

Diageo (IH) Limited

Financial statements

30 June 2018

Registered number: 4222753

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Diageo (IH) Limited
Registered number: 4222753
Year ended 30 June 2018

INCOME STATEMENT

During the financial year and the preceding financial year, the company did not trade and received no income and incurred no expenditure. Consequently during those years the company made neither a profit nor a loss, and there were no other comprehensive income or expenses.

Accordingly, neither an income statement, a statement of other comprehensive income nor a statement of changes in equity has been presented.

Diageo (IH) Limited
Registered number: 4222753
Year ended 30 June 2018

BALANCE SHEET

	Note	30 June 2018 £ 000	30 June 2017 £ 000
Fixed assets			
Investments in subsidiaries	4	569	569
Current assets			
Trade and other receivables	5	<u>23</u>	<u>23</u>
Net assets		<u>592</u>	<u>592</u>
Equity			
Called up share capital	6	552	552
Retained earnings		<u>40</u>	<u>40</u>
Total equity		<u>592</u>	<u>592</u>


The notes on pages 3 to 6 form part of the financial statements.

The company did not trade during the financial year or the preceding financial year. The directors do not expect the company to trade in the foreseeable future.

The directors:

- (a) confirm that the company was entitled to exemption under subsection (1) of section 480 of the Companies Act 2006 from the requirement to have its accounts audited for the financial year ended 30 June 2018;
- (b) confirm that members have not required the company to obtain an audit of its accounts for that financial year in accordance with section 476 of that Act;
- (c) acknowledge their responsibilities for:
 - (i) ensuring that the company keeps accounting records which comply with section 386 of the Companies Act 2006 and;
 - (ii) preparing accounts which give a true and fair view of the state of the affairs of the company as at the end of the financial year and of its profit or loss for the financial year in accordance with the requirements of sections 394 and 396 of that Act, and which otherwise comply with the requirements of that Act relating to accounts, so far as applicable to the company.

These financial statements on pages 1 to 6 were approved by the board of directors on 25 July 2018 and were signed on its behalf by:


A Mahler
Director

Diageo (IH) Limited
Registered number: 4222753
Year ended 30 June 2018

NOTES TO THE FINANCIAL STATEMENTS

1. ACCOUNTING POLICIES

The following accounting policies have been applied consistently in dealing with items that are considered material in relation to the company's financial statements.

Basis of preparation

These financial statements are prepared in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework (FRS 101).

In preparing these financial statements, the company applies the recognition, measurement and disclosure requirements of International Financial Reporting Standards as adopted by the EU (IFRS), but makes amendments where necessary in order to comply with Companies Act 2006 and sets out below where the FRS 101 disclosure exemptions have been taken.

These financial statements are prepared on a going concern basis under the historical cost convention, except that certain financial instruments are stated at their fair value.

The company is a wholly owned subsidiary of Diageo plc and is included in the consolidated financial statements of Diageo plc which are publicly available.

The company has taken advantage of the following exemptions from the requirements of IFRS in the preparation of these financial statements, in accordance with FRS 101:

- a cash flow statement and related notes;
- comparative period reconciliations for share capital;
- disclosures in respect of transactions with wholly owned subsidiaries;
- the effects of new but not yet effective IFRSs.

The company has taken advantage of the exemption under IAS 27, 'Consolidated and separate financial statements', from the requirement to prepare consolidated financial statements as it and its subsidiaries are included in the consolidated financial statements of its parent, Diageo plc. These financial statements are separate financial statements.

Diageo (IH) Limited
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NOTES TO THE FINANCIAL STATEMENTS (continued)

1. ACCOUNTING POLICIES (continued)

Basis of preparation (continued)

New accounting policy

The following standard, issued by the IASB and endorsed by the EU, have been early adopted by the company from 1 July 2017:

- IFRS 9 - Financial instruments replaces IAS 39 (Financial instruments - Recognition and measurement) and addresses the classification and measurement of financial instruments, introduces a new forward-looking impairment model for financial assets. The adoption of IFRS 9 principles did not result in any changes in the measurement and classification of financial instruments and had no impact on the statement of comprehensive income and the balance sheet of the company for the year ended 30 June 2018. All classes of financial assets and financial liabilities had as at 1 July 2017 the same carrying values under IFRS 9 as they had under IAS 39.

The new forward-looking impairment model requires the recognition of allowances for doubtful debt based on expected credit losses (ECL), rather than incurred credit losses as under IAS 39. The adoption of the ECL approach did not result in an additional impairment loss for amounts owed by group undertakings as at 1 July 2017.

Investments in subsidiaries

Investments in subsidiaries are initially recorded at cost including transaction costs less, where appropriate, provision for impairment in value where such impairment is expected by the directors to be permanent.

Financial assets

The company classifies its financial assets into the following categories: financial assets at amortised cost, financial assets at fair value through profit and loss and financial assets at fair value through other comprehensive income.

Trade and other receivables Amounts owed by other group companies are initially measured at fair value and are subsequently reported at amortised cost. Non-interest bearing trade receivables are stated at their nominal value as they are due on demand. Allowances for expected credit losses are made based on the risk of non-payment taking into account ageing, previous experience, economic conditions and forward looking data. Such allowances are measured as either 12-months expected credit losses or lifetime expected credit losses depending on changes in the credit quality of the counterparty.

2. INCOME STATEMENT

None of the directors received any remuneration during the financial year in respect of their services as directors of the company (2017 - £nil).

3. TAXATION

The company has £3,800,722 capital losses carried forward (2017 - £3,800,722). Deferred tax has not been recognised on these losses as their recoverability is uncertain.

Diageo (IH) Limited
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Year ended 30 June 2018

NOTES TO THE FINANCIAL STATEMENTS (continued)

4. FIXED ASSET INVESTMENTS

	Subsidiaries £ 000
Cost	
At 30 June 2017 and at 30 June 2018	<u>1,428</u>
Provisions	
At 30 June 2017 and at 30 June 2018	<u>(859)</u>
Carrying amount	
At 30 June 2017 and at 30 June 2018	<u>569</u>

Details of the investments in which the company holds 20% or more of the nominal value of any class of share capital are as follows. Unless otherwise stated the percentage of shares held are in respect of ordinary share capital.

Name of subsidiary	Registered office address	Proportion of ownership interest %
Direct holdings		
<i>Subsidiary undertaking</i>		
Trelawny Estates Limited	7th Floor, Scotiabank Centre, Duke Street, Kingston, Jamaica	100%
Name of subsidiary		
Registered office address		
Proportion of ownership interest %		
Indirect holdings		
<i>Subsidiary undertaking</i>		
Myers Rum Company (Jamaica) Limited	Lot14, Gilbert Drive, Lakeside Park, Discovery Bay, St. Ann, Jamaica	100%
<i>Associate undertaking</i>		
Clarendon Distillers Limited	2nd Floor, 2-6 Grenada Crescent; Kingston 5, Jamaica	26.1%

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NOTES TO THE FINANCIAL STATEMENTS (continued)

4. FIXED ASSET INVESTMENTS (continued)

The investments in subsidiary and associate undertakings are held at cost less, where appropriate, provision for impairment in value.

In the opinion of the directors, the investment in (and amounts due from) the company's subsidiary undertakings are worth at least the amount at which they are stated in the financial statements.

5. TRADE AND OTHER RECEIVABLES

	30 June 2018	30 June 2017
	£ 000	£ 000
Amount owed by fellow group undertaking		
Arthur Bell & Sons Limited	<u>23</u>	<u>23</u>

Amount owed by fellow group undertaking is unsecured, interest free and repayable on demand.

6. SHARE CAPITAL

Allotted, called up and fully paid shares

	30 June 2018
	£ 000
552,100 ordinary share of £1 each	<u>552</u>

7. IMMEDIATE AND ULTIMATE PARENT UNDERTAKING

The immediate parent undertaking of the company is Arthur Bell & Sons Limited, a company incorporated and registered in Scotland.

The ultimate parent undertaking of the company is Diageo plc, a company incorporated and registered in England. The consolidated financial statements of Diageo plc can be obtained from the registered office at Lakeside Drive, Park Royal, London, NW10 7HQ.

8. DIRECTORS AND SECRETARY

The directors who held office during the year were as follows:

J M C Edmunds (appointed 8 March 2018)

D F Harlock

A Mahler

J J Nicholls (resigned 9 March 2018)

The secretaries who held office during the year were as follows:

C E Matthews (resigned 5 January 2018)

J M Guttridge (appointed 5 January 2018 and resigned 20 April 2018)