

Cott Beverages Limited
Report and financial statements
for the year ended 30 December 2000

Registered No: 2836071



Cott Beverages Limited

Report and financial statements for the year ended 30 December 2000

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Cott Beverages Limited

Directors and advisers

Directors

Neil A Thompson (Chairman)
Raymond P Silcock
Gary E Saunders
Christopher T F Birrell
Barbara Harris

Secretary

Hackwood Secretaries Limited
One Silk Street
London EC2Y 8HQ

Registered office

Citrus Grove
Side Ley
Kegworth
Derby DE74 2FJ

Registered Auditors

PricewaterhouseCoopers
Victoria House
76 Milton Street
Nottingham NG1 3QY

Solicitors

Hammond Suddards
2 Park Lane
Leeds LS3 1ES

Linklaters
One Silk Street
London EC2Y 8HQ

Bankers

Lloyds TSB Bank Plc
City Office
P O Box 72
Bailey Drive
Gillingham Business Park
Kent ME8 OLS

Cott Beverages Limited

Directors' report for the year ended 30 December 2000

The directors present their report and the audited group financial statements for the year ended 30 December 2000.

Principal activities

The group's principal activity is the manufacture and sale of soft drinks.

Review of business and future developments

The consolidated profit and loss account for the year is set out on page 6.

In order to focus on our core competency of soft drinks manufacturing during the year the company took the decision to cease producing PET preform bottles, and as a result the Sawley factory was closed, and the assets sold.

The business performed adequately during the year in a very competitive market, which continued to see price pressure on all UK manufacturers. The consolidation and radical changes within the European retail environment have heavily influenced this.

The directors remain confident that the company will continue to be a major player in the UK soft drinks industry. The increased globalisation of retailers should afford opportunities for Cott due to our own global group structure and retailer relationships.

The directors are committed to driving the company forward through innovation and customer service.

The company has presented group financial statements for the year ended 30 December 2000.

Dividends

The directors do not recommend the payment of a dividend in respect of the year ended 30 December 2000 (1.1.2000: £Nil).

Cott Beverages Limited

Directors

The directors of the company who held office throughout the year, unless otherwise stated, were:

B R Mackie (resigned 13 January 2000)
N A Thompson
RP Silcock
GE Saunders
CTF Birrell
B Harris
I Harrison (resigned 31 January 2001)

Directors' interests in shares of the company

The Directors' have no interest in the shares of any group companies. Under statutory instrument 802 1985, the interests of the directors in the capital of the ultimate parent company or any of its subsidiaries incorporated overseas are not required to be disclosed.

Payment to suppliers

It is the groups' policy to agree terms of payment with its suppliers when agreeing the terms of a business transaction or transactions. All suppliers are aware of this procedure and the company abides by the agreed payment terms subject to the terms and conditions being met by the suppliers. The creditor days outstanding at the year end was 33 days.

Employees

The group's policy is to consult and discuss with employees, through unions, site forums and at meetings, matters likely to affect employees' interests.

Information on matters of concern to employees is given through monthly briefs and through the use of staff notice boards.

The group's policy is to recruit disabled employees for those vacancies that they are able to fill. 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. Arrangements are made where possible for retraining employees who become disabled, to enable them to perform work identified as appropriate to their aptitudes and abilities.

Directors' responsibilities

The directors are required by UK company law to prepare financial statements for each financial year that give a true and fair view of the state of affairs of the company as at the end of the financial year and of the profit or loss of the group for that year.

The directors confirm that suitable accounting policies have been used and applied consistently, and reasonable and prudent judgements and estimates have been made in the preparation of the financial statements for the year ended 30th December 2000. The directors also confirm that applicable accounting standards have been followed and that the financial statements have been prepared on the going concern basis.

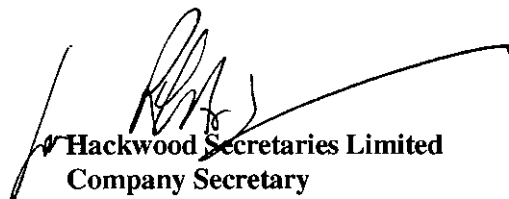
Cott Beverages Limited

The directors are responsible for keeping proper accounting records, for safeguarding the assets of the company, and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors

A resolution to re-appoint the auditors, PricewaterhouseCoopers, will be proposed at the Annual General Meeting.

By order of the board



Hackwood Secretaries Limited
Company Secretary
29 March 2001

Cott Beverages Limited

Report of the auditors to the members of Cott Beverages Limited

We have audited the financial statements on pages 6 to 19.

Respective responsibilities of directors and auditors

The directors are responsible for preparing the Annual Report including, as described on pages 3 and 4, for preparing the financial statements in accordance with applicable United Kingdom accounting standards. Our responsibilities, as independent auditors, are established in the United Kingdom by statute, the Auditing Practices Board and our profession's ethical guidance.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the United Kingdom Companies Act. We also report to you if, in our opinion, the directors' report is not consistent with the financial statements, if the group has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions is not disclosed.

We read the other information contained in the Annual Report and consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements.

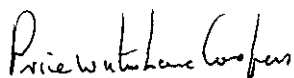
Basis of audit opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the group's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of affairs of the company and group at 30 December 2000 and of the loss of the group for the year then ended and have been properly prepared in accordance with the United Kingdom Companies Act 1985.



PricewaterhouseCoopers

Chartered Accountants and Registered Auditors

Nottingham

29 March 2001

Cott Beverages Limited

Consolidated Profit and Loss Account for the year ended 30 December 2000

		Year to 30.12.2000 before exceptional items £'000	Year to 30.12.2000 exceptional items £'000	Year to 30.12.2000 after exceptional items £'000	Year to 1.1.2000 before exceptional items £'000	Year to 1.1.2000 exceptional items £'000	Year to 1.1.2000 after exceptional items £'000
Turnover	2	95,635	-	95,635	115,276	-	115,276
Cost of sales	3	(76,079)	(685)	(76,764)	(93,597)	973	(92,624)
Gross profit		19,556	(685)	18,871	21,679	973	22,652
Net operating expenses	3	(18,255)	-	(18,255)	(20,841)	(1,062)	(21,903)
Operating profit		1,301	(685)	616	838	(89)	749
Profit on sale of fixed assets	4	-	2,181	2,181	-	544	544
Profit/(loss) before interest and taxation		1,301	1,496	2,797	838	455	1,293
Interest receivable	7			55			42
Interest payable	8			(4,754)			(5,050)
Loss on ordinary activities before taxation	9			(1,902)			(3,715)
Tax on loss on ordinary activities	10			-			-
Deficit for the financial year				(1,902)			(3,715)

The company and the group have no recognised gains and losses other than those included above and therefore no separate statement of total recognised gains and losses has been presented.

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


All the above relate to continuing operations.

Cott Beverages Limited

Consolidated Balance Sheet at 30 December 2000

		Group 30.12.2000 £'000	Company 30.12.2000 £'000	Group 1.1.2000 £'000	Company 1.1.2000 £'000
Fixed assets					
Intangible fixed assets	12	14,889	14,889	15,765	15,765
Tangible assets	13	43,330	43,330	48,532	48,532
Investments	14	-	100	-	100
		<u>58,219</u>	<u>58,319</u>	<u>64,297</u>	<u>64,397</u>
Current assets					
Stocks	15	6,247	6,247	7,934	7,934
Debtors	16	18,120	18,120	15,570	15,570
Cash at bank and in hand		3,237	3,237	5,000	5,000
		<u>27,604</u>	<u>27,604</u>	<u>28,504</u>	<u>28,504</u>
Creditors: amounts falling due within one year	17	<u>(19,987)</u>	<u>(20,087)</u>	<u>(29,010)</u>	<u>(29,110)</u>
Net current assets/ (liabilities)		<u>7,617</u>	<u>7,517</u>	<u>(506)</u>	<u>(606)</u>
Total assets less current liabilities		<u>65,836</u>	<u>65,836</u>	<u>63,791</u>	<u>63,791</u>
Creditors: amounts falling due after more than one year	18	<u>(31,833)</u>	<u>(31,833)</u>	<u>(31,533)</u>	<u>(31,533)</u>
Provisions for liabilities and charges	19	<u>(700)</u>	<u>(700)</u>	<u>(700)</u>	<u>(700)</u>
		<u>(32,533)</u>	<u>(32,533)</u>	<u>(32,233)</u>	<u>(32,233)</u>
Net assets		<u>33,303</u>	<u>33,303</u>	<u>31,558</u>	<u>31,558</u>
Capital and reserves					
Called up share capital	21	49,625	49,625	45,978	45,978
Share premium account	22	11,765	11,765	11,765	11,765
Profit and loss account	22	(28,087)	(28,087)	(26,185)	(26,185)
Equity shareholders' funds	23	<u>33,301</u>	<u>33,301</u>	<u>31,556</u>	<u>31,556</u>
Non-equity shareholders' funds		<u>2</u>	<u>2</u>	<u>2</u>	<u>2</u>
Total shareholders' funds		<u>33,303</u>	<u>33,303</u>	<u>31,558</u>	<u>31,558</u>

The financial statements on pages 6 to 19 were approved by the board of directors on 29 March 2001 and were signed on its behalf by:


 Gary E. Saunders
 Director

Cott Beverages Limited

Notes to the financial statements for the year ended 30 December 2000

1 Principal accounting policies

The financial statements have been prepared in accordance with applicable Accounting Standards in the United Kingdom.

The cash flows of the group are included in the consolidated cashflow statement of Cott Corporation, the ultimate parent company. Consequently, the group is exempt under the provisions of Financial Reporting Standard 1 from publishing a cash flow statement.

A summary of the more important accounting policies, which have been applied consistently, is set out below.

Basis of accounting

The financial statements are prepared in accordance with the historical cost convention.

Basis of consolidation

The group financial statements include the financial statements for the company and all its subsidiary undertakings made up to 30 December 2000. The results of subsidiaries sold or acquired are included in the consolidated profit and loss account up to, or from, the date control passes. Intra-group sales and profits are eliminated fully on consolidation.

On acquisition of a subsidiary, all of the subsidiary's assets and liabilities that exist at the date of acquisition are recorded at their fair values reflecting their condition at that date. All changes to those assets and liabilities, and the resulting gains and losses that arise after the group has gained control of the subsidiary are charged to the post acquisition profit and loss account. The amounts taken for subsidiary companies are taken from the latest audited financial statements which all have the same accounting reference date.

Tangible fixed assets and depreciation

The cost of tangible fixed assets is their purchase cost, together with any incidental costs of acquisition. Depreciation is calculated so as to write off the cost of tangible fixed 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	2.5%
Plant and machinery	8.33%
Fixtures and fittings	10%
Motor vehicles	25%
Computer hardware and software	20%

Leasehold improvements are written off over the period of the lease. Freehold land is not depreciated.

Cott Beverages Limited

Finance and operating leases

Costs in respect of operating leases are charged on a straight-line basis over the lease term. Leasing agreements 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 fixed assets and the capital element of the leasing commitments is shown as obligations 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 and the useful lives of equivalent owned assets.

Stocks and work in progress

Stocks and work in progress are valued at the lower of cost and net realisable value, cost being determined on the first-in, first-out basis. 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 and defective stocks.

Goodwill

Goodwill represents the difference between the fair value of the consideration paid and the fair value of the separable net assets acquired. Goodwill is capitalised and written off over its estimated useful life.

Turnover

Turnover, which excludes value added tax and trade discounts, represents the invoiced amounts derived from the manufacture and sale of soft drinks.

Foreign currencies

Foreign exchange differences are taken to the profit and loss account in the year in which they arise.

Deferred taxation

Provision is made for deferred taxation, using the liability method, on all material timing differences to the extent that it is probable that a liability or asset will crystallise.

Cott Beverages Limited

Pension costs

Pension commitments arising in respect of the company's defined contribution pension schemes are charged to the profit and loss account on the basis of contributions payable for the year.

In respect of the company's defined benefit pension schemes, the funds are valued every three years by a qualified actuary, the rates of contribution payable being determined by the actuary. In the intervening years the actuary reviews the continuing appropriateness of the rates. Pension costs are accounted for on the basis of charging the expected cost of providing pensions over the period during which the company benefits from the employees' services. The effects of variations from regular cost are spread over the expected average remaining service lives of members of the schemes.

2 Turnover

The analysis of turnover by geographical area of destination is set out below:

	Year to 30.12.2000 £'000	Year to 1.1.2000 £'000
United Kingdom	93,895	113,538
Rest of Europe	1,740	1,738
	<u>95,635</u>	<u>115,276</u>

3 Cost of sales/net operating expenses

Cost of sales

	Year to 30.12.2000 before exceptional items £'000	Year to 30.12.2000 exceptional items £'000	Year to 30.12.2000 after exceptional items £'000	Year to 1.1.2000 before exceptional items £'000	Year to 1.1.2000 exceptional items £'000	Year to 1.1.2000 after exceptional items £'000
Total cost of sales	<u>76,079</u>	<u>685</u>	<u>76,764</u>	<u>93,597</u>	<u>(973)</u>	<u>92,624</u>

Cott Beverages Limited

Net operating expenses

	Year to 30.12.2000 before exceptional items £'000	Year to 30.12.2000 exceptional items £'000	Year to 30.12.2000 before exceptional items £'000	Year to 1.1.2000 before exceptional items £'000	Year to 1.1.2000 before exceptional items £'000	Year to 1.1.2000 after exceptional items £'000
Distribution costs	6078	-	6,078	7,426	-	7,426
Administrative expenses	12,177	-	12,177	13,415	1,062	14,477
Total net operating expenses	18,255	-	18,255	20,841	1,062	21,903

All the above relate to continuing operations.

4 Exceptional items

The sale of the Sawley assets resulted in an exceptional profit on the sale of the fixed assets of £2,181,000. The remaining exceptional costs included in cost of sales (£685,000) were the result of the closure costs of Sawley including redundancy.

5 Directors' emoluments

	Year to 30.12.2000 £'000	Year to 1.1.2000 £'000
Aggregate emoluments	1,015	644
Company contributions to money purchase pension schemes	50	46
Compensation to past directors for loss of office	-	149

Retirement benefits are accruing to four (year end 1.1.2000 - six) directors under money purchase pension schemes.

Highest paid director	Year to 30.12.2000 £'000	Year to 1.1.2000 £'000
Aggregate emoluments	371	71
Company pension contributions to money purchase schemes	-	7
Compensation for loss of office	-	149

Mr Silcock's emoluments were paid by Cott Corporation for his services to that company. No amounts have been specifically recharged or apportioned to the company, and accordingly his emoluments are disclosed in the financial statements of Cott Corporation.

Cott Beverages Limited

6 Employee information

Group and Company

The average monthly number of persons employed during the year was:

	Year to 30.12.2000 Number	Year to 1.1.2000 Number
Production	355	463
Sales	31	21
Administration	57	87
	<u>443</u>	<u>571</u>
	Year to 30.12.2000 £'000	Year to 1.1.2000 £'000
Staff costs (for the above persons):		
Wages and salaries	10,136	13,613
Social security costs	1,060	1,214
Other pension costs	563	718
	<u>11,759</u>	<u>15,545</u>

7 Interest receivable and similar income

	Year to 30.12.2000 £'000	Year to 1.1.2000 £'000
On bank deposits or similar	<u>55</u>	<u>42</u>

8 Interest payable and similar charges

	Year to 30.12.2000 £'000	Year to 1.1.2000 £'000
On bank loans and overdrafts	2,052	3,696
On other loans	11	-
Amortisation of funding costs	1,581	321
Imputed interest on deferred consideration	1,072	996
On finance leases	38	37
	<u>4,754</u>	<u>5,050</u>

Cott Beverages Limited

9 Loss on ordinary activities before taxation

	Year to 30.12.2000 £'000	Year to 1.1.2000 £'000
Loss on ordinary activities before taxation is stated after (crediting)/charging:		
Amortisation of intangible assets	876	1,081
Depreciation charge for the year:		
Tangible owned assets	4,484	4,745
Tangible fixed assets held under finance leases	208	175
Exceptional fixed asset write-down	-	718
Amortisation of government grant	-	(3)
Auditors' remuneration for:		
Audit (Group and company)	82	90
Other services	82	125
Hire of plant and machinery - operating leases	28	17
Hire of other assets - operating leases	271	420
	<u> </u>	<u> </u>

10 Tax on loss on ordinary activities

The Company's taxable income for the year was offset by tax losses brought forward. It therefore has no UK Corporation Tax liability.

11 Loss for the Financial Period

As permitted by Section 230 of the Companies Act 1985, the parent company's profit and loss account has not been included in these financial statements. The parent company loss after taxation for the financial period was £1,902,000 (year ended 1.1.2000: £3,715,000).

12 Intangible fixed assets

Group and Company

	Goodwill £'000
Cost	
At 1 January 2000 and 30 December 2000	18,329
Amortisation	
At 1 January 2000	2,564
Charge for the year	876
At 30 December 2000	3,440
Net book value	
At 30 December 2000	14,889
At 1 January 2000	15,765

Cott Beverages Limited

13 Tangible fixed assets

Group and Company

	Land and buildings £'000	Plant and machinery £'000	Motor vehicles £'000	Fixtures and fittings £'000	Total £'000
Cost					
At 1 January 2000	23,297	27,604	82	3,377	54,360
Additions	66	2,456	-	89	2,611
Reclassifications	429	(1,263)	(31)	827	(38)
Asset write down	-	(1,243)	-	-	(1,243)
Disposals	-	(3,891)	(51)	(27)	(3,969)
At 30 December 2000	23,792	23,663	-	4,266	51,721
Depreciation					
At 1 January 2000	1,393	3,650	12	773	5,828
Charge for the period	501	3,235	25	931	4,692
Reclassifications	31	(290)	(3)	224	(38)
Asset write down	-	(723)	-	-	(723)
Disposals	-	(1,312)	(34)	(22)	(1,368)
At 30 December 2000	1,925	4,560	-	1,906	8,391
Net book value					
At 30 December 2000	21,867	19,103	-	2,360	43,330
At 1 January 2000	21,904	23,954	70	2,604	48,532

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

The net book value of tangible fixed assets includes an amount of £486,000 (1.1.2000: £737,000) in respect of assets held under finance leases.

Land and buildings includes assets held for resale with a net book value of £747,000.

14 Investments

Company interests in group undertakings

				Company £'000
At 1 January 2000 and 30 December 2000				100
Name of undertaking	Country of incorporation or registration	Description of shares held	Proportion of nominal value of issued shares held by group	Proportion of nominal value of issued shares held by company
Cott Private Label Limited	UK	Ordinary shares of 10p each	100%	100%

Cott Private Label Limited is a non-trading company.

Cott Beverages Limited

15 Stocks

Group and Company

	30.12.2000	1.1.2000
	£'000	£'000
Raw materials	4,141	4,049
Finished goods	2,106	3,885
	<u>6,247</u>	<u>7,934</u>

16 Debtors

Group and Company

	30.12.2000	1.1.2000
	£'000	£'000
Trade debtors	13,744	13,726
Amounts owed by group undertakings	176	320
Corporation tax recoverable	-	227
Other debtors	726	257
Prepayments and accrued income	398	290
Deferred consideration	3,076	750
	<u>18,120</u>	<u>15,570</u>

The amounts owed by group undertakings shown as falling due within one year are payable on demand and non interest bearing.

All amounts fall due within one year except for the deferred consideration relating to the sale of the Featherstone site, which is receivable on 22 May 2005, and the deferred consideration relating to the sale of the assets at the Sawley site of which £1,500,000 is due on 1 October 2002 before discounting. The Sawley consideration has been discounted to the current value of £2,701,000 using a discount rate of 8.5%.

17 Creditors: amounts falling due within one year

	Group	Company	Group	Company
	30.12.2000	30.12.2000	1.1.2000	1.1.2000
	£'000	£'000	£'000	£'000
Bank loans and overdrafts, net of finance costs	-	-	5,578	5,578
Trade creditors	10,689	10,689	9,701	9,701
Obligations under finance leases	200	200	260	260
Amounts owed to group undertakings	1,079	1,179	3,086	3,186
Other taxation and social security	2,285	2,285	1,704	1,704
Other creditors and accruals	5,734	5,734	8,681	8,681
	<u>19,987</u>	<u>20,087</u>	<u>29,010</u>	<u>29,110</u>

The amounts owed to group undertakings are payable on demand and are non interest bearing.

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18 Creditors: amounts falling due after more than one year

Group and Company

	30.12.2000	1.1.2000
	£'000	£'000
Bank loans, net of finance costs	-	21,240
Deferred consideration	10,738	9,965
Obligations under finance leases	95	328
Amounts owed to group undertakings	21,000	-
	<u>31,833</u>	<u>31,533</u>

Amounts owed to group undertakings are non-interest bearing, unsecured and have no fixed repayment date.

Deferred consideration

The deferred consideration is the present value of the likely and maximum amount payable to the vendor of Hero Drinks Group (UK) Limited if the acquired business achieves certain performance targets. The maximum payable is £12,784,000 with repayment dates as follows:

	£'000
Between one and two years	-
Between two and five years	12,784
	<u>12,784</u>

The consideration has been discounted to the current value £10,738,000 using a discount rate of 7.5%.

Finance Leases

The net finance lease obligations to which the group and company are committed are:

	30.12.2000	1.1.2000
	£'000	£'000
In one year or less	200	260
Between one and two years	59	199
Between two and five years	36	129
	<u>295</u>	<u>588</u>

Cott Beverages Limited

19 Provisions for liabilities and charges

Group and Company

Deferred
Taxation
£'000

At 1 January 2000 and 30 December 2000

700

Deferred taxation

	Amount Provided		Amount Unprovided	
	30.12.2000 £'000	1.1.2000 £'000	30.12.2000 £'000	1.1.2000 £'000
Tax effect of timing differences because:				
Excess of capital allowances over depreciation	700	700	5,469	4,738
Unrelieved tax losses	-	-	(3,843)	(5,399)
Other	-	-	(376)	(135)
	<u>700</u>	<u>700</u>	<u>1,250</u>	<u>(796)</u>

20 Pension and similar obligations

The company operates two Group Personal Pension Schemes for certain employees. These are defined contribution schemes. The assets of the 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 £319,000 (year ended 1.1.2000 : £416,000) for the period. An amount £nil (1.1.2000 : £47,000) is included in creditors in respect of contributions payable to the schemes.

The company also operates the Cott Beverages Limited Retirement and Death Benefit Scheme providing benefits based on final pensionable salary. The assets of the scheme, which is a funded scheme, are held separately from those of the company. The total pension cost for the company was £212,000 (year ended 1.1.2000: £260,000). An amount of £nil (1.1.2000: £24,000) is included in creditors in respect of contributions payable to the scheme.

The contributions for this scheme were determined by a qualified actuary on the basis of regular investigations using the projected unit method. The most recent valuation was carried out on 1 May 2000. The assumptions which have the most significant effects on the results of the valuations are those relating to the rate of return on investments and the rates of increases of salaries and pensions. It was assumed that the investment return would be 6% per annum, that salary increases would average 4.0% per annum, and that pension increases would be 3% per annum on post 1988 Guaranteed Minimum Pension ("GMP"), 3% per annum on non-GMP for executive members and 3% per annum on non-GMP executive members post 5 April 1997 service. The market value of the scheme assets at 1 May 2000 was £9,294,229 and the actuarial value of those assets represented 106% of the benefits which had accrued to members, after allowing for expected future increases in earnings.

The company previously operated the Crystal Drinks Limited Retirement Benefit Scheme providing benefits based on final pensionable salary. This scheme was merged with the Cott Beverages Limited Retirement and Death Benefit Scheme in August 1999. The total pension cost for the company for the Crystal Scheme was £nil (year ended 1.1.2000 : £42,000).

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21 Called up share capital

Group and Company

	30.12.2000 £'000	1.1.2000 £'000
Authorised		
2,000 redeemable preference shares of £1 each	2	2
74,998,000 (1.1.2000: 49,998,000) ordinary shares of £1 each	74,998	49,998
	<u>75,000</u>	<u>50,000</u>
Allotted, called up and fully paid		
2,000 redeemable preference shares of £1 each	2	2
49,623,610 (1.1.2000: 45,976,610) ordinary shares of £1 each	49,623	45,976
	<u>49,625</u>	<u>45,978</u>

The redeemable (at par) preference shares are undated and are eligible to a fixed cumulative dividend of ½% 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 on a winding up. Since these shares were acquired by Cott Retail Brands Limited, the rights to these dividends have been waived.

On 15 June 2000, an additional 25 million ordinary shares of £1 each was authorised.

On 27 January 2000 the company allotted and issued 1,000,000 ordinary shares at par to provide further capital for the business.

On 16 March 2000 the company allotted and issued 647,000 ordinary shares at par to provide further capital for the business.

On 31 March 2000 the company allotted and issued 2,000,000 ordinary shares at par to provide further capital for the business.

22 Reserves

Group and Company

	Share premium account £'000	Profit and loss account £'000
At 1 January 2000	11,765	(26,185)
Deficit for the financial year	-	(1,902)
At 30 December 2000	<u>11,765</u>	<u>(28,087)</u>

The profit and loss account reserve includes a goodwill reserve.

Cott Beverages Limited

23 Reconciliation of movements in equity shareholders' funds

	Group 30.12.2000 £'000	Company 30.12.2000 £'000	Group 1.1.2000 £'000	Company 1.1.2000 £'000
Opening equity shareholders' funds	31,556	31,556	23,521	23,521
Share capital introduced	3,647	3,647	11,750	11,750
Loss for the financial period	(1,902)	(1,902)	(3,715)	(3,715)
Closing equity shareholders' funds	33,301	33,301	31,556	31,556

24 Financial commitments

At 30 December 2000, the company had annual commitments under non-cancellable operating leases as follows:

	30.12.2000 £'000	1.1.2000 £000
Expiring within one year	214	373
Expiring between one and two years inclusive	90	244
Expiring between two and five years	17	100
	321	717

25 Capital Commitments

Capital expenditure contracted but not provided for in the financial statements amounts to £112,000.

26 Related Party Disclosures

Transactions with other companies within the Cott Group are not disclosed as the company has taken advantage of the exemption available under Financial Reporting Standard No. 8 'Related party disclosures' as the consolidated accounts of Cott Corporation, in which the company is included, are available at the address noted in note 27.

27 Ultimate Parent Company

The directors regard Cott Retail Brands Limited, a company registered in England and Wales, as the ultimate UK parent company. The ultimate parent company is Cott Corporation, a company incorporated in Canada, whom the directors consider to be the ultimate controlling party.

Copies of the ultimate UK parent's consolidated financial statements and the ultimate controlling party's consolidated financial statements may be obtained from The Secretary, Cott Retail Brands Limited, Citrus Grove, Side Ley, Kegworth, Derbyshire,