

COMPANY REGISTRATION NUMBER: 08276521

Clearly Drinks Brands Limited
Financial Statements
31 December 2016

CHIPCHASE MANNERS

Chartered accountant & statutory auditor
384 Linthorpe Road
Middlesbrough
TS5 6HA

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Clearly Drinks Brands Limited

Financial Statements

Year ended 31 December 2016

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Clearly Drinks Brands Limited

Officers and Professional Advisers

The board of directors

M Newton
A V Hawker
M V Thornton

Company secretary

Palmerston Secretaries Limited

Registered office

Palmerston House
814 Brighton Road
Purley
Surrey
CR8 2BR

Auditor

Chipchase Manners
Chartered accountant & statutory auditor
384 Linthorpe Road
Middlesbrough
TS5 6HA

Clearly Drinks Brands Limited

Directors' Report

Year ended 31 December 2016

The directors present their report and the financial statements of the company for the year ended 31 December 2016.

Directors

The directors who served the company during the year were as follows:

M Newton
A V Hawker
M V Thornton

Directors' responsibilities statement

The directors are responsible for preparing the directors' report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and 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 judgments and accounting estimates that are reasonable and prudent;
- 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.

Auditor

Each of the persons who is a director at the date of approval of this report confirms that:

- so far as they are aware, there is no relevant audit information of which the company's auditor is unaware; and
- they have taken all steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditor is aware of that information.

Small company provisions

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

Clearly Drinks Brands Limited

Directors' Report *(continued)*

Year ended 31 December 2016

This report was approved by the board of directors on 17 February 2017 and signed on behalf of the board by:



A V Hawker
Director

Registered office:
Palmerston House
814 Brighton Road
Purley
Surrey
CR8 2BR

Clearly Drinks Brands Limited

Independent Auditor's Report to the Members of Clearly Drinks Brands Limited

Year ended 31 December 2016

We have audited the financial statements of Clearly Drinks Brands Limited for the year ended 31 December 2016 which comprise the statement of income and retained earnings, statement of financial position and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

This report is made solely to the company's members, as a body, in accordance with chapter 3 of part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the directors' report 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.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Clearly Drinks Brands Limited

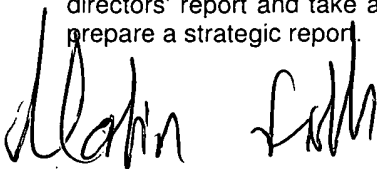
Independent Auditor's Report to the Members of Clearly Drinks Brands Limited (continued)

Year ended 31 December 2016

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; and
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemption in preparing the directors' report and take advantage of the small companies exemption from the requirement to prepare a strategic report.



Martin Firth BA(Hons) FCA (Senior Statutory Auditor)

For and on behalf of
Chipchase Manners
Chartered accountant & statutory auditor
384 Linthorpe Road
Middlesbrough
TS5 6HA

17 February 2017

Clearly Drinks Brands Limited

Statement of Income and Retained Earnings

Year ended 31 December 2016

	Note	2016 £	2015 £
Administrative expenses		(224,449)	(178,538)
Other operating income		<u>626,256</u>	<u>505,498</u>
Operating profit		401,807	326,960
Other interest receivable and similar income		1	—
Interest payable and similar expenses		<u>(60)</u>	<u>5,726</u>
Profit before taxation	6	401,748	332,686
Tax on profit		<u>(78,319)</u>	<u>(68,669)</u>
Profit for the financial year and total comprehensive income		<u>323,429</u>	<u>264,017</u>
Dividends paid and payable		(365,000)	(200,000)
Retained earnings at the start of the year		297,655	233,638
Retained earnings at the end of the year		<u>256,084</u>	<u>297,655</u>

All the activities of the company are from continuing operations.

The notes on pages 8 to 11 form part of these financial statements.

Clearly Drinks Brands Limited

Statement of Financial Position

31 December 2016

	Note	2016 £	2015 £
Fixed assets			
Intangible assets	7	10,000	20,000
Current assets			
Debtors	8	345,647	329,597
Cash at bank and in hand		<u>41,256</u>	<u>74,671</u>
		386,903	404,268
Creditors: amounts falling due within one year	9	<u>(140,818)</u>	<u>(126,612)</u>
Net current assets		246,085	277,656
Total assets less current liabilities		<u>256,085</u>	<u>297,656</u>
Net assets		<u>256,085</u>	<u>297,656</u>
Capital and reserves			
Called up share capital		1	1
Profit and loss account		<u>256,084</u>	<u>297,655</u>
Members funds		<u>256,085</u>	<u>297,656</u>

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

These financial statements were approved by the board of directors and authorised for issue on 17 February 2017, and are signed on behalf of the board by:



A V Hawker
Director

Company registration number: 08276521

The notes on pages 8 to 11 form part of these financial statements.

Clearly Drinks Brands Limited

Notes to the Financial Statements

Year ended 31 December 2016

1. General information

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is Palmerston House, 814 Brighton Road, Purley, Surrey, CR8 2BR.

2. Statement of compliance

These financial statements have been prepared in compliance with the provisions of FRS 102 Section 1A, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Disclosure exemptions

No cash flow statement has been presented for the company.

Disclosures in respect of financial instruments have not been presented as none were used by the company in the year.

No disclosure has been given for the aggregate remuneration of key management personnel.

Judgements and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Income tax

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Clearly Drinks Brands Limited

Notes to the Financial Statements *(continued)*

Year ended 31 December 2016

3. Accounting policies *(continued)*

Intangible assets

Intangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated amortisation and impairment losses. Any intangible assets carried at revalued amounts, are recorded at the fair value at the date of revaluation, as determined by reference to an active market, less any subsequent accumulated amortisation and subsequent accumulated impairment losses.

Amortisation

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

Patents, trademarks and licences - Straight line over 5 years.

If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

Impairment of fixed assets

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

4. Auditor's remuneration

	2016	2015
	£	£
Fees payable for the audit of the financial statements	<u>7,000</u>	<u>4,400</u>

5. Staff costs

The average number of persons employed by the company during the year, including the directors, amounted to Nil (2015: Nil).

Clearly Drinks Brands Limited

Notes to the Financial Statements *(continued)*

Year ended 31 December 2016

6. Profit before taxation

Profit before taxation is stated after charging:

	2016 £	2015 £
Amortisation of intangible assets	10,000	10,000
Interest payable to group undertakings	—	(5,726)

7. Intangible assets

	Patents, trademarks and licences £
Cost	
At 1 Jan 2016 and 31 Dec 2016	50,000
Amortisation	
At 1 January 2016	30,000
Charge for the year	10,000
At 31 December 2016	40,000
Carrying amount	
At 31 December 2016	10,000
At 31 December 2015	20,000

8. Debtors

	2016 £	2015 £
Amounts owed by group undertakings and undertakings in which the company has a participating interest	341,998	329,597
Other debtors	3,649	—
	345,647	329,597

9. Creditors: amounts falling due within one year

	2016 £	2015 £
Trade creditors	10,544	9,582
Amounts owed to group undertakings and undertakings in which the company has a participating interest	99	—
Corporation tax	80,350	68,669
Social security and other taxes	42,825	43,955
Other creditors	7,000	4,406
	140,818	126,612

Clearly Drinks Brands Limited

Notes to the Financial Statements *(continued)*

Year ended 31 December 2016

10. Change of name

The company changed its name on 11 September 2016 from Speaking Water Brands Limited to Clearly Drinks Brands Limited.

11. Related party transactions

The company has taken advantage of the available exemptions under FRS 102 from disclosing related party transactions within the Clearly Drinks Group Limited group.

12. Controlling party

The company is a wholly owned subsidiary of Clearly Drinks Group Limited, a company incorporated in England and Wales.

The smallest and largest group in which the results of Clearly Drinks Brands Limited are consolidated is that headed by Clearly Drinks Group Limited. The consolidated accounts of this group are available to the public and may be obtained from Clearly Drinks Group Limited, Palmerston House, 814 Brighton Road, Purley, Surrey CR8 2BR.

Clearly Drinks Brands Limited

Management Information

Year ended 31 December 2016

The following pages do not form part of the financial statements.

Clearly Drinks Brands Limited

Detailed Statement of Income and Retained Earnings

Year ended 31 December 2016

	2016 £	2015 £
Overheads		
Administrative expenses	224,449	178,538
Other operating income	626,256	505,498
Operating profit	<u>(401,807)</u>	<u>(326,960)</u>
Other interest receivable and similar income	1	—
Interest payable and similar expenses	60	(5,726)
Profit before taxation	<u>(401,748)</u>	<u>(332,686)</u>

Clearly Drinks Brands Limited

Notes to the Detailed Statement of Income and Retained Earnings

Year ended 31 December 2016

	2016 £	2015 £
Administrative expenses		
Travel and subsistence	–	240
Printing postage and stationery	11	3
General expenses	148	178
Advertising	192,766	120,833
Promotions and exhibitions	330	5,790
Legal and professional fees	11,563	34,173
Accountancy fees	2,200	2,600
Auditors remuneration	7,000	4,400
Amortisation of intangible assets	10,000	10,000
Bank charges	431	321
	<u>224,449</u>	<u>178,538</u>
Other operating income		
Royalties receivable	<u>626,256</u>	<u>505,498</u>
Other interest receivable and similar income		
Interest on tax refund	<u>1</u>	<u>–</u>
Interest payable and similar expenses		
Interest on amounts due to group undertakings	–	(5,726)
Interest on overdue taxation	<u>60</u>	<u>–</u>
	<u>60</u>	<u>(5,726)</u>