £1 each as at 29 December 2012	94,809
Issue of 1 of £1 each	-
94,809,317 shares of £1 each as at 28 December 2013	94,809

Cott Beverages Limited

Notes to the financial statements for the 52 week period ended 28 December 2013 (continued)

22. Reserves

	Share premium account	Other reserve	Profit and loss account
	£'000	£'000	£'000
1 January 2013	11,765	46,207	36,595
Retained profit for the financial year	-	-	130,913
Divdends Paid	-	-	(125,237)
Actuarial loss on pension scheme	-	-	(542)
Issue of Shares	125,462	-	-
Capital contributions	-	4,794	-
28 December 2013	137,227	51,001	41,729
Pension deficit			3,192
Profit and loss account excluding pension deficit			44,921

On 7 November 2013 a new financing structure was created in the UK. This resulted in the liquidation of Cott US Holdings LLC into Cott Beverages Limited and therefore the creation of a direct investment in Cott Holdings Inc.

As the original investment was denominated in United States Dollars this gave rise to a realised exchange loss on settlement.

On the same date the Directors voted to issue a share at the nominal value of £1 and at a premium of £125,461,998.

The special provisions within the Companies Act 2006 sections 611 and 615 in relation to group reconstruction relief has been applied in relation to the transfer of shares between CRB and CBL.

23. Reconciliation of movements in shareholders' funds

	52 week period ended 28 December 2013	52 week period ended 29 December 2012
	£'000	£'000
Profit for the financial year	**130,913**	11,390
Dividends Paid	**(125,237)**	-
Capital contributions	**4,794**	2,681
Issue of Shares	**125,462**	14,970
Actuarial gains/(losses) on pension scheme	**(523)**	1,826
Movement on deferred tax relating to actuarial loss	**(155)**	(893)
Movement on current tax relating to pension deficit	**136**	140
Total movements	**135,390**	30,114
Opening shareholders' funds	**189,376**	159,262
Closing shareholders' funds	**324,766**	189,376

24. Contingent liabilities

On 31 March 2008, Cott Corporation entered into a secured asset-based lending (ABL) facility with various lenders led by JP Morgan Chase Bank, N. A., which was further expanded in August 2011. The ABL facility is a five year revolving facility of up to $275,000,000 that expires on 17 August 2014. The borrowing base comprises of certain Cott Corporation group assets – namely eligible stock, debtors and fixed assets. Interest on the facility is set at 2.5% above LIBOR rate. The facility covers Cott Corporation and its subsidiaries which includes Cott Beverages Limited.

On 19 July 2012, the ABL facility was renewed with JP Morgan Chase Bank, N. A. to 19 July 2017, or 15 May 2017 if the senior unsecured notes due in 2017 have not been renewed by 1 May 2017
On 22 October 2013 the ABL was amended to increase the facility to $300,000,000 as well as an increase to the accordion feature which permits us to increase the lenders commitments to the ABL facility to $350,000,000 subject to certain criteria being met.

The maturity date has been extended to the earliest of (i) October 22, 2018, (ii) May 15, 2017, if Cott Corporation has not redeemed, repurchased or refinanced the 2017 Notes by May 1, 2017, or (iii) March 1, 2018, if Cott Corporation has not redeemed, repurchased or refinanced the 2018 Notes by February 15, 2018, and (3) provide for greater flexibility under certain covenants

As of 28 December 2013 there was $50,800,000 outstanding borrowing under the ABL. In June 24, 2014, Cott Corporation issued $525.0 million of 2022 Notes. Cott Corporation used a portion of the proceeds from the issuance of the 2022 Notes to purchase $295.9 million aggregate principal amount of the 2018 Notes in a cash tender offer. The tender offer included approximately $16.2 million in premium payments as well as accrued interest of $7.5 million and approximately $3.3 million in deferred financing fees and other costs.

On July 9, 2014 and July 24, 2014, Cott Corporation redeemed all of the remaining $79.1 million aggregate principal amount of our 2018 Notes. The redemption included approximately $3.8 million in premium payments as well as accrued interest of approximately $2.5 million and approximately $0.8 million in deferred financing fees.

25. Financial commitments

Annual commitments under non-cancellable operating leases were as follows:

Date of Expiry	28 December 2013 £'000	29 December 2012 £'000
Within one year	**11**	133
Within two to five years	**495**	80
After five years	**-**	-
	506	213

All operating leases relate to plant, machinery and office equipment.

26. Capital commitments

Capital expenditure contracted but not provided for in the financial statements amounts:

	28 December 2013	29 December 2012
	£'000	£'000
Contracts placed for future capital expenditure not provided in the financial statements	**1,626**	1,923

27. Related party disclosures

Transactions with other wholly owned companies within the Cott Corporation group are not disclosed as the company has taken advantage of the exemption available under Financial Reporting Standard No. 8 ("FRS8") 'Related party disclosures' as the consolidated financial statements of Cott Corporation, in which the company is included, are publicly available.

28. Ultimate parent company and controlling party

The immediate parent undertaking is Cott Retail Brands Limited, a company registered in England and Wales.

The ultimate parent undertaking and controlling party is Cott Corporation, which is the parent undertaking of the smallest and largest group to consolidate these financial statements. Copies of Cott Corporation consolidated financial statements can be obtained from the Company Secretary at 6525 Viscount Road, Mississauga, Ontario, L4V 1H6, Canada.

29. Subsequent Events

On 30 May 2014, via an intermediate holding company (Cott Ventures Limited), the Company entered into an agreement to purchase 100% of the share capital of Aimia Foods Holdings Limited, the ultimate parent company of Aimia Foods Limited.