annual report 2015

making life's everyday moments more enjoyable

BRITVIC plc

BRITVIC
annual report 2015

welcome to Britvic's 2015 annual report for the financial year ended 27 September 2015

In this report you can read an overview of our business and what we do, find information on our strategy and how we deliver it, how we have performed in the financial year and how we govern our business.

performance highlights

GROUP REVENUE
2015 £1,300.1m
2014 £1,344.4m
-0.6%

GROUP EBITA
2015 £171.6m
2014 £161.0m
+7.1%

EBITA MARGIN
2015 13.2%
2014 12.0%
+100bps

UNDERLYING ROIC
2015 26.2%
2014 24.9%
+130bps

ADJUSTED EARNINGS PER SHARE
2015 46.3p
2014 41.8p
+11.0%

DIVIDEND PER SHARE
2015 23.0p
2014 20.9p
+10.0%

FREE CASH FLOW
2015 £89.3m
2014 £88.9m
+0.4%

All numbers in the Chairman's statement, Chief Executive Officer's Review and Chief Financial Officer's Review in addition to those above, other than where stated, are disclosed before exceptional and other items and are presented on a constant currency basis. Underlying numbers exclude the impact of the equity placement in July. A list of definitions can be found on page 138 of the annual report.

RECONCILIATION FROM ACTUAL EXCHANGE RATE TO CONSTANT EXCHANGE RATE

	2014 actual exchange rate £m	Change £m	2014 constant exchange rate £m
Revenue	1,344.4	(35.9)	1,308.5
Group EBIT	158.1	(0.5)	157.6
Profit before tax	132.9	(0.4)	132.5
Profit after tax (PAT)	99.9	(0.1)	99.8
PAT after exceptional and other items	89.7	0.1	89.8
EBITA	161.0	(0.8)	160.2
Adjusted earnings per share	41.8	(0.1)	41.7

sustainable business highlights

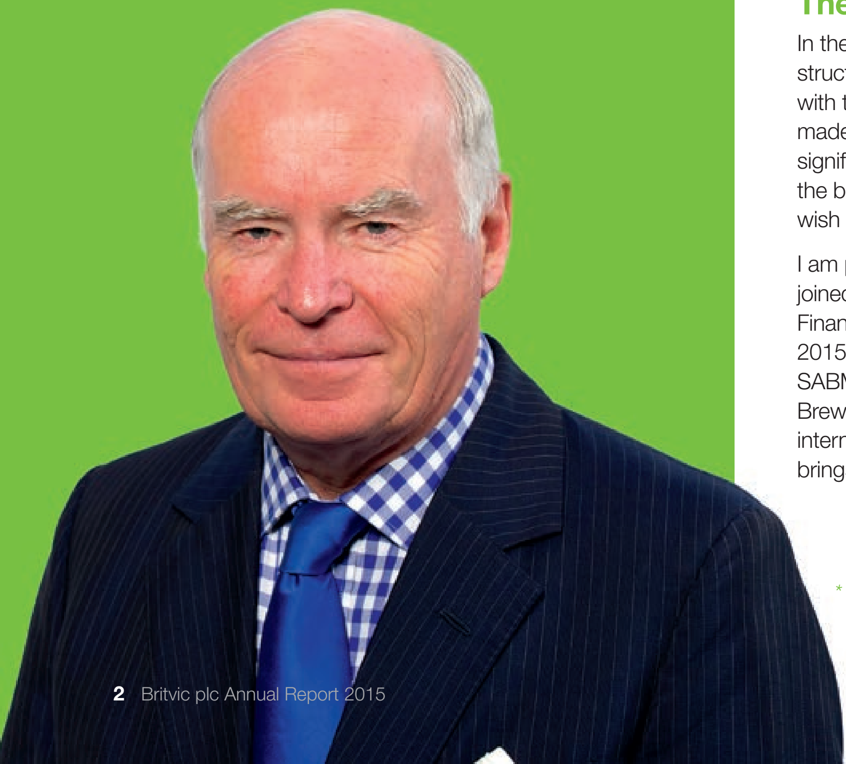
BITC CR INDEX
2015
2 stars
2014 1 star

GREAT PLACE TO WORK
2015
70%
2014 64%

AVERAGE CALORIES PER 250ML
2015
35.4
2014 37.6

Chairman's introduction

Despite difficult market conditions, this past year has seen Britvic deliver a record EBITA of £171.6m, up 7.1%. Profit after tax of £112.5m has translated into underlying adjusted earnings per share* of 46.7p, an increase of 12.0%.The board is declaring a final dividend of 16.3p, bringing the full year dividend to 23.0p, a 10.0% increase on the previous year. We continue to remain fully committed to our progressive dividend policy and paying out 50% of earnings in dividends in the coming years.



Performance review

This year marks Simon Litherland's second full year as Chief Executive Officer. He and his team have continued to execute the strategy launched in 2013, and have now largely delivered the cost saving programme. In the annual report last year I highlighted the amount of change the organisation was undergoing, a major challenge for the company. Once again, the business as a whole has responded well to this challenge and has successfully executed our plans.

Trading conditions have been difficult across all our core markets. In the UK, in particular, our customers, the supermarkets, are facing a variety of structural challenges. The weather has also had an impact, to our benefit in France, but it worked against us in both GB and Ireland, where the wet summer prevented us from delivering four quarters of revenue growth. The new PET line in Leeds is now close to being operational and marks the start of an investment programme to ensure the business is fit for purpose for the years ahead, with further investment in 2016 also announced.

International expansion is a key element of the strategy. Progress in the USA has been slower than planned but it remains a priority and this summer we announced the acquisition of the Brazilian soft drinks company Empresa Brasileira de Bebidas e Alimentos SA (Ebba). This represents our first acquisition outside of Europe and whilst we are excited by the prospects for us in this market, the board recognises the current challenges that Brazil faces. I am reassured by the extensive due diligence undertaken prior to the acquisition and the funding structure in place that sees half of the consideration deferred until 2017. The board were very supportive of the acquisition and the raising of equity to part finance it. The board believes a prudent approach to the balance sheet is appropriate, giving the business the flexibility to undertake value creating projects, such as the supply chain investment programme.

Our people

I would like to thank all of our employees for their hard work and commitment throughout the year. We have continued to encourage employees to participate, where possible, in the share incentive schemes available. They offer significant rewards for much appreciated hard work and allow our people to share in the success of the business.

The board

In the past year, there have been some changes to the board structure with new appointments and departures. After 16 years with the business, John Gibney will retire in April 2016. John has made a remarkable impact on the organisation and has contributed significantly to the growth and development of Britvic. On behalf of the board I would like to thank John for his exceptional service and wish him all the best for the future.

I am pleased to announce the appointment of Mathew Dunn, who joined us in September and succeeds John Gibney as Chief Financial Officer following the preliminary results on 25 November 2015, allowing a sensible transition period. He joins us from SABMiller plc, where he held the position of CFO of South African Breweries Ltd. The extensive knowledge and experience of both international markets and managing partnerships that Mathew brings with him will be invaluable in the coming years.

** Underlying adjusted earnings per share excludes the impact of the share placement in July 2015, which increases the adjusted diluted EPS by 0.4 pence*

robinsons

Bob Ivell has been our Senior Independent Director since we floated in 2005 and his counsel has been steady and wise. He reaches the end of his tenure as an independent director at the AGM in January, however, the board has asked Bob to remain on the board until it is satisfied that it has identified a suitable successor to replace him. Meanwhile, John Daly will take over from Bob as Senior Independent Director and Chairman of the Remuneration Committee from the conclusion of the AGM. John joined us in January 2015 after a distinguished executive career, latterly as Chief Operating Officer at BAT industries.

Lastly, Silvia Lagnado stepped down from the board in July. Silvia joined us last year and provided valuable insight and made a strong impact on the board. On behalf of the entire board I wish her the best of luck for the future in her new role as Chief Marketing Officer for McDonalds, based in the USA. We are currently in the process of identifying her successor.

The AGM will be held at 11am on Wednesday 27 January 2016 at the offices of Nomura, 1 Angel Lane, London, EC4R 3AB and I look forward to seeing you there.

Gerald Corbett
Chairman

Britvic at a glance

Britvic's purpose is to make life's everyday moments more enjoyable. We offer a wide range of soft drinks to meet the many and varied needs of our consumers; at home or out and about, there is a great tasting, high quality Britvic brand for every occasion.

The Britvic of today has come a long way from its mid-19th century origins in a chemist's shop in Essex. The British Vitamin Product Company set the standard in the 1930s when it started bottling fruit juice to provide an easy and affordable source of vitamins to the local community.

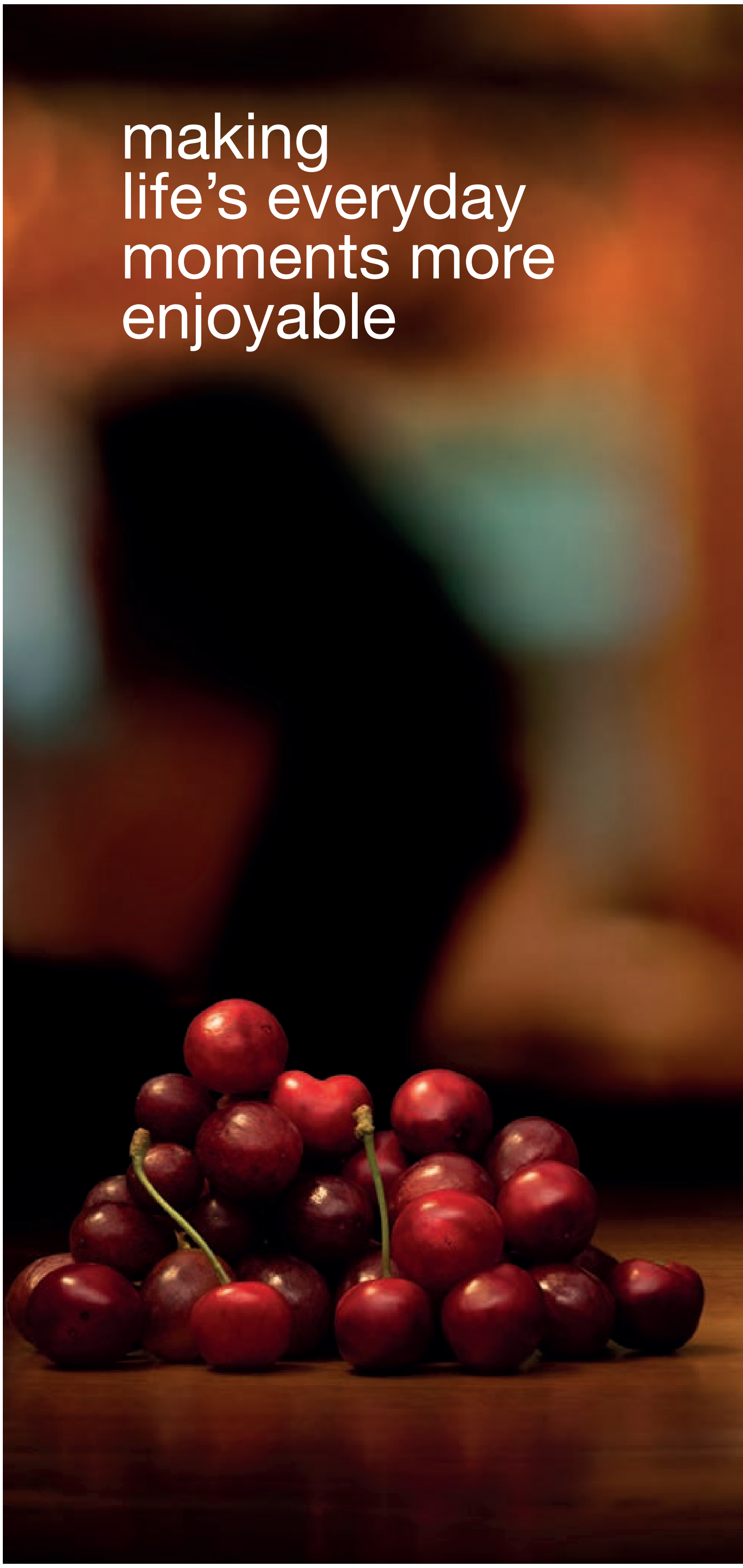
Today Britvic is a leading international soft drinks company, with a strong heritage. We have operations in GB, Ireland and France and now Brazil, having acquired Empresa Brasileira de Bebidas e Alimentos SA (Ebba) on 30 September 2015. We have also been taking our brands around the world, exporting to over 50 countries and working with carefully chosen partners in countries including the USA and India to franchise our brands.

We have an enviable portfolio of leading brands and strong market positions. In GB and Ireland, we are the number one supplier of still soft drinks and the number two supplier of carbonates. Robinsons has long been the UK's number one squash brand and J_2O is the number one premium juice brand. Other brands like Tango, R Whites Lemonade as well as Britvic juices and mixers, are staples in UK shopping baskets or on a trip to the pub. Fruit Shoot is the number one kids' soft drinks brand in the UK and is at the heart of our international expansion. In France we have the leading syrup brand, Teisseire, and Teisseire Fruit Shoot is now the number one kids' juice drink. In Ireland, Ballygowan is the number one water brand, while MiWadi squash and the Club range are leaders in their categories.

We are proud of our longstanding partnership with PepsiCo, which began in 1987. We make and sell a number of their brands, including Pepsi and 7UP in GB and Ireland, and are now partnering with PepsiCo as we roll out Fruit Shoot in the USA.

We are equally proud of our people who are critical to our success. We are committed to building a great place to work and making Britvic an inspiring place to be for our employees.

Britvic is listed on the London Stock Exchange under the code BVIC. Its market capitalisation at 27 September 2015 was £1.8 billion.



J2O

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our brands

Kids

Teisseire Fruit Shoot is the number one kids juice drink in France

Fruit Shoot Hydro has been reformulated with reduced sweetness and acidity levels

Family

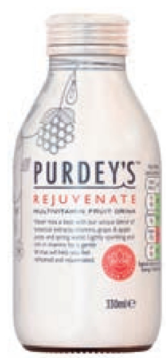
Robinsons was relaunched in 2015, with new flavours, improved recipes and stand out packaging

MiWadi is Ireland's number one squash brand

Adult

In 2015 we introduced lightly carbonated, lower calorie **J_2O Spritz**

Purdey's is a multivitamin fruit drink which helps you feel rejuvenated



Portfolio

In our core markets we have a broad portfolio of carbonates and still brands including the brands that we bottle and market on behalf of PepsiCo. A selection of those brands is shown here.

Pepsi Max is the UK's leading low sugar cola

Club Orange is the number one Irish soft drink

In 2014, we stopped selling added sugar **Fruit Shoot** in the UK as part of our health commitments

Teisseire is the leading syrup brand in France

Maguary and **Dafruta** are the leading dilute brands in Brazil

Squash'd was voted Product of the Year 2015 in the drinks category

Teisseire adds a dash of French flair to cold and hot drinks

Ballygowan is the undisputed leader in the Irish bottled water market

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strategic report

our business model

Britvic sets itself apart from its competitors by our unrivalled combination of market leading brands and track record in innovation, our expert knowledge of the soft drinks market, longstanding and sustainable relationships with our partners, including PepsiCo, and a highly talented and committed workforce.

We manufacture, market and sell both Britvic and PepsiCo brands in GB and Ireland, supported by dedicated commercial teams in both countries. In France, we manufacture, market and sell our own category-leading brands, as well as supplying private label juice and syrups. On 30 September, we completed the acquisition of Brazilian soft drinks company Ebba, which manufactures and sells the two leading liquid dilutable brands, Maguary and Dafruta, and has a growing presence in the ready to drink nectar category.

Internationally, we work primarily in partnership with local companies through franchise, distribution or licensing arrangements to exploit the global potential of our kids, family and adult brands. In the USA, we have agreements with a number of Pepsi bottlers and in India we are partnering with the Narang Group. We also export Britvic products around the world and are a significant player in the travel sector.

Our brands and innovations are built on the quality of our insight and understanding of the soft drinks markets in which we operate. We have a strong track record in innovation and our dedicated technical and consumer innovation teams are at the forefront of identifying consumer trends and new technologies to ensure that we deliver products that meet consumers' evolving needs. Our marketing teams ensure that our brands are front of mind for our consumers.

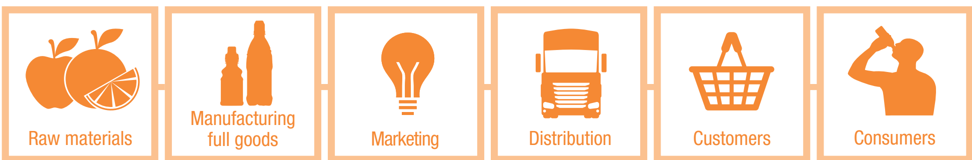
We are committed to building sustainable relationships with all our partners, from suppliers of raw materials through to the customers who sell our brands.

We have developed an operating model which is based on the principles of simplicity, focus and accountability, to ensure we are cost-efficient and effective and can invest in the growth opportunities.

All of this allows us to deliver value to our shareholders, our customers and partners, the consumers who buy our brands, the communities in which we operate and to our employees.

GB, IRELAND AND FRANCE

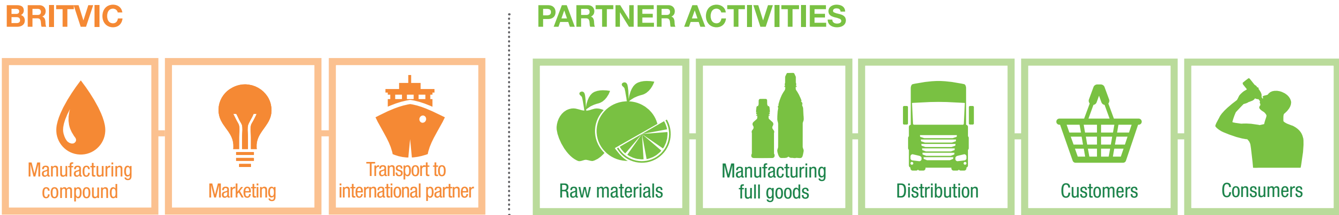
BRITVIC



INTERNATIONAL FRANCHISE

BRITVIC

PARTNER ACTIVITIES



INTERNATIONAL EXPORT

BRITVIC

PARTNER ACTIVITIES

MANUFACTURING
Our operations

In GB we have factories in Leeds, Norwich, Rugby and East London. In the past year we have invested £25m in our Leeds factory, including a new flexible, high-speed PET bottling line. We have also announced investment in our Rugby and Beckton facilities.

In France we have factories in Crolles, Beziers, La Roche sur Foron and Nantes.

In Ireland we have factories in Dublin and Newcastle West.

We fully understand the impact our operations have on the environment and are committed to efficient and sustainable production, as well as the highest quality standards.

MARKETING
Responsible marketing

All our marketing activity is governed by a Responsible Marketing Code, which acknowledges that soft drinks should be consumed as part of a balanced diet and lifestyle and that we have a particular responsibility to children. We do not market our drinks to children under the age of 12.

We are committed to encouraging families to get more active together. In the past year we launched Fruit Shoot Mini Mudder in the UK, Ireland and the USA.

For PepsiCo franchised brands in GB and Ireland we jointly fund and manage marketing campaigns, combining PepsiCo global collateral and local market activations.

Creativity is at the heart of our business and our marketing activity and we have a track record of award-winning campaigns.

CUSTOMERS
Commercial relationships

We pride ourselves on being a great company to do business with.

We work in partnership with our customers to grow both their businesses and our own.

In the last year, we have been acknowledged by the annual Advantage survey of food and drink companies as the number three supplier in GB and number one in Ireland, a step change improvement on the previous year.

Equally we value our relationships with our suppliers and are committed to long term, sustainable partnerships. As part of our responsible sourcing programme, all our partners are required to comply with our Ethical Business Policy and are subject to our annual audit programme.

our geographies

We currently operate as four geographic business units: GB, France, Ireland and International. We report separately on each geography, with GB further segmented by stills and carbonates performance.

FINANCIALS BY REGION

Volume (million litres)

GB	1,584.2
France	288.9
Ireland	202.2
International	41.3
Total	2,116.6

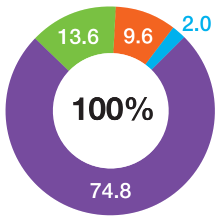
Revenue (£m)

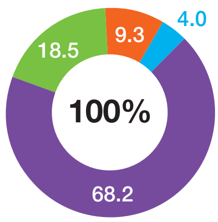
GB	887.3
France	240.3
Ireland	120.4
International	52.1
Total	1,300.1

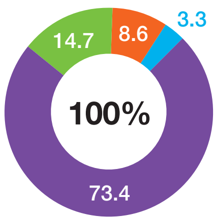
Brand contribution (£m)

GB	376.2
France	75.6
Ireland	44.2
International	16.9
Total	512.9

% SHARE BY REGION







our strategy

We have a clear strategy that is designed to realise our ambition to become the most dynamic, creative and admired soft drinks company in the world and supports our purpose of making life's every day moments more enjoyable.

Generate profitable growth in our core markets

We have well-established operations in GB, Ireland and France, with a broad portfolio of leading brands. However, we see opportunities to improve our participation in both soft drink categories and sales channels. For example, in GB the water category is fast growing and there is strong potential to increase the penetration of our Ballygowan water brand, which we launched last year. Innovation will also be a key driver of growth. Innovation is at the heart of our business and we bring to market new products that offer consumers drinks for their changing needs. We continue to focus on disciplined revenue management, such as maximising the effectiveness of our promotions.

In GB and Ireland we partner with PepsiCo to manufacture, market and sell its range of brands including Pepsi, 7UP, Lipton Ice Tea and Mountain Dew. The combination of the Britvic and PepsiCo brands gives us the most balanced portfolio in these markets and will continue to be a key aspect of our growth plans.

Key performance indicator – net revenue growth

Launch of Pepsi Max Cherry

The Pepsi brand has continued to go from strength to strength in the past year. Pepsi Max, with its maximum taste, no sugar position, is an important part of our health strategy and in the past year we have introduced a new flavour, Pepsi Max Cherry. Pepsi Max is also a key part of the brand's sponsorship of the UEFA Champions League.

J$_2$O Spritz launch

Earlier this year, we launched J$_2$O Spritz, a low calorie, sparkling version of J$_2$O, to give adults a more sophisticated soft drinks experience. Available in three flavours – Pear & Raspberry, Apple & Watermelon and Peach & Apricot, the range has already proved popular with consumers.

Exploit global opportunities in kids, family and adult categories

We have a number of brands in these categories, which have strong growth potential in a number of international markets. Our approach to maximising the opportunity is twofold, either working with local partners through franchise, distribution or licensing agreements or making selective acquisitions, where we can acquire strong local brands and routes to market.

Our priority is to deliver on the potential that we see for Fruit Shoot in the US and India and, of course, deliver the benefits from the acquisition of Ebba.

Key performance indicator – net revenue growth

Fruit Shoot in the USA

We have achieved national distribution of single serve Fruit Shoot in the past 12 months and are well-placed to accelerate the growth of this format in the convenience and gas channel. In addition we have now established our route to market to launch into the grocery channel next year.

Ebba acquisition

In July we announced the acquisition of leading Brazilian soft drinks company, Ebba. Brazil offers strong long-term growth potential, despite the short-term headwinds. It is the sixth largest soft drinks market globally, and the second largest liquid dilutes category in the world. We have acquired the two leading liquid dilutable brands, Maguary and Dafruta. We intend to increase investment to drive these brands in their existing and new categories and see opportunities to introduce Britvic brands into Brazil in due course.

Continue to step change our business capability

We recognise that we need the right people, with the right capabilities to achieve our vision and we continue to focus on developing a winning culture. Improving efficiency is a priority across the business, to enable us to focus our resources against the future growth drivers. We are committed to develop a best-in-class supply chain, which will deliver significant cost savings and unlock both revenue and margin growth opportunities.

Key performance indicators – EBITA margin growth, Great Place to Work survey

Growth – Performance – Success

In 2014, we launched Growth - Performance - Success (GPS), a new approach to performance management, learning and development and reward. GPS brings all of our core people processes and tools into one framework with a clear link to our vision, strategic goals and values. Every employee was supported with a multi-media approach to guide them, step by step through the process. We also designed and delivered in-house training and so far have supported 280 managers with this tailored in-house initiative.

New Leeds production line

We have invested £25m in the installation of a new PET line at our Leeds factory. The line will greatly improve productivity and marks the start of an investment programme to ensure the business is fit for purpose for the years ahead, with further investment planned for 2016. There will be clear environmental benefits, such as less waste and greater energy efficiency, as a result of the investment.

Build trust and respect in our communities

We acknowledge the responsibility we have to contribute to our local economies and society more broadly whilst minimising our environmental impact. We are embedding our sustainable business strategy across all our business units to ensure that we deliver a strong performance with integrity. Key activity in support of this ambition includes the approach we have adopted to address public health challenges and tackling the carbon emissions associated with our business activities.

Key performance indicators – Business in the Community CR Index, average calories per 250ml serve

Robinsons relaunch with no added sugar

Robinsons is the UK's market leading squash. This year we relaunched the brand introducing new flavours and new recipes, to ensure we have the best tasting squash on the market, as well as redesigning packs for better stand out on shelf. Given our commitment to play a leading role within the soft drinks industry to help address the obesity issue, we took the decision to no longer produce added sugar Robinsons.

Minimising carbon emissions

This year we continued to address our environmental impact by reducing our carbon emissions, both direct and indirect. We have successfully reduced our business travel emissions by 11%, reducing mileage and encouraging the use of greener, lower emission and electric vehicles. Our average fleet vehicle emissions (CO_2 g/km), including light commercial vehicles, decreased by 5.2% to 117.7g/km since last year. We have also continued to offset our GB employee-related business travel, supporting a deforestation project in the Amazon rainforest. This project works with local communities to help preserve the biodiversity of this area of global significance.

key performance indicators

NET REVENUE GROWTH

Definition	Why we measure	Performance
Net revenue excludes the impact of foreign exchange rate movements.	This measure reflects our performance in terms of our ability to participate in our markets effectively and to raise prices and/or grow volume sold.	Net revenue declined 0.6%, primarily reflecting the challenging conditions in GB.

EBITA MARGIN

Definition	Why we measure	Performance
The basis point movement in operating profit before exceptional items, interest, tax and acquisition-related amortisation, divided by net sales, after excluding the impact of exchange rate movements.	Improving operating margin is a key focus of the business and measures our ability to drive a positive mix and eliminate unnecessary cost. EBITA is preferred ahead of EBIT to allow for the impact of fair value amortisation that is generated when acquisitions are made.	EBITA margin was 13.2%, an improvement of 100bps. This reflects our disciplined approach to cost management, given the challenging market conditions.

EBITA

Definition	Why we measure	Performance
Earnings before exceptional items, interest, tax and acquisition-related amortisation.	EBITA measures the operating profit for the group.	EBITA increased to £171.6m, an improvement of 7.1%. This is primarily as a result of the disciplined cost management of the group underpinning profitability.

ADJUSTED EARNINGS PER SHARE

Definition	Why we measure	Performance
Adjusted earnings before exceptional items, interest, tax and amortisation specifically related to fair value adjustments generated from acquisitions divided by the weighted average number of shares in issue. For reward purposes this measure is further adjusted for the impact of exchange rates and other factors not controlled by management, to ensure focus on our underlying performance drivers.	Earnings per share reflects the profitability of the business and how effectively we finance our balance sheet. It is a key measure for our shareholders.	Adjusted earnings per share was 46.3p, up 11%, reflecting the growth in EBITA of 7.1% and the benefit of a reduction of £3.2m in net interest costs.

FREE CASH FLOW

Definition	Why we measure	Performance
Free cash flow is defined as net cash flow excluding movements in borrowings, dividend payments, exceptional and other items and proceeds from the share placement in July 2015.	Free cash flow is a key indicator of the financial management of the business and reflects the cash generated by the business to fund payments to our shareholders and acquisitions.	Free cash flow was £89.3m, an increase of 0.4% on last year. The improvement in EBIT and working capital was largely offset by an increase in other spend, including the timing of tax payments and the purchase of shares to satisfy share incentive schemes.

RETURN ON INVESTED CAPITAL (ROIC)

Definition	Why we measure	Performance
Profit before finance charges and exceptional items divided by average invested capital. Invested capital comprises net assets aggregated with exceptional restructuring costs and goodwill at the date of transition to IFRS, excluding post-employment liabilities and net borrowings.	Return on invested capital (ROIC) is used by management to assess the return obtained from the group's asset base. Improving ROIC builds financial strength to enable us to attain our financial objectives.	Return on invested capital (ROIC) was 26.2%, an increase of 130bps.

Chief Executive Officer's review

In May 2013 I laid out a new strategy for the group, with a focus on driving growth in the kids, family and adult categories, where we have market-leading brands. In 2015 we continued to make good progress against this strategy, and delivered another year of excellent earnings growth.

Generate profitable growth in our core markets

Market conditions remained challenging across all our core markets. The retail landscape continued to evolve, with channels such as convenience, discounters, leisure and online benefiting at the expense of traditional, large supermarkets, where people are shopping less often. In addition, any increase in disposable income has not yet been reflected in their grocery spend on soft drinks. Consumers in all our markets are also more focused than ever on what they consume, with health and wellbeing increasingly important to purchasing decisions. With our broad portfolio, strong track record on innovation and a clear health strategy, Britvic remains well placed to respond to these trends. The weather this summer was particularly poor in both GB and Ireland, adversely impacting the soft drinks category, whilst in France the category, and syrups in particular, benefited from a very warm summer.

In GB we have taken market volume and value share overall. Whilst our GB stills performance was disappointing, with a marginal loss of share, J_2O and Fruit Shoot continued to grow and take market share. We launched a number of new products over the course of the year to capitalise on consumer trends and stimulate category growth. We introduced our leading French brand Teisseire to GB, with a range of premium syrups as well as formats for mixing with hot drinks and alcohol. We also staged a major relaunch of the Robinsons brand this year. As well as introducing a significantly better tasting formula and new flavours, we took the decision to remove the added sugar variant from the range as part of our health strategy. The relaunched Robinsons range now offers affordable, great tasting drinks containing on average just five calories per glass. Although the squash category has been in decline, and Robinsons has not been immune to this, I am confident that the work we have done to date, and will continue to do, will see the brand return to growth in the near future. Robinsons Squash'd, the leading brand in the water enhancer category, was launched in 2014 and continues to capitalise on the growth of plain water, providing a great tasting way to hydrate on the go.

In carbonates we introduced Pepsi Max Cherry, which has been very successful. Max contains no sugar yet retains the full taste of Pepsi. It has led growth in the cola category and contributed significantly to the Pepsi brand growing its volume and value market share. 7UP and Tango have also undergone a refresh this year with new pack designs and marketing campaigns. Through the strength of these brands, supported by our innovations, we gained volume and value market share in the total carbonates category.

In France, we have continued to outperform the total soft drinks market by a significant margin. Our syrup and juice brands, as well as Teisseire Fruit Shoot, have all taken market share. Five years on from the acquisition of the business, we have doubled profitability in France, despite difficult macro conditions. Innovation has been key to the growth this year with the Teisseire 'pump pack' and a new large bottle Fruit Shoot 'sharing pack' proving very popular with consumers.

In Ireland, we saw the business return to revenue growth, although the particularly poor summer weather impacted our performance in the final quarter, after three successive quarters of growth. The market remained subdued and deflationary; however, we gained market share, a testament to the strength of our brands in Ireland. MiWadi, Ballygowan, Fruit Shoot and Club all gained share, and the business is now well positioned to deliver growth in the coming years. We have also agreed a ten-year extension with PepsiCo for the distribution rights for 7UP, Pepsi and Mountain Dew in the Republic of Ireland and Northern Ireland from 1 January 2016.

Exploit global opportunities in kids, family and adult categories

The international business unit has embraced significant change this year to create the right operating model to deliver our future ambitions. In the Netherlands, we ended a long-term third party distribution agreement and established our own commercial team to manage the relationship with retailers. In the short-term, this resulted in some one-off costs, including the repurchase of stock from the distributor, but we are already seeing the benefit of the change, with new customer listings. In the USA, we changed the compound formula we send to our bottling partners, to enable a significant reduction in order lead times. This resulted in a reduction in stocks held by the bottlers; however, it creates a more flexible and responsive model for the future. In May we announced that we were continuing to evaluate the merits of the route to market options for Fruit Shoot multi-pack to grocery stores. I am pleased to confirm that this review has been concluded and we have appointed Advantage Sales & Marketing (ASM) as our partner. They will facilitate the relationship with key retailers as well as provide market insight and manage the order to cash process for us. Good progress has already been made in our discussion with retailers, with a number of initial listings already confirmed for launch in the first half of 2016. The Pepsi network remains important to us and they will continue to distribute Fruit Shoot in all other channels, as well as manufacturing in-market.

We are making good progress with single-serve Fruit Shoot, achieving a 17% market share in the convenience and gas channel.

In the summer we announced the acquisition of Ebba, the leading manufacturer of liquid dilutes in Brazil. This provides Britvic with access to the sixth largest soft drinks market and the second largest liquid dilutes category in the world. Its two brands, Maguary and Dafruta, have a similar relevance to consumers as Robinsons, MiWadi and Teisseire in their home markets. The business has many similarities to the one we bought in France and it offers an excellent opportunity to create shareholder value in the medium-term. We recognise that economic conditions in Brazil are challenging, but our assessment is that we can deliver sustainable growth in the coming years. We have a clear plan to create value through reinvigorating the core concentrates category, accelerating growth in ready to drink nectars and introducing Britvic brands and innovation to the market.

Continue to step-change our business capability

People are at the heart of this business and our employees' commitment has been unwavering over the last year. We have seen some changes to the executive team in the past year and we have recruited significant new talent to complement the team. John Gibney, our CFO, will retire in the spring of 2016 and I want to take this opportunity to personally thank him for the support he has given me since becoming CEO and also for his dedication to Britvic over the last 16 years. Replacing John is Mathew Dunn, who joined us from SABMiller, where he was CFO in South Africa. Mat has enjoyed a successful career in beverages across a number of continents, and also has extensive partnership and bottling experience. Also joining Mat on the executive team is Hessel De Jong, our new International MD. Hessel also has excellent beverage and general management experience in a number of markets, with companies such as Heineken and Coca Cola. Hessel replaces Simon Stewart, who has chosen to return to Australia with his young family. We wish Simon the very best for the future and thank him for his valuable service. Finally João Caetano De Mello Netto, who joined our business as a result of the acquisition of Ebba, joins the executive team, as Managing Director of Ebba.

We have also recruited at all levels of the organisation, bringing in new talent and new ideas to complement the existing hugely talented team. I am confident that we have the right people in place and the organisational capacity to deliver our future growth ambitions.

> "Consumers in all our markets are also more focused than ever on what they consume, with health and wellbeing increasingly important to purchasing decision. With our broad portfolio, strong track record on innovation and a clear health strategy, Britvic remains well placed to respond to these trends."

strategic report
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other information

We have also announced a business capability programme to unlock revenue, margin and profitable growth opportunities. In 2016 we will be investing an additional £70m to £80m capital in our GB supply chain to start to create a best-in-class supply chain, generating a minimum annual cash return of 15% on an ongoing basis. This programme will provide us with additional capacity in growth packs, deliver cost savings, as well as enable us to participate more effectively in the evolving retail environment.

Build trust and respect in our communities

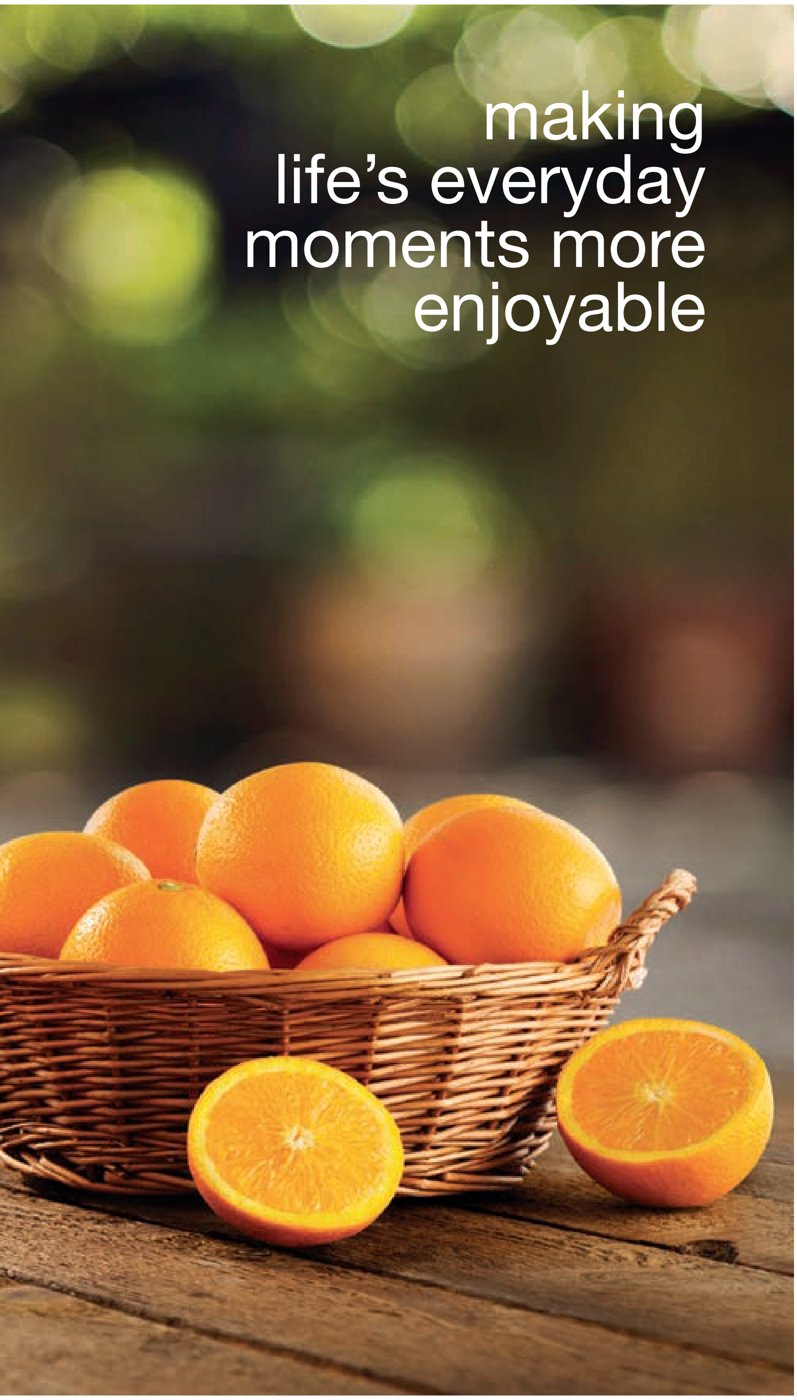
We have continued to make progress on our broad sustainability agenda, acknowledging the responsibility we have to be an active member of the communities in which we operate.

Public health and obesity have never been higher on the agendas of government, NGOs and the media. I am proud of how we have positioned Britvic to be part of the solution in playing an active role in encouraging healthier lifestyles. Over the past few years, we have significantly evolved our portfolio and in 2014, we launched our 2020 health strategy. Last year, we took further bold steps to reduce the calorie content of our portfolio, including the removal of our added sugar variant of Robinsons. We also launched a number of innovations such as J_2O Spritz and Club Zero, which are lower in calories. Read more about our health strategy and approach to sustainability on pages 22 to 27 of the annual report.

Overall, I am delighted with the progress we have made this year and am equally excited by the opportunities we have to continue to build our business capability, grow our brands and deliver strong shareholder returns.

Simon Litherland
Chief Executive Officer

miwadi



Chief Financial Officer's review

The following is based on Britvic's results for the 52 weeks ended 27 September 2015. All numbers quoted are on a constant currency basis and are pre-exceptional and other items, unless otherwise stated.

Overview

In the period the group sold over 2.1 billion litres of soft drinks, an increase of 0.9% on the previous year, with Average Realised Price (ARP) of 60.5p, declining by 1.5%. The group's revenue was £1,300.1m, down 0.6% compared to last year.

The focus has remained on building sustainable profit and margin improvement with the delivery of the strategic cost initiatives underpinning the 7.1% growth in EBITA, to £171.6m, and the resulting 100 basis points (bps) improvement in EBITA margin to 13.2%. The strategic cost initiative benefits have been realised in both brand contribution and in fixed costs.

The disappointing summer weather in GB and Ireland contributed to a revenue decline in these markets in the final quarter and was a significant drag on the full year performance. This was partly offset by the strong performance in France where the weather was particularly good this summer.

GB stills	52 weeks ended 27 September 2015 £m	52 weeks ended 28 September 2014 £m	% change actual exchange rate
Volume (millions of litres)	377.5	378.9	(0.4)
ARP per litre	85.2p	88.5p	(3.7)
Revenue	321.6	335.2	(4.1)
Brand contribution	151.1	159.4	(5.2)
Brand contribution margin	47.0%	47.6%	(60)bps

Stills performance this year was disappointing with both volume and ARP down, leading to revenue declining 4.1%. This was primarily due to the performance of Robinsons, which was impacted by both competitive pressures and our decision to remove the added sugar variant from the portfolio. As consumer trends move to 'better for you' products, Robinsons is well-positioned to capitalise on the future growth opportunities. Both Fruit Shoot and J_2O grew revenue and gained market share whilst the introduction of Ballygowan has resulted in strong growth in the plain water category. A number of new products were also launched this year to provide longer-term growth in the category, including Teisseire and J_2O Spritz.

GB carbonates	52 weeks ended 27 September 2015 £m	52 weeks ended 28 September 2014 £m	% change actual exchange rate
Volume (millions litres)	1,206.7	1,204.7	0.2
ARP per litre	46.9p	47.1p	(0.4)
Revenue	565.7	567.8	(0.4)
Brand contribution	225.1	222.4	1.2
Brand contribution margin	39.8%	39.2%	60bps

Whilst full year revenue marginally declined, this was an out-performance of the carbonates category, as measured by Nielsen. Pepsi continued to see robust growth this year, and gained further significant volume and value share. The focus on the no-sugar Pepsi Max variant continued to be successful with the new cherry variant a key factor in the growth. Pack mix was also positive with single-serve packs in particular showing strong growth. Whilst we held share in fruit carbonates, revenue declined, outweighing the performance of Pepsi. Overall ARP declined 0.4% reflecting the impact of the competitive environment and brand mix. Brand contribution increased by 1.2% with margin expanding by 60bps.

France	52 weeks ended 27 September 2015 £m	52 weeks ended 28 September 2014 £m	% change actual exchange rate	% change constant exchange rate
Volume (millions litres)	288.9	273.6	5.6	5.6
ARP per litre	83.2p	93.2p	(10.7)	(1.3)
Revenue	240.3	254.9	(5.7)	4.2
Brand contribution	75.6	67.1	12.7	24.3
Brand contribution margin	31.5%	26.3%	520bps	510bps

France benefited from the warm weather this summer during our fourth quarter, with syrups in particular showing strong growth. The customer environment was challenging with the emergence of retailer buying groups this year leading to significant pricing pressure, which was largely offset by favourable product mix. The continued focus on the kids and family categories, with a significant increase in A&P investment and the benefit of innovation launches, resulted in share gains in the syrups, juice and kids juice drinks categories. Brand contribution increased by 24.3% with margin expanding by 510bps. As well as the benefit of the positive brand mix there was the additional benefit of favourable raw materials and the move to in-market production for Teisseire Fruit Shoot resulting in significantly lower distribution costs.

Ireland	52 weeks ended 27 September 2015 £m	52 weeks ended 28 September 2014 £m	% change actual exchange rate	% change constant exchange rate
Volume (millions litres)	202.2	197.0	2.6	2.6
ARP per litre	49.7p	54.1p	(8.1)	(1.0)
Revenue	120.4	128.3	(6.2)	1.3
Brand contribution	44.2	47.0	(6.0)	2.8
Brand contribution margin	36.7%	36.6%	10bps	50bps

Note:
Volumes and ARP include own-brand soft drinks sales and do not include factored product sales included within total revenue and brand contribution.

Revenue in Ireland was up on last year for three successive quarters, with the poor weather across the summer contributing to a decline in quarter four. Full year volume increased by 2.6% whilst ARP declined by 1.0% leading to a revenue increase of 1.3%. The soft drinks market continued to be very competitive with deflationary pressure. Whilst the market was challenging we outperformed the market, gaining both volume and value share, with our own brand portfolio performing particularly well. The Counterpoint business also performed well.

International	52 weeks ended 27 September 2015 £m	52 weeks ended 28 September 2014 £m	% change actual exchange rate	% change constant exchange rate
Volume (millions litres)	41.3	44.3	(6.8)	(6.8)
ARP per litre	126.2p	131.4p	(4.0)	(0.0)
Revenue	52.1	58.2	(10.5)	(6.8)
Brand contribution	16.9	21.0	(19.5)	(16.7)
Brand contribution margin	32.4%	36.1%	(370)bps	(390)bps

Note:
Concentrate sales are included in both revenue and ARP but do not have any associated volume.

During the year a direct route to market model was established in the Netherlands. This resulted in a one-off adjustment due to the re-purchase of stock from the previous distributor. In addition, there has been a reclassification from overheads to revenue of specific customer investment costs as a result of the change of business model. At the start of the year the USA compound model was altered to reduce the lead time on orders from our bottling partners. Both of these changes provide a platform for sustainable future growth. In-market performance in the USA was encouraging with retail sales value increasing by 23% over the previous year. Increased investment in A&P also contributed to the 16.7% decline in brand contribution.

Fixed costs	52 weeks ended 27 September 2015 £m	52 weeks ended 28 September 2014 £m	% change actual exchange rate
Non-brand A&P	(9.7)	(9.9)	2.0
Fixed supply chain	(92.6)	(101.8)	9.0
Selling costs	(118.6)	(120.7)	1.7
Overheads and other	(123.0)	(126.4)	2.7
Total	**(343.9)**	**(358.8)**	**4.2**
Total A&P investment	*(71.1)*	*(72.0)*	*1.3*
A&P as a % of own-brand revenue	*5.6%*	*5.4%*	*(20)bps*

Fixed costs declined by 4.2% to £343.9m. During the year the residual benefits of the 2014 strategic cost initiatives were achieved, such as the benefits of the factory closures in GB and the consolidation of GB and Ireland back-office functions. We have further invested in the international business unit and the strategic marketing and innovation function. A&P spend marginally decreased by 1.3% to £71.1m, with the percentage of revenue measure increasing by 20bps to 5.6%.

Exceptional and other items

In the period, we accounted for a net charge of £9.4m of pre-tax (£8.7m post tax) exceptional and other costs. These include:

- Brazil acquisition-related costs of £6.5m
- Strategic restructuring costs related to the 2013 cost initiatives programme of £3.6m, within the original cumulative guidance of £29m
- Business capability programme adviser fees and business continuity costs of £1.4m
- Fair value gains of £0.9m
- Gains on disposal of property and assets of £1.2m.

The cash costs of exceptional and other items in the period were £8.6m.

Interest

The net finance charge before exceptional and other items for the 52-week period for the group was £22.0m compared with £25.2m in the same period in the prior year, reflecting the lower debt profile of the group, the benefit of the increased free cash flow generation and the refinancing of the group bank facilities earlier in the financial year.

Taxation

The tax charge before exceptional and other items was £34.5m which equates to an effective tax rate of 23.5% (52 weeks ended 28 September 2014: 24.8%). The decrease in the effective tax rate reflects the decrease in the UK corporate tax rate during the period and the utilisation of trading losses in Ireland. In addition, the group has incurred further start-up losses in certain territories as a part of its international expansion, for which no tax relief is currently available.

Earnings per share

Adjusted basic EPS for the period was 46.3p. Adjusted underlying basic EPS for the period, excluding exceptional and other items and acquisition related amortisation, as well as the weighted average number of shares related to July share placing, was 46.7p, up 12.0% on the same period last year (41.8p). Basic EPS (after exceptional and other items charges post-tax) for the period was 41.8p compared with 36.5p for the same period last year.

Dividends

The board is recommending a final dividend of 16.3p per share, an increase of 10.1% on the dividend declared last year, with a total value of £42.6m. The final dividend will be paid on 5 February 2016 to shareholders on record as at 4 December 2015. The ex-dividend date is 3 December 2015.

Cash flow and net debt

Free cash flow was a £89.3m inflow, compared to a £88.9m inflow the previous year. Working capital was an inflow of £10.3m (2014: £1.6m outflow) as a result of a one-off change in supplier payment terms. Capital expenditure was £3.6m higher than last year, driven by the continued implementation of the strategic initiatives. Other spend increased by £17.1m and included £9.2m of own share purchases to satisfy share incentive schemes (2014: £nil) and higher tax payments, largely driven by timing differences. Overall adjusted net debt reduced by £117m and took our leverage to 1.3x EBITDA from 1.9x last year. In July 2015, £87.8m cash was received from the issue of shares under a non pre-emptive placing, subsequently used in consideration for the acquisition of Ebba. The adjusted net debt (taking into account the foreign exchange movements on the derivatives hedging our US Private Placement debt) at 27 September 2015 was £263.9m, compared to £380.9m at the end of last year.

Treasury management

The financial risks faced by the group are identified and managed by a central treasury department, whose activities are carried out in accordance with board approved policies and subject to regular Audit and Treasury Committee reviews. The department does not operate as a profit centre and no transaction is entered into for trading or speculative purposes. Key financial risks managed by the treasury department include exposures to movements in interest rates and foreign exchange rates whilst managing the group's debt and liquidity, currency risk, interest rate risk and cash management. The group uses financial instruments to hedge against interest rate and foreign currency exposures. On 17 December 2014, Britvic plc repaid US$30m of notes in the United States private placement market (USPP) using surplus cash available at the time. The 2009 cross currency interest rate swap instruments, which had been designated as part of a cash flow hedge relationship against the future cash flows associated with this maturing portion of the 2009 notes, also matured on 17 December 2014.

At 27 September 2015 the group has £902m of committed debt facilities consisting of a £400m bank facility which matures in 2020 subject to potential extensions to 2021 and a series of private placement notes with maturities between 2016 and 2026 providing the business with a secure funding platform. At 27 September 2015, the group's unadjusted net debt of £335.7m (excluding derivative hedges) consisted of £0.5m drawn under the group's committed bank facilities, £574.0m of private placement notes, £3.4m of accrued interest and £0.2m of finance leases, offset by net cash and cash equivalents of £239.6m and unamortised loan issue costs of £2.8m. After taking into account the element of the fair value of interest rate currency swaps hedging the balance sheet value of the private placement notes, the group's adjusted net debt was £263.9m which compares to £380.9m at 28 September 2014.

Pensions

At 27 September 2015, the IAS 19 pension surplus in respect of the group defined benefit pension schemes was £17.3m (28 September 2014: net deficit of £8.4m). The reduction in the deficit was driven by the additional employer contributions made to the GB plan of £20.4m, combined with positive investment performance over the period, offset by higher liabilities due to changes in the financial assumptions.

The defined benefit section of the GB pension plan is closed to all new members and future accrual. The NI Plan is open to future accrual for members on 28 February 2006, and new employees from this date are eligible to join the defined contribution plan. The Britvic Ireland Defined Benefit Plan introduced a pensionable salary cap of €50,000 and removed guaranteed pension increases from 1 January 2012, and new employees join the Ireland defined contribution plan.

The 1 January 2015 actuarial valuation of the Britvic Ireland Defined Benefit Plan has been completed and shows there was no past service deficit. The Northern Ireland Defined Benefit Pension Plan valuation is underway and will be completed early in 2016. The GB Pension Plan actuarial valuation date is due as at 31 March 2016.

The Ireland and Northern Ireland Defined Benefit Pension Plans have an investment strategy journey plan to manage the risks as the funding position improves. The GB Pension Plan mainly has credit-type investments and the Trustees have developed proposals to manage the investment risks.

John Gibney
Chief Financial Officer

sustainable business review

Sustainability is at the heart of our business. We balance the need to remain commercially successful, with the need to make a positive contribution to society and limit our impact on natural resources.

We measure our performance annually through the Business in the Community (BITC) Corporate Responsibility (CR) Index. We are proud of the progress we are making but there is more to do. This year we achieved a two-star rating as a result of our BITC CR Index submission. Our ambition is to achieve four stars by 2020.

Find out more about our sustainable business programme at www.britvic.com and through our annual Sustainable Business Report

Our sustainability priorities

We conduct a stakeholder materiality review annually to ensure that our sustainable business programme is focused on the key issues identified by our stakeholders.

This year we received over 500 responses from a mixture of customers, suppliers, NGOs, investors, analysts, media, consumers and employees. Based on this feedback, we believe that our programme is appropriate, although we have identified a need to communicate our activity and progress on a more regular basis.

Consumer health

We believe that all of our drinks can be enjoyed as part of a balanced diet and healthy lifestyle, however we recognise that issues associated with declining consumer health is a growing problem in many of the markets in which we operate. We intend to take a leading role in the soft drinks industry in inspiring and enabling people to make informed choices to live healthier and more active lives.

Following the withdrawal of added sugar Fruit Shoot from the UK market in 2014, we also removed added sugar Robinsons as part of the relaunch of the brand. In Ireland we continued to support Club Zero and launched MiWadi Zero. We also ran an impactful marketing campaign in both markets, to remind consumers that both Robinsons and MiWadi are a low calorie way for families to drink more water. We have continued to encourage active lifestyles through our marketing campaigns, including our sponsorships of the Tour de France and Wimbledon tennis championships and the launch of Fruit Shoot Mini Mudder in GB, Ireland and the USA.

CR INDEX 2015 ★★
BUSINESS IN THE COMMUNITY

fruit shoot

Our health strategy commits us to reducing the average calories per 250ml serve across our portfolio by 20% by 2020 and to using the power of our brands to inspire 20 million people to actively play together. In the last year, across the business, we reduced our average calories per 250ml serve by 5.8% to 35.4 and we encouraged and inspired 2.6 million people to get active.

Supporting our communities

We encourage our people to support local communities by offering three paid days a year or two hours per month to volunteer. This year nearly 50% of our employees volunteered, following a promotional call for help to facilitate sessions with disadvantaged young people. Whilst our 'total cash-led' contributions are down this year to £822,609 we believe our volunteering activity made a significant contribution to our communities. We also continue to support young people's charity, Street League, in the UK.

In October 2014, for the third consecutive year, MiWadi, Ireland's number one dilute brand, supported "Trick or Treat for Temple Street" to raise much-needed funds to help provide care and lifesaving equipment for children undergoing medical treatment. The results exceeded expectations with the campaign raising €320,000.

Creating a great place to work for our employees

We recognise that our people are central to our success and to achieving our future ambitions. We currently employ over 3,000 people around the world (excluding Brazil) and have a talented and dedicated workforce. We want Britvic to be an inspiring, safe place to be and for our people to realise their ambitions.

Each and every employee is guided by a common purpose, our ambitious vision and our values, which are integrated into our people processes and programmes, including our new performance management, reward and talent programme – Growth-Performance-Success.

We measure our overall employee engagement through the Great Place to Work survey, which allows all our people to anonymously feedback their views. We have now completed the survey for three successive years and have achieved continued improvement.

Performance against our key indicators shows the progress we have made:

Great Place to Work	70%
(2020 goal: 80%+)	(64% last year)
Diversity	37%
(2020 goal: 40% female managers)	(35% last year)

Learning and development

We are committed to nurturing and growing our employees at all levels, enabling them to lead Britvic into the future. We encourage them to own and grow their careers within Britvic.

We continue to run an extensive learning and development curriculum, which offers all employees the chance to improve their core business skills and managers the opportunity to enhance their line management skills. We also run programmes tailored to the needs of specific areas of the business.

We are currently rolling out the 'Great Britvic Manager' standard, to facilitate development discussions between employees and their line manager and support either existing managers or those who want to progress into a management role to optimise their personal growth plans.

In the past year we have continued to recruit a number of senior leaders from outside our industry to bring new capabilities to our team.

Communication and engagement

Engagement with our employees is a priority for us and we keep people informed about our business, its performance and things that affect them through a variety of channels. These include our intranet, Teamlink, our monthly digital update, and Teamtalk, our regular face to face engagement meetings. Our quarterly magazine, Britvic Life, is available to all employees.

We have well established Employee Involvement Forums in GB and Ireland as well as a Britvic Group Forum, with nominated employee representatives who ensure that employees' views are taken into account regarding issues that are likely to affect them. Where the group has entered into a recognition agreement with a trade union, it fulfils its obligations to consult and negotiate accordingly.

Health, safety and wellbeing

The health, safety and wellbeing of our employees is paramount to the company. We have a Health, Safety and Wellbeing Committee which is chaired by our General Counsel and which has cross-functional representation and is also supported by health and safety specialists from across the group.

A key focus of our health and safety programme this year was driver safety. Previously, all drivers within the business completed basic risk assessments but this year we have launched a new driver risk assessment e-learning module which identifies high risk and high mileage drivers to receive on-road training. This latest development has been launched to all new starters within GB with plans for a further roll-out in 2016.

We currently run a Wellness@work programme in GB and Ireland. In the past year we have reviewed our future strategy and over the next 12 months will deliver the first steps of the new programme, enhancing the support for our employees.

Sharing in success

We proactively monitor our total pay and benefits offering as part of our reward philosophy which is based on delivering competitive salaries and benefits, performance-related bonus opportunities and widespread share ownership opportunities.

In a number of our markets pay for large populations of our employees is determined with trade union representatives on the basis of fair terms and conditions for all members.

GB based employees on average currently hold shares equivalent to £14,000 or 34% of average basic salary as a result of their participation in our longstanding Share Incentive Plan (SIP). The SIP provides free share awards to participants each year, subject to company performance, which they then hold for a minimum of three years. The SIP also provides participants with the opportunity to purchase additional shares in Britvic as well as receive further matching awards.

Profit sharing plans also operate in Ireland and France to allow participants to share in the success of Britvic and similar arrangements will be extended to other countries in the near future.

Management pay and bonuses are linked to business performance and their personal contribution. Selected senior executives also receive annual awards of long-term incentives to directly align their packages with sustainable shareholder creation. Pay outs under these plans depends on Britvic's performance over a three-year period.

We also provide competitive pension and healthcare benefits in addition to statutory arrangements.

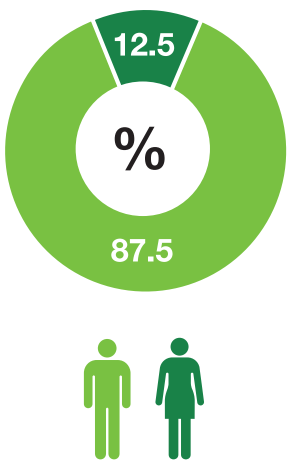
Diversity

Our 2020 diversity goal is to have at least 40% female representation within senior management levels. This year our proportion grew to 37%, an increase of 2% on last year. Following the resignation of Silvia Lagnado from the board during the year, our current female representation on the board is one (12.5%). Across the wider workforce, females make up 42%.

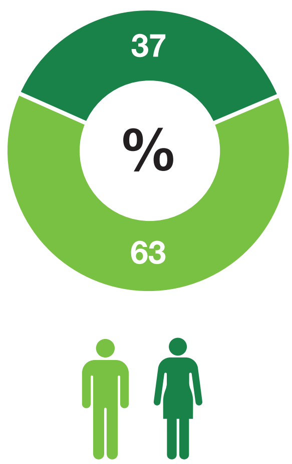
At Britvic, we consider diversity to be broader than gender, ethnicity, disability or sexual orientation. We are committed to encouraging an environment where we celebrate individual genius through the promotion of diversity of thought.

Gender diversity

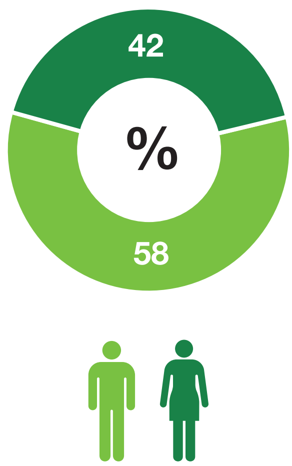
BOARD
(including non-executives)



SENIOR MANAGERS



WIDER WORKFORCE



Equal opportunities

We are committed to providing equal opportunities to our current and potential employees, and apply fair and equitable employment policies.

People with disabilities

We accord equal opportunities to people with disabilities, whether registered or not, when applying for vacancies and in subsequent training and career development. For those employees who become disabled while employed by the company, we do everything we can to provide the opportunity for them to remain with Britvic; this may involve retraining or redeployment.

Encouraging disadvantaged young people to develop new skills

Our in-house Learning Zones continued to welcome teachers and students via our Enterprise and Employability workshops, reaching 500 teachers and 30,000 students in total since 2009. We are committed to building upon the foundations set by our Learning Zone programme and next year will evolve the programme to focus on building impactful relationships between industry and the education sector through career inspiration days. The programme will be aimed at those studying either STEM subjects looking for careers in engineering or business studies where they are perhaps considering a career in marketing.

Water stewardship

This year we have continued to drive water efficiency in our production processes and reduced our absolute water footprint across our manufacturing sites by 2.2% compared to 2014* to 3,601,280m^3. We set ourselves a 2.5% reduction relative to production, however our water intensity ratio increased by 1.3% to 1.96 across all our manufacturing sites. This can predominantly be attributed to the reclassification of some Pepsi products (CAT 3) which has led to the need for more frequent cleaning interventions.

**2014 water figures have been updated as a reporting discrepancy was identified. Correct figures across the plc are displayed in the 2015 Sustainable Business Report*

Climate change

Climate change remains a very real threat and we recognise that businesses like ourselves, along with the Government and society as a whole must act together to deliver a sustainable solution.

Anticipating a number of changes this year, we set ourselves a moderate 1% reduction target on our direct CO_2 emissions per tonne of product produced from our manufacturing sites across the group against last year. However, we significantly improved on the target, with a 5.8% reduction in our emissions relative to production and 5.4% in absolute emissions to 53,673 tonnes. These emissions are solely from our manufacturing sites. This equated to a 3,100 tonne saving in CO_2 emissions over the course of the year, equivalent to the energy used to power 1,648 UK homes.

We also continued to participate in the CDP Investor Response survey and improved our disclosure score significantly from 79B last year to 91C this year. This result affirms our progress on this important topic and our commitment to being open and transparent on our programme.

The table below sets out the quantities of greenhouse gas emissions in tonnes of carbon dioxide equivalent (CO_2e) for our office and manufacturing locations for the 52 weeks ended 27 September 2015. The table also contains the previous year's reported emissions to show our progress.

We have reported on all of the emission sources required under the Companies Act 2006 (Strategic Report and Directors' Reports) Regulations 2013; these sources fall within our consolidated financial statement. Emissions outside of our responsibility, including shared office locations and those originating from our franchise partners, have been omitted from our disclosure. We have used the GHG Protocol Corporate Accounting and Reporting Standard (revised edition) and emission factors from the UK Government's GHG Conversion Factors for Company Reporting 2015.

	2014-2015 emissions (tonnes CO_2e)	2013-2014 emissions (tonnes CO_2e)	2012-2013 emissions (tonnes CO_2e)
Total Scope 1 and 2 CO_2e emissions	60,613	60,669	66,756
Emissions from:			
Scope 1: Combustion of fuel and operation of facilities	19,745	17,965	22,402
Scope 2: Electricity, heat, steam and cooling purchased for our own use	40,869	42,704	44,354
Scope 3: Downstream transportation and distribution, business travel, downstream leased assets (refrigeration portfolio)	90,220* **Excludes business travel for Ireland and downstream transportation in France*	111,431* **Excludes business travel for Ireland and downstream transportation in France*	112,618* **Excludes business travel for Ireland and France and downstream transportation in France*
Intensity measure:			
Scope 1 and 2 emissions reported above normalised to per thousand tonne of product output	32.4 tonnes CO_2e/1000 Tonne produced	32.5 tonnes CO_2e/1000 Tonne produced	34.9 tonnes CO_2e/1000 Tonne produced

Packaging/waste

Making our packaging more sustainable is an important element of our sustainable business programme. We recognise that packaging is a critical component of our products and we have a responsibility to ensure the environmental impacts are minimised throughout its life cycle, from the materials we use to produce the packaging through to how our consumers dispose of it.

This year we developed our Sustainable Packaging Policy to address these considerations. The policy, due to be launched in 2016, outlines our approach to producing packaging formats that have been ethically sourced with the lowest possible environmental footprint, whilst ensuring the required functionality to protect, transport and present our products and brands.

Lightweighting our packaging has been a major focus for us over the past decade as we strive to reduce the environmental impact of our packaging. We are now reaching the limit of our ability to do this, and have taken the decision this year to begin a programme of investment in our supply chain to enable our access to the next level of environmentally sustainable technologies and those we expect to be available by 2020 and beyond. With the planned investment at our Rugby and Beckton manufacturing sites, together with the new line at Leeds coming into operation during 2016, we are excited about the future prospects for our packaging. Alongside the investments being made at our GB manufacturing sites we are also investigating lightweighting opportunities in Ireland with testing carried out this year on our Ballygowan pack.

Responsible sourcing

Our supplier quality assurance programme is designed to ensure our suppliers consistently provide materials that meet our stringent specifications in accordance with the Britvic Technical Code of Practice. The Technical Code of Practice ensures any potential risks to the safety, legality and quality of the final product originating from raw materials (including packaging) are fully understood and managed accordingly. In addition to internal regulatory checks and laboratory tests on new raw materials, all new suppliers are required to provide detailed information on their manufacturing, quality and food safety control processes for risk assessment purposes.

Our sustainable business performance

Pillar	FY15 target	Performance
Healthy lifestyles	Reduce the average number of calories consumed per serve across the entire portfolio by 4%	5.8% reduction achieved. Average calorie count per 250ml serve of 35.4 across the group
	Display calorie content of our drinks on front of pack in GB	All drinks, excluding sports and water, now display calorie content on front of pack in GB
	Inspire and encourage two million people to actively play together	2.6 million people inspired and encouraged to actively play together across the group
	Update and relaunch our Responsible Marketing Code	Responsible Marketing Code updated and launched across the group
Great Place to Work	Achieve 65% in Great Place to Work Trust Index survey in GB	70% Trust Index rating achieved
	Achieve 85% in Great Place to Work Diversity Index survey in GB	87% Diversity Index rating achieved
Prosperous communities	Double the number of our GB employees involved in volunteering in our Learning Zone programmes to 5%, enabling over 3,000 disadvantaged young people into jobs or back into education since FY13	6.6% of GB employees volunteered in our Learning Zone programmes
Responsible sourcing	Achieve 20% increase in direct supplier sites using Sedex against FY14	90% increase on FY14 achieved. (77% direct suppliers now linked to us).
	Instruct third party ethical audits for 50 supplier sites	53 supplier sites instructed
Water stewardship	Achieve 2.5% reduction in water intensity ratio across the group against FY14	1.3% increase achieved in water intensity ratio across group to 1.96
Sustainable packaging	Develop sustainable packaging strategy	Sustainable packaging policy drafted ready for launch in 2016
Climate Change	Achieve 1% reduction in direct CO_2 emissions per tonne product produced from our manufacturing sites across the plc against FY14	5.8% reduction achieved in direct CO_2 emissions per tonne product produced from our manufacturing sites across the plc against FY14 baseline

Where deemed necessary, Britvic conducts audits of the suppliers against the requirements of the Technical Code of Practice. This year we instructed over 50 supplier sites to undergo third party ethical audits to our preferred SMETA 4 Pillar audit standard.

We also linked up with CIPS (Chartered Institute for Procurement & Supply) to develop our programme for managing our indirect supply chain. The Indirects Supplier Portal was developed to monitor the compliance of our indirect supply chain. This online technology platform enables buyers and suppliers to collaborate and share data on relevant issues. We have also implemented the CIPS Sustainability Index (SI). This builds upon the Supplier Portal, with key suppliers completing a sustainability assessment across economic, environmental and social pillars. To date 44% of our indirect supply base is now registered on the Indirects Supplier Platform and we plan to increase this to 80% by the end of 2016.

Human rights

Our human rights policy is set out in our Ethical Business Policy. This applies to our employees, our suppliers and partners and anyone working on behalf of our business. It covers avoiding bribery and corruption, conducting business with respect, integrity and equality and managing personal activities and interests. It also covers responsible trading and sets out our standards regarding human rights, health and safety and environmental responsibilities and what we expect of our suppliers and other trading partners, which are monitored through our responsible sourcing programme.

We run a confidential whistle blowing hotline for anyone who is concerned about a breach of the policy. All our employees from the board down are trained and required to complete an on-line test to ensure compliance to the policy.

Read our Ethical Business Policy at www.britvic.com

squash'd

our risks

As with any business we face risks and uncertainties. We believe that effective risk management supports the successful delivery of our strategic objectives and this can be achieved by ensuring appropriate awareness and engagement across the business to drive robust risk assessment, review and mitigation.

↑ risk impact new or increasing

↔ risk impact unchanged

The board has overall accountability for ensuring that risk is effectively managed across the group and is supported by the Audit Committee in reviewing the effectiveness of the group risk process. Each business area is responsible for identifying, assessing and managing the risks in their respective area with a clear owner for each risk. The major risks are reported and reviewed by the executive team on a quarterly basis and with the board at least twice a year.

Key areas of focus

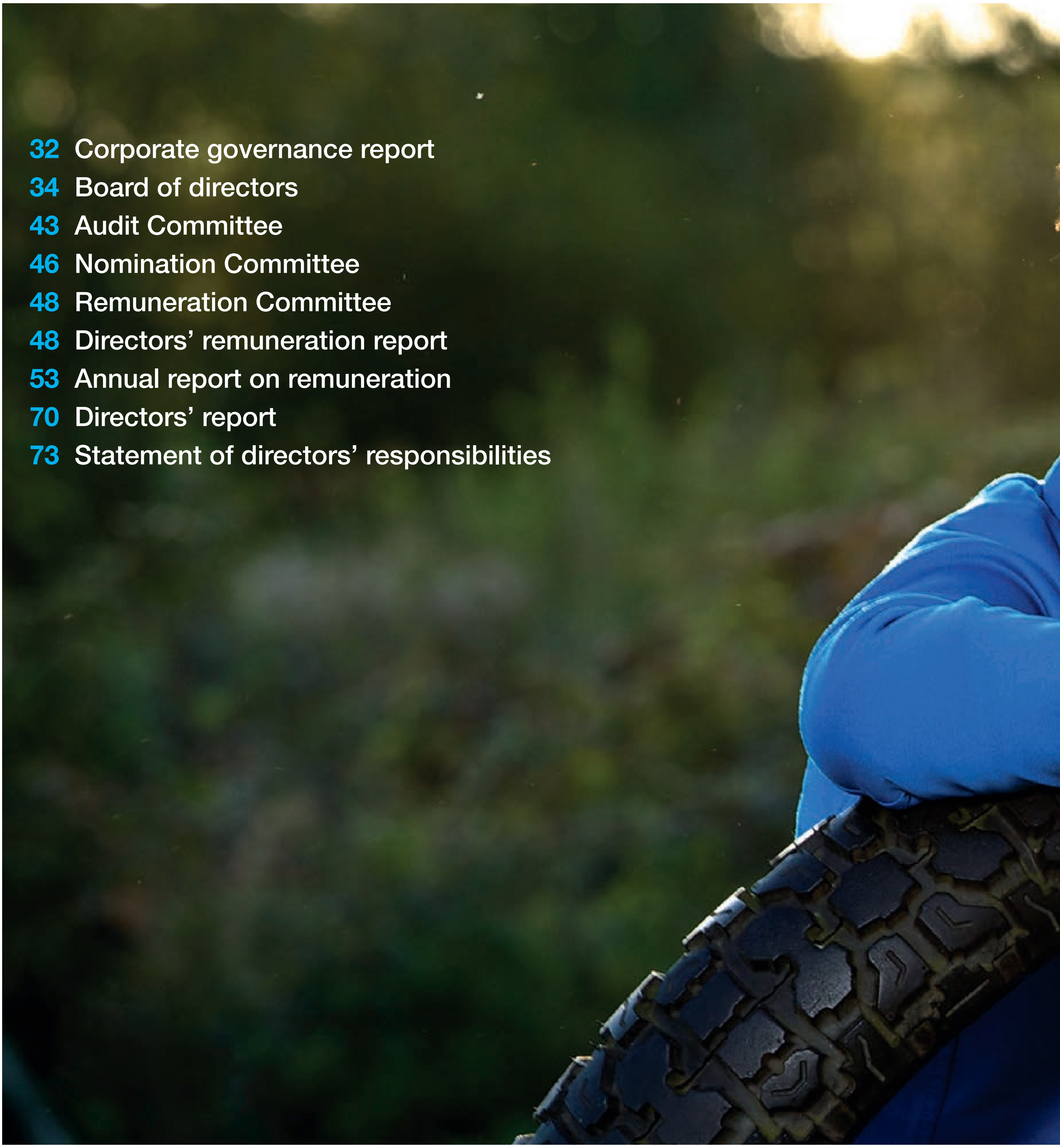
We continue to drive improvements to our risk management process and the quality of risk information generated, whilst at the same time maintaining a straightforward approach. The Executive Committee and board considered the risks described below as the principal risks facing our business during the year. These are not the only risks that may impact the group but they are the ones that we believe are the most significant at this time.

PRINCIPAL RISK	RISK	MITIGATION	
Consumer preference	Consumer preferences, tastes and behaviours evolve over time and differ between the different markets in which we operate. Our ability to anticipate and successfully respond to this evolving landscape is important to our business. It is essential that we continue to differentiate our brands and create innovative products. Failure to anticipate changing consumer preferences and needs could result in consumers switching away from Britvic products.	We offer a broad range of products across a number of sub-categories and markets. We closely monitor consumer trends in order to anticipate changes in preferences and match our offerings to these trends through our brand and innovation plans. Our portfolio of brands and track record in innovation means that we are well placed to continue to meet changing consumer needs and preferences. For example in GB this year we launched J_2O Spritz and Teisseire and continued the roll-out of the Ballygowan water brand and in France our Teisseire pump pack is going from strength to strength.	↔
Health and obesity concerns	There are different consumer preferences in various markets to sugar, natural and artificial sweeteners. However there is currently a high level of media and government scrutiny on health and obesity in our core markets; GB, Ireland and France. 'Sugary drinks' are often cited as one of the issues affecting national obesity levels in media reports. There is a risk that one or more governments may introduce legislation that impacts on sugar sweetened soft drinks. Additionally, negative reporting and lack of understanding could result in consumers switching away from our products or spending less on soft drinks.	We work closely with governments, NGOs and trade associations in our markets to fully participate in the debate and help shape solutions. We offer a wide range of soft drinks, many of which are low or no sugar, and believe our portfolio is well placed to meet consumers' changing needs. We continue to reformulate products where we can to reduce sugar levels and have removed some added sugar products from the market. For example, we recently removed all Robinsons and Fruit Shoot added sugar variants from our offering in GB. Additionally we play a leading role in encouraging people to live healthier lifestyles through our consumer marketing campaigns. With our broad portfolio and track record in innovation, we equally consider this to be an opportunity for our business.	↑
Retailer landscape and customer relationships	Maintaining strong relationships with customers is critical for our brands to be available and well presented to our consumers. There is a risk that we may not be able to maintain strong relationships or respond to changes in the retailer landscape that may impact our terms of business with customers and/or the availability and presentation of our brands.	We operate across many different customer channels and markets. We closely monitor customer performance and trends in order to be able to respond to these changes. We work in partnership with our customers to develop compelling offerings for their shoppers based on our understanding of their business and the soft drinks category. Recently we invested in a new high-speed PET line in Leeds which will enable us to respond to customer and consumer needs through improved capability to produce different pack sizes.	↔
Third party relationships	Our partnership with PepsiCo and distributors and franchisees is an important part of our business and delivery of our strategy going forward. We currently bottle and co-market a number of PepsiCo products in GB and Ireland, including 7UP and Pepsi. Additionally we have a relationship with a number of partners around the world to grow our family, adult and kids brands outside of our core markets. There is a risk that these partnerships may not be renewed or renewed on less favourable terms which could have a significant impact on our business.	We place significant emphasis on developing our relationship with PepsiCo and other partners, which includes maintaining an appropriate level of communication between the businesses to discuss strategy and manage operational delivery. The Pepsi and 7UP bottling agreement for Ireland was recently renewed for ten years which further strengthens our long term relationship with PepsiCo.	↔

PRINCIPAL RISK	RISK	MITIGATION	
International expansion	As we continue to grow our International business it is important that we have the appropriate governance, systems and processes in place as well as the ability to monitor and respond to geo-political issues and local regulatory matters. There is a risk that our plan to grow our International business is limited by global volatility, the risks associated with start-up profitability and regulations.	We carry out extensive due diligence prior to entering into a new market. We closely monitor market and country information provided by our partners and business units. Our current geographic spread means that currently our exposure to emerging markets whilst growing is relatively limited and our international strategy which uses a mixture of 'asset light' franchise and business acquisitions also reduces our exposure to this risk.	↑
Supply chain	Our business depends on purchasing a wide variety of products, efficient manufacturing and distribution processes. There is a risk that we are not able to source the products and/or that the cost of our products is significantly affected by commodity price movements and environmental factors. Additionally our supply chain network is exposed to potentially adverse events such as environmental or industrial accidents, either at one of our sites or that of a key supplier.	Our active risk management strategy includes close monitoring of market conditions and where appropriate hedging our contractual positions on certain commodities. We have robust supplier strategy, selection, monitoring and management processes and we seek to maintain multiple sources of supply for our products wherever possible. Safety at our sites is at the heart of what we do and we have externally certified management systems across the supply chain to support the management of health and safety. Additionally we review and manage the resilience of our sites to significant events and put protection in place where practical and beneficial to the business to do so.	↔
Safe and high quality products	Our products are of a very high quality and are not high risk products for causing harm to our consumers. However there is a risk that a faulty or contaminated product, either through malicious contamination, human error or equipment failure, is supplied to the market.	We have robust quality and supplier control measures and processes in place to maintain the high quality of our products supplied at all times.	↔
Legal and regulatory	Britvic is subject to a wide range of legislation, regulation, guidance and codes of practice in areas such as composition, labelling, packaging, marketing claims, advertising, safety, environment, competition, tax and employee health and safety. Failure to comply with such requirements could have a significant impact on our reputation and/or incur financial penalties. Additionally new or amended requirements could have an impact on our cost of doing business.	Our regulatory and legal teams monitor and ensure compliance with all relevant legislation and regulations. We work closely with our external advisors and the regulators, government bodies and trade associations regarding current and future legislation which would impact upon the business. We have externally certified management systems across the supply chain to support the management of health, safety and environment. We provide training for employees on the Britvic code of conduct and specific areas such as competition and anti-bribery laws, health and safety and environment.	↔
Systems and information	Our operations are increasingly dependent on IT systems and management information. We interact electronically with customers, suppliers and consumers and our supply chain operations are dependent on reliable IT systems and infrastructure. Disruption to our IT systems could have a significant impact on our sales, cash flows and profits. Additionally and in common with many businesses, there is a risk around cyber security that could lead to the unauthorised access to, or loss of sensitive information.	The management of our data centre has been outsourced to a professional provider with robust disaster recovery plans which are tested every year. We are increasing focus on improving information security policies and creating awareness of cyber risks across the business in line with the UK Government's guidance.	↔
Treasury and pension	Britvic is exposed to a variety of external financial risks in relation to treasury and pension. Changes to exchange rates and interest rates can have an impact on business results and the cost of interest on our debt. Additionally the GB business has a defined benefit pension plan which whilst closed to new employees and future accruals is exposed to movements in interest rates, values of assets and increased life expectancy.	We monitor exchange rates and interest rates and have active risk management and hedging strategies in place to manage exchange and interest fluctuations. We work with the Trustees of the pension fund to agree future investment and funding strategies.	↔

The Strategic Report was approved by the board of directors on 24 November 2015 and signed on its behalf by:

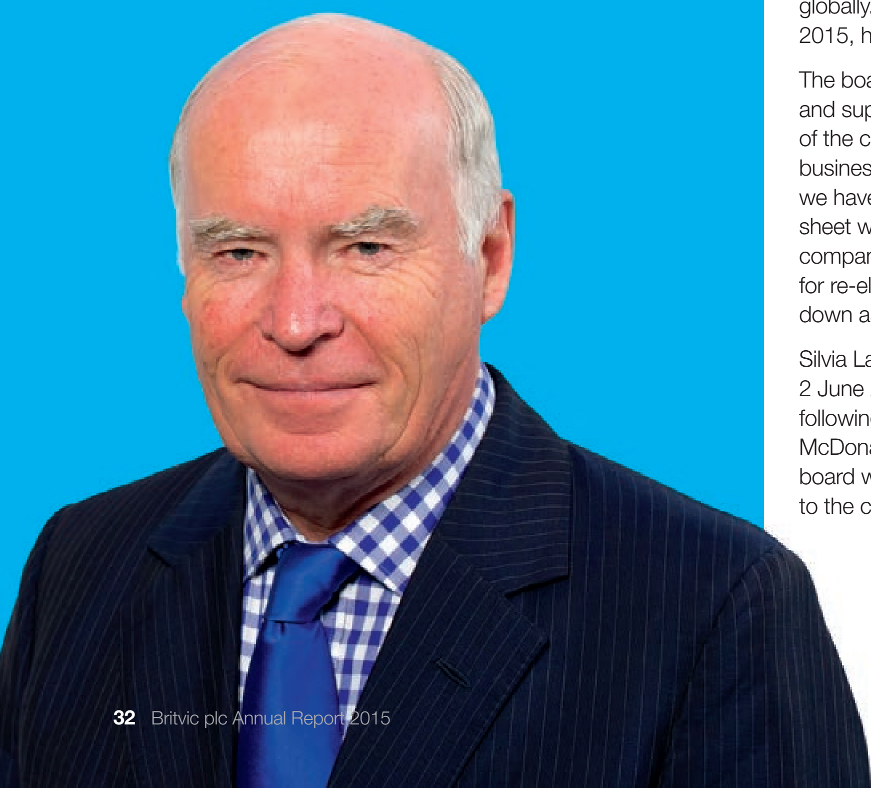
Simon Litherland Chief Executive Officer



governance

corporate governance report

Dear Shareholder,
As I mentioned in my Chairman's statement earlier in this report, this has been another year of significant activity under the second full year of leadership of Simon Litherland, our Chief Executive Officer. The board has been busy supporting the business in the execution of the strategy launched in 2013, including the pursuit of our international expansion plan, with the successful acquisition of Empresa Brasileira de Bebidas e Ailmentos SA (Ebba), a Brazilian soft drinks company, which completed on 30 September 2015.



This support also includes ensuring good governance, managing risk and adding value to our business. As such, the board continues to be committed to high standards of corporate governance and supports the principles laid down in the UK Corporate Governance Code published in September 2012 by the Financial Reporting Council ('the Code'). The Corporate Governance Report which follows sets out the activities of the board and its committees and how we conduct our operations in line with the Code's provisions and other accepted principles of good corporate governance. The application by the company of the 2014 Code will be reported on for the financial period ending 2 October 2016.

Changes to board composition

As part of our previously reported succession planning, we welcomed John Daly as an Independent Non-Executive Director to the board with effect from the conclusion of the company's Annual General Meeting on 27 January 2015. John is currently a Non-Executive Director of Wolseley plc, a position he has held since May 2014, and of G4S plc following his appointment on 5 June 2015. John Daly has extensive international experience, combined with a deep understanding of global leadership in a number of sectors, and is well placed to add value to Britvic.

John Gibney, Chief Financial Officer, announced his intention to retire on 20 May 2015. The board further announced the appointment of Mathew Dunn as Chief Financial Officer on 30 July 2015. Mathew joined the company on 28 September 2015 and, following a period of overlap to ensure a smooth transition, will succeed John Gibney as CFO following the announcement of the company's preliminary results on 25 November 2015.

Mathew was formerly the CFO of South African Breweries Ltd, a division of SABMiller plc in South Africa, where he was based since 2014. He first joined SABMiller plc in 2002 where he held various financial planning and management positions, as well as leadership positions, and he brings significant experience in the international beverage sector and expertise in operational leadership to the board. This will be invaluable as we continue to execute our strategy to pursue the expansion of our brands globally. Following his appointment to the board on 25 November 2015, he will stand for election at the AGM on 27 January 2016.

The board would like to thank John for his significant contribution and support to the company during his ten years as a director of the company. He played a crucial role in the flotation of the business in 2005, has successfully overseen the acquisitions we have made to date, and helped to create the strong balance sheet we enjoy today. I am pleased that John will remain with the company until his retirement in April 2016; he will not be standing for re-election at the AGM and, consequently, he will formally step down as a director of the company from that date.

Silvia Lagnado, a Non-Executive Director of the company since 2 June 2014, stepped down from the board on 31 July 2015 following her appointment as Global Chief Marketing Officer of McDonald's Corp and her associated relocation to the U.S. The board would also like to thank Silvia for her valuable contribution to the company during her relatively short tenure.

Bob Ivell, Senior Independent Director (SID) and Chairman of the Remuneration Committee, reaches his nine year tenure as a director since his first election by shareholders in 2007, but will remain on the board until it is satisfied that it has identified a suitable successor to replace him. Meanwhile, John Daly will succeed Bob as SID and Chairman of the Remuneration Committee.

Your board is committed to remaining effective and recognises that to do so it must ensure that it has the right balance of skills, independence and knowledge of the company to enable it to discharge its duties and responsibilities. Further details on the board's succession planning activities, and the steps it is taking to develop its policy on diversity are discussed in my Nomination Committee Report on pages 46 to 47.

Details of the directors' biographies are set out on pages 34 and 35.

Board evaluation

Evidence of the impact made by refreshing the skills of the board and its committees can been seen in the outputs of this year's board evaluation, details of which are summarised on pages 41 to 42.

Fair, balanced and understandable

During the year the board reviewed the requirement for directors to make a statement that they consider the annual report and financial statements, taken as a whole, to be fair, balanced and understandable. As part of this review, we received an early draft of the annual report to have enough time to review and comment. The Audit Committee met to consider the criteria for a fair, balanced and understandable annual report and to review the processes underpinning the compilation and assurance of the report, in relation to the financial and non-financial information. The board then considered the annual report as a whole being mindful of the new UK reporting requirements to ensure consistency between the narrative sections and the financial statements.

The board's statement on the report is outlined on page 73.

Gerald Corbett
Chairman

24 November 2015

strategic report
governance
financial statements
other information

Gerald Corbett DL

Chairman and Chairman of the Nomination Committee
Appointed in 2005

Over a long business career, Gerald has been a director of 12 public companies, six of which he has chaired. His most recent roles were as Chairman of Moneysupermarket.com Group plc between 2007 and 2014 and of SSL International plc between 2005 and 2010.

His executive career included Group Finance Director roles with Redland plc and Grand Metropolitan plc, and he was Chief Executive Officer of Railtrack between 1997 and 2000.

Committee membership:
Nomination (Chairman), Disclosure, Remuneration

Other appointments:
Betfair Group plc (Chairman), Numis Corporation plc (Chairman)

Simon Litherland

Chief Executive Officer
Appointed in 2013

Simon is responsible for overseeing the delivery of the company's business strategy. He joined Britvic in September 2011, initially as Managing Director of Britvic GB.

Prior to this, he had a career spanning 20 years with Diageo. His last role was MD of Diageo GB, having previously run Diageo's businesses in South Africa, Ireland and Central and Eastern Europe. During his time at Diageo, Simon was responsible for an extensive portfolio of brands including Guinness, Johnnie Walker, Baileys, Smirnoff and Captain Morgan. In his earlier career he held a variety of International Finance Director roles in Diageo, IDV and Grand Metropolitan.

Simon qualified as a Chartered Accountant with Deloitte in South Africa having gained a business degree at the University of Cape Town.

Committee membership:
Disclosure, Executive Team

Other appointments:
Incorporated Society of British Advertisers (ISBA),
(President and Chairman of ISBA Council)

John Gibney

Chief Financial Officer
Appointed in 2005

John Gibney was appointed Finance Director in 1999 and is responsible for finance, legal, estates, risk management, quality, safety and environment and procurement. He is also Chairman of Counterpoint, the Britvic licensed wholesale business for Ireland.

Prior to joining Britvic, he was Senior Corporate Finance & Planning Manager for Bass plc, and prior to that role, Finance Director and subsequently Deputy Managing Director of Gala Clubs.

John steps down from the board at the AGM on 27 January 2016 after 16 years with the company.

Committee membership:
Disclosure, Executive Team

Other appointments:
Interactive Screen Media Limited (Joint Venture) (resigned on 10 November 2015)

Mathew Dunn

Chief Financial Officer
Appointed on 25 November 2015

Mathew Dunn joined the business on 28 September 2015 and will succeed John Gibney as Chief Financial Officer following the announcement of our Preliminary Results on 25 November 2015.

Prior to joining Britvic, Mathew was the Chief Financial Officer of South African Breweries Ltd, a division of SABMiller plc in South Africa, where he was based since 2014. He first joined SABMiller plc in 2002 where he held various financial planning and management, as well as leadership positions.

Committee membership:
Disclosure, Executive Team

Other appointments:
None

From left to right:
Ben Gordon
Mathew Dunn
Joanne Averiss
Simon Litherland
Gerald Corbett
Bob Ivell
John Daly
Ian McHoul

Ian McHoul

Independent Non-Executive Director and Chairman of the Audit Committee
Appointed in 2014

Ian was Finance Director of Scottish & Newcastle plc and Finance and Strategy Director of the Inntrepreneur Pub Group Ltd and spent ten years with Foster's Brewing Group in a variety of roles. He was a Non-Executive Director and Chairman of the Audit Committee of Premier Foods plc between 2004 and 2013, the last year of which he was also the Senior Independent Director.

Committee membership:
Audit (Chairman), Nomination, Remuneration

Other appointments:
Amec Foster Wheeler plc (Chief Financial Officer)

Joanne Averiss

Non-Executive Director
Appointed in 2005

Joanne is the Pepsi Group Nominee Director. She has been a member of the Pepsi Group legal department since 1990, holding a series of positions in the UK and the US and is currently Senior Vice President Law, General Counsel, Europe and Sub Saharan Africa with legal responsibility for all of the Pepsi Group's business units within Europe and Sub Saharan Africa.

Committee membership:
None

Other appointments:
The Mesen Educational Trust (Trustee and Chair)

John Daly

Independent Non-Executive Director
Appointed in 2015

John has held various executive leadership positions over the course of 20 years at British American Tobacco plc (BAT). His most recent positions at BAT were Chief Operating Officer (from 2010 to 2014) and Regional Director for Asia Pacific, based in Hong Kong (from 2004 to 2010). John remains a Director of Reynolds American Inc., a US public company owned 42% by BAT. Prior to his time with BAT, John held various sales and marketing positions with Johnson & Johnson, Bristol-Myers Squibb, Pennwalt Corporation and Schering-Plough.

John will succeed Bob Ivell as Senior Independent Director and Remuneration Committee Chairman from the conclusion of the AGM.

Committee membership:
Audit, Nomination, Remuneration

Other appointments:
Wolseley plc,
G4S plc

Bob Ivell

Senior Independent Director and Chairman of the Remuneration Committee
Appointed in 2005

Bob has over 30 years' experience in the food and beverage industry, holding executive roles with Regent Inns plc, Scottish & Newcastle plc and Whitbread plc. He was previously chairman of David Lloyd Leisure Limited, Park Resorts Group Limited, Next Generation Clubs Pacific and a Non-Executive Director of The Restaurant Group plc.

Bob steps down as Senior Independent Director and Remuneration Committee Chairman, handing over to John Daly, from the conclusion of the AGM but will remain on the board.

Committee membership:
Remuneration (Chairman), Audit, Nomination

Other appointments:
Mitchells & Butlers plc (Non-Executive Chairman),
Carpetright plc (Non-Executive Chairman),
Charles Wells Limited (Non-Executive Director)

Ben Gordon

Independent Non-Executive Director
Appointed in 2008

Ben was the former Chief Executive of Mothercare plc and former Senior Vice President and Managing Director of Disney Store, Europe and Asia Pacific. He has also held senior management positions with WHSmith group in the UK and the USA and L'Oreal S.A. in France and in the UK. Ben has an MBA from INSEAD and is a Member of the Institution of Civil Engineers.

Committee membership:
Audit, Nomination, Remuneration

Other appointments:
St. Ives plc (Non-Executive Director),
Powerleague Group Limited (Chairman),
Canal & River Trust (Trustee)

Compliance with the UK Corporate Governance Code

The board supports the principles laid down in the UK Corporate Governance Code as issued by the Financial Reporting Council in September 2012, which applies to financial years beginning on or after 1 October 2012 ('the Code') (available at www.frc.org.uk). This report describes how the principles of the Code are applied and reports on the company's compliance with the Code's provisions. In September 2014, a revised UK Corporate Governance Code was published, which will apply to the company for the period ending 2 October 2016 and the company will report on its application in 2016.

The board considers that it has been in compliance with the provisions of the Code throughout the period ended 27 September 2015.

2015 board programme

The board provides strong and effective leadership within a framework of prudent and effective controls, and in accordance with the Code provisions there is a formal schedule of matters specifically reserved for board decision which defines the board from sub-committees and management. This clear definition not only complements and strengthens the company's decisions, but builds the foundations of a solid business. Although there is a standard agenda of items, these are regularly reviewed to ensure that the board provides continual effective leadership and drive towards the company's strategic aims.

During the year, consideration and decisions taken by the board have included:

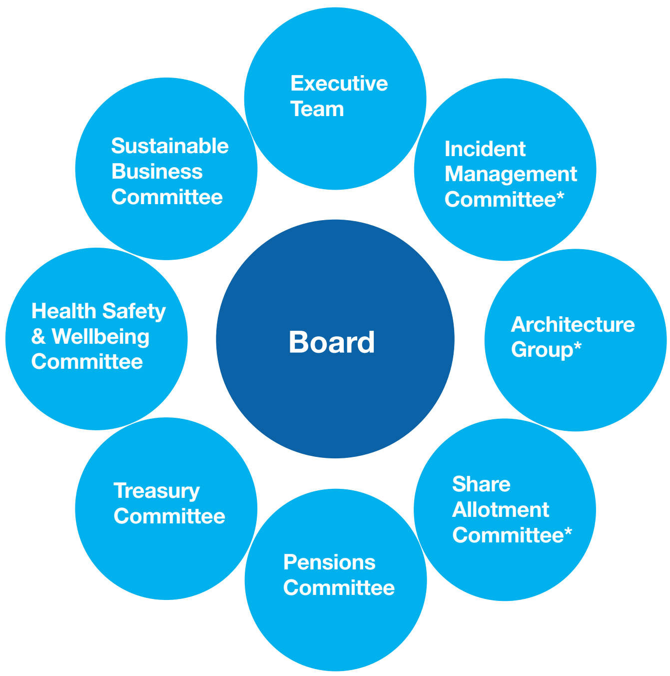
- The Ebba acquisition in Brazil – this was a major transaction involving the expansion of the group's activities into a new market with the acquisition of Empresa Brasileira de Bebidas e Alimentos S.A. (Ebba), which successfully completed on 30 September 2015. The inclusion of this new venture in the growth strategy of the company is another hugely significant milestone in the development of Britvic and is explained further on page 15
- Supply Chain Investment – the desire to improve operating margin has involved significant investment in existing production lines and the installation of a new flexible high speed PET bottling line in Leeds
- Matters Reserved for the Board and Statement of Authorities –the General Counsel was tasked with ensuring that our governance framework was fit for purpose particularly given our international ambitions and resulting change in our operating structure. As a result, and after wide consultation with senior stakeholders, the Matters Reserved for Decision by the Board and Statement of Authorities were reviewed and adopted in line with our 'Be Disciplined' value – we are disciplined in our adherence to process, governance and management of risk
- Succession Planning – subsequent to the announcement in May of John Gibney's (Chief Financial Officer) retirement in April 2016, the Nomination Committee recommended to the board, which it subsequently approved, the appointment of Mathew Dunn as the new Chief Financial Officer and an executive member of the board with effect from 25 November 2015, together with the appointments of João Caetano de Mello Neto (Managing Director of Ebba) following the completion of the acquisition of Ebba on 30 September 2015, and Hessel de Jong (who joined the company on 28 September 2015 and succeeded Simon Stewart as International Marketing Director with effect from 30 October 2015) as members of the Executive Team.

Matters which the board consider suitable for delegation are contained in the terms of reference of its committees which, in line with the Code provisions, can be found on the company's website (http://www.britvic.com/investor-centre/corporate-governance).

Board meetings

The board met ten times during the year in accordance with its scheduled meeting calendar, excluding adhoc conference calls and committee meetings to approve the financial results. An additional five meetings were also convened to deal with key matters requiring the board's attention and major projects, primarily related to the acquisition of Ebba. The board meetings were held at the head office in Hemel Hempstead, except two meetings which were held off-site in London and Miami. The attendance by each board member is shown on page 42.

Executive management level committees



Meet as and when required

Governance framework

Shareholders

2,650 shareholders
as at 27 September 2015

Board

Chairman

Executive Directors
Non-Executive Directors

Nomination Committee	Audit Committee	Remuneration Committee	Disclosure Committee
Chairman 4 Non-Executive Directors	4 Non-Executive Directors	4 Non-Executive Directors	Chairman CEO and CFO IR Director Director of Corporate Affairs Company Secretary
Primary responsibility for succession planning, board/director selection and board composition	Provides oversight and governance over the group's annual reporting, internal controls, risk management and relationship with external auditors	Agrees remuneration policy and sets individual compensation levels for directors and senior management	Provides assistance with disclosures required under the Listing Rules and to help ensure that disclosure controls and procedures are properly implemented
Committee Report pages 46 to 47	Committee Report pages 43 to 45	Committee and Directors' Remuneration Reports pages 48 to 49	Committee established on 23 June 2015

The board

The board of directors currently has eight members, comprising the Chairman, Chief Executive Officer, Chief Financial Officer, four independent Non-Executive Directors and the PepsiCo-nominated Non-Executive Director. At all times there has been at least half of the board, excluding the Chairman, who are independent Non-Executive Directors, in compliance with the Code.

The board recognises that with the appointment of Mathew Dunn on 25 November 2015 this will result in an increase in the number of Executive Directors on the board to three for the short period of time between Mathew's appointment and John Gibney retiring from the board at the AGM on 27 January 2016, thereby increasing the ratio of independent to non-independent directors to 4:4.

Further details on the company's ongoing recruitment plans are set out in the Nomination Committee Report on page 47.

The directors

The biographical details of the board members are set out on pages 34 and 35. All of the directors bring strong judgement to the board's deliberations. They have all occupied, or occupy, senior positions in UK and/or international companies (including listed companies) and have substantial experience across a range of businesses. Other than their fees, which are disclosed on page 56, the Non-Executive Directors received no remuneration from the company during the year. They also do not participate in any of the group's pension schemes or in any of the group's bonus, share option or other incentive schemes.

Re-election of directors

The company's articles of association provide that all directors will stand for re-election at least every three years but in order to comply with the Code, all of the directors submit themselves for re-election (or election following first appointment) at each annual general meeting.

The role of the board

The board is responsible for the long-term success of the company, corporate governance, strategy, risk management and financial performance. The board normally meets ten times each financial year and has a formal schedule of matters reserved to it for decision making, including responsibility for the overall management and performance of the group, and the approval of its long-term objectives and commercial strategy, approval of annual and interim results, annual budgets, material acquisitions and disposals, material agreements and major capital commitments, approval of treasury policies, and assessment of its going concern position.

Board members are given appropriate documentation in advance of each board or committee meeting. This includes a detailed report on current trading and comprehensive briefing papers on matters where the board will be required to reach a decision. Senior executives below board level attend board meetings where appropriate to present business updates.

There is an established procedure for the preparation and review by the board of the annual budget. The business reports monthly on its performance against its agreed budget. The board receives a monthly update on performance and reviews any significant variances at each of its meetings. All major investment decisions are usually subject to post-completion reviews. At least one of the board's regular meetings every year is devoted to reviewing and agreeing the company's long-term strategy.

Board committees

The board is assisted by four board committees (as shown on the governance framework diagram on page 37) to which it delegates specific responsibilities. Each committee has full terms of reference that have been approved by the board and which can be found on our website at http://www.britvic.com/investor-centre/corporate-governance.

Company Secretary

The Company Secretary maintains a record of attendance at board meetings and committee meetings, further details of which are set out on page 42 and within the respective committee reports between pages 43 and 48. The Company Secretary's other responsibilities include ensuring good information flows to the board and its committees and between senior management and the Non-Executive Directors, advising the board on all legal and corporate governance matters, and assisting the Chairman in ensuring that the directors have suitably tailored and detailed induction and ongoing professional development programmes.

The role of the Chairman and Chief Executive Officer

The Chairman is primarily responsible for the workings of the board, to ensure that its strategic and supervisory role is achieved and for ensuring effective communication with shareholders.

The Chairman works closely with the Chief Executive Officer to ensure that the strategies and actions agreed by the board are implemented and provides support and appropriate advice to the Chief Executive Officer. The Chief Executive Officer is responsible for the day-to-day management of the business, developing the group's strategic direction for consideration and approval by the board, and implementing agreed strategy. He is supported by the other members of his executive team.

The different roles of Chairman and Chief Executive Officer are acknowledged. A responsibility statement for each of those roles has been agreed with the Chairman and Chief Executive Officer, respectively, and adopted by the board.

During the year the Chairman met with the Non-Executive Directors without the Executive Directors present to evaluate their performance and the Non-Executive Directors met without the Chairman present, to evaluate his performance.

Executive team

The board has delegated appropriate responsibilities to the executive team, the membership of which is shown below. The executive team meets 11 times a year and is responsible for the day-to-day running of the business, carrying out agreed strategy and implementing specific board decisions relating to the operation of the group.

In addition, there are a number of committees which meet to consider various issues involved in the day-to-day management of Britvic and matters for recommendation to the board and its committees. Details of these committees are set out on page 36.

Simon Litherland

Chief Executive Officer

See full biography on page 34.

John Gibney

Chief Financial Officer
(until 25 November 2015)

See full biography on page 34.

Mathew Dunn

Chief Financial Officer
(from 25 November 2015)

See full biography on page 34.

Matt Barwell

Chief Marketing Officer

Matt is responsible for all aspects of Britvic's global brand strategy and execution, innovation, corporate affairs and the company's sustainability agenda. He joined Britvic from Diageo in 2014 where he held a number of senior positions over 15 years including Marketing and Innovation Director for Diageo Africa and later, Diageo Europe. Matt started his career with Mars where he worked for ten years in both the confectionary and pet food businesses. Matt is Chairman of the Advertising Association's Front Foot group and is a Fellow of The Marketing Society.

Kevin Donnelly

Country Director, Britvic Ireland

Kevin joined Britvic Ireland in September 2008 as Marketing Director and was appointed Country Director in June 2013. He has over 25 years' experience in sales, marketing and general management in FMCG companies, including Unilever and Dairygold. Kevin holds a First Class Honours Degree in Marketing from Trinity College Dublin and a Post Graduate Diploma in Digital Marketing.

Hessel de Jong

International Managing Director
(appointed on 28 September 2015 as successor to Simon Stewart who resigned on 30 October 2015)

Hessel de Jong joins Britvic with over 20 years of management experience in the FMCG industry. Prior to joining Britvic, Hessel worked as an advisor to a number of private equity companies, including Blackstone and Bencis Capital Partners. From 2008 through 2014, he was Managing Director of the Dutch and Benelux operations of the Coca Cola Company. Before 2008, Hessel held various regional and global leadership positions at Heineken and SCA Group in Europe and Asia. Hessel is based in Amsterdam and holds a Master of Business Administration from INSEAD and a Bachelor of Business Administration from Nyenrode University.

João Caetano de Mello Neto

Managing Director, Ebba Brazil
(appointed on 30 September 2015)

João Caetano de Mello Neto joined Britvic following the acquisition of Ebba on 30 September 2015. He brings with him over 30 years of executive management experience in the consumer goods industry. Previously, João Caetano worked for Cia Müller de Bebidas (Caninha 51) where he spent 14 years and acted as Chief Executive Officer for seven. He then worked for J. Macedo for seven years as Chief Executive Officer of Hidracor before moving to Ebba.

Doug Frost

Plc HR Director

Doug Frost was appointed Human Resources Director in 2004. He has since also assumed responsibility for IT and the Programme Management Office. Doug previously worked for 15 years with Mars Incorporated in positions in manufacturing, sales and human resources. He started his career in the UK, then worked across several continental European markets and latterly spent several years in Brazil.

Paul Graham

GB Managing Director

Paul was appointed GB Managing Director on 13 April 2015, having joined the business in September 2012 as GB General Manager. Before joining Britvic, he worked in a range of commercial roles for companies including Mars Confectionery and United Biscuits. Paul has a BSc in Management Sciences from the University of Manchester and is a member of the Executive Council of The British Soft Drinks Association.

Clare Thomas

General Counsel and Company Secretary

Clare Thomas joined the group as General Counsel and Company Secretary in September 2013 and has responsibility for the legal, audit and risk, company secretarial, estates and plc quality, safety and environment teams. Clare has a corporate and commercial legal background, and prior to joining Britvic spent 15 years as a corporate/M&A lawyer at law firm Addleshaw Goddard LLP, including six years as a partner with a particular focus on FMCG clients.

Jean-Luc Tivolle

Managing Director, Britvic France

Jean-Luc Tivolle was appointed Managing Director of Britvic France in 2010, after 14 years as Vice-Chairman of Fruité Entreprises SAS, which was acquired by Britvic at that time. Prior to this, he held senior roles in Tetra Pak and a variety of positions at Chocolat Poulain (Cadbury Schweppes Group).

Senior Independent Director

The Senior Independent Director is available to shareholders if they have concerns which are not resolved through the normal channels of Chairman, Chief Executive Officer or Chief Financial Officer, or for which such contact is inappropriate.

Tenure of Non-Executive Directors

The Code provides that the length of tenure is a factor to consider when determining the independence of Non-Executive Directors. The table below shows the tenure and independence of each of our Non-Executive Directors since the date of their first election by shareholders.

	Date first elected by shareholders	Years from first election to 2016 AGM	Considered to be independent by the board
Gerald Corbett	January 2007	9	[1]
Joanne Averiss	January 2007	9	No[2]
John Daly	-	-	Yes[3]
Ben Gordon	January 2009	7	Yes[2]
Bob Ivell	January 2007	9	Yes[2]
Ian McHoul	January 2015	1	Yes[2]

Notes:
1. The company considers that, on appointment, the Chairman was independent for the purposes of provision A.3.1 of the Code.
2. Joanne Averiss is Senior Vice President Law, General Counsel, Europe of Pepsico and is the PepsiCo Non-Executive Director. Accordingly, she is not considered to be independent by the board. In addition to her fiduciary obligations to act in the best interests of the company, Joanne Averiss is required under her letter of appointment to discharge her duties in the interests of the company notwithstanding her connection with PepsiCo. With the exception of Joanne Averiss the Non-Executive Directors are all independent of management and free from any business or other relationship, including those relationships and circumstances referred to in provision B.1.1 of the Code that could materially interfere with the exercise of independent and objective judgement.
3. Appointed on 27 January 2015 and will stand for election at the AGM.

Service contracts and letters of appointment

Details of the Executive Directors' service contracts and the Chairman's and the Non-Executive Directors' letters of appointment are set out in the Directors' Remuneration Report on page 62. The letters of appointment of Gerald Corbett, Joanne Averiss and Bob Ivell run to 14 December 2017. The letters of appointment of Gerald Corbett, Joanne Averiss and Bob Ivell run to 14 December 2017. The letters of appointment of Ian McHoul, Ben Gordon and John Daly run to 10 March 2017, 14 April 2017 and 27 January 2018, respectively. These documents are available for inspection at the registered office of the company during normal business hours and at the AGM.

Conflicts of interest

The company's articles of association allow the board to authorise potential conflicts of interest that may arise and to impose limits or conditions, as appropriate. Any decision of the board to authorise a conflict of interest, whether matter-specific or situational, is only effective if it is agreed without the participation of the conflicted director(s), and in making such a decision, as always, the directors must act in a way they consider in good faith will be most likely to promote the success of the company. The company has an established procedure whereby actual or potential conflicts of interest are reviewed annually and for the appropriate authorisation to be sought prior to the appointment of any new director or if a new conflict arises. The board previously authorised, as a potential conflict of interest, the Chairman's appointment as a member of the Advisory Committee of Spencer Stuart, with whom the Nomination Committee, engaged again during the year for the purpose of recruiting John Daly and, more recently, to assist with the search for a successor to John Gibney, (Chief Financial Officer), Silva Lagnado (Non-Executive Director) and Hessel De Jong (International Marketing Director).

Induction and development

The Chairman is responsible for preparing and co-ordinating an induction programme for newly appointed directors, including presentations from senior management on different aspects of the business, as well as guidance on their duties, responsibilities and liabilities as a director of a listed company. Business familiarisation involves directors visiting sites in the UK, Ireland and France. The Non-Executive Directors are encouraged to visit group manufacturing sites to enable them to gain a greater understanding of the group's activities and to meet senior managers throughout the business. Every director has access to appropriate training as required subsequent to his appointment and is encouraged to develop his understanding of the company. To strengthen the directors' knowledge and understanding of the company, board meetings regularly include updates and briefings on specific areas of the company's activities and board meetings, where possible, are held offsite at other Britvic sites.

Following John Daly's appointment to the board, the Company Secretary arranged an appropriate induction programme. The programme was tailored based on his experience and background, and the requirements of his role. Acknowledging John's in-depth understanding of the UK company listing regime, his induction focused primarily on his role as a director and the role of the board in general. His induction has included one-to-one meetings with individual members of the Executive Team and with the plc Finance and Investor Relation Director as well as trade visits.

Independent advice

The board has approved a procedure for directors to take independent professional advice at the company's expense if necessary. No such advice was sought by any director during the year. In addition, the directors have direct access to the advice and services of the Company Secretary.

Indemnification of directors

In addition to the indemnity granted by the company to directors in respect of their liabilities incurred as a result of their office in accordance with our articles of association, we maintain a directors' and officers' liability insurance policy throughout the year. Neither our indemnity nor the insurance provides cover in the event that a director has proven to have acted dishonestly or fraudulently.

Risk management and internal control

The board has overall responsibility for the group's system of internal control and risk management and for reviewing its effectiveness. In discharging that responsibility, the board confirms that it has established the procedures necessary to apply the Code, including clear operating procedures, lines of responsibility and delegated authority. These procedures have been in place since the company listed and are regularly reviewed by the board.

Business performance is managed closely and the board and the executive team have established processes, as part of the normal good management of the business, to monitor:

- Strategic plan achievement, through a regular review of progress towards strategic objectives
- Monitoring and maintenance of insurance cover to insure all risk areas of the group

- Financial performance, within a comprehensive financial planning and accounting framework, including budgeting and forecasting, financial reporting, analysing variances against plan and taking appropriate management action
- Capital investment and asset management performance, with detailed appraisal, authorisation and post investment reviews
- The principal risks facing the business ensuring that the significant risks faced by the group are being identified, evaluated and appropriately managed, giving consideration to the balance of risk, cost and opportunity.

The board is supported by the Audit Committee in reviewing the effectiveness of the group's risk process and internal control systems. The system of internal control is designed to manage, rather than eliminate, the risk of failure to achieve business objectives and it must be recognised that it can only provide reasonable and not absolute assurance against material misstatement or loss.

Management, with the assistance of the finance function, is responsible for the appropriate maintenance of financial records and processes. This ensures that all financial information is relevant, reliable, in accordance with the applicable laws and regulations, and distributed both internally and externally in a timely manner. A review of the consolidation and financial statements is completed by management to ensure that the financial position and results of the group are appropriately recorded, circulated to members of the board and published where appropriate. All financial information published by the group is subject to the approval of the board, on the recommendation of the Audit Committee.

Board performance evaluation

2015 evaluation	Recommendations	Actions agreed for 2015-16
	Continue to focus on shorter-term succession planning and for a successor to the Chairman.	As indicated above, recruitment is ongoing to find successors for Bob Ivell and Silvia Lagnado. Similarly, the search for a suitable successor to the Chairman will be undertaken during the next 12 months. Meanwhile, the board has asked the Chairman to remain in office until such time as the new membership of the board is established to ensure that the board and its committees continue to have the right balance of skills, experience, independence and knowledge of the company to discharge their respective duties and responsibilities effectively.
	Implement a deeper succession plan and focus on talent management.	The board evaluation identified that there needed to be a stronger focus on the pipeline of talent covering the most senior executive positions in the business.
	Increase the board's visibility to external investor concerns and updates.	Arrange for the board to receive a formal briefing from brokers at least once per year. In addition use the new board portal to ensure directors have access to the latest sector and company related broker notes.
	Continue with opportunities for the Non-Executive Directors to visit other sites and to meet informally outside of board meetings.	Recent changes to the plc meeting calendar include the opportunity for up to two board meetings per year to be held away from the head office. Informal board dinners to be arranged to enable discussions outside of the board room.
	Focus on strategy and risk management.	In light of the increased governance focus on risk, the board's standard business agenda will include increased focus on risk and additional exposure on key strategic initiatives.

2014 evaluation	Recommendations	Actions agreed and delivered in 2014-15
	Continue to focus on succession planning for a successor to the Senior Independent Director and other key positions and on talent management development.	The board has given its approval for John Daly to succeed Bob Ivell as Senior Independent Director and Chairman of the Remuneration Committee. This will take effect from the AGM on 27 January 2016. Bob Ivell will remain on the board whilst the search for suitable replacement Non-Executive Directors for both Bob and Silvia Lagnado continues. Silvia stepped down from the board on 31 July 2015 following her appointment as CMO of McDonalds and associated relocation to the USA.
	Opportunities to develop relationships amongst board members and Non-Executive Directors to spend more time in the business, including trade visits.	Informal occasions when the board can be together without the management present were arranged as well as trade visits for the Non-Executive Directors.
	Request for more updates on the board committee activities.	More time has been given on board agendas to update members of the board on the activities of the committees.

Each year the performance of the board, its committees and directors is evaluated. As required by the Code, every third year the evaluation should be conducted by an external advisor. Following the externally facilitated evaluation in 2013, the board felt it was appropriate to conduct an internal board and committee review in 2015.

The 2015 evaluation was led by the Chairman with the assistance of the Company Secretary. The appraisal questionnaires used in the process were wide-ranging and based on questions outlined in the Code, covering both the performance of the board and its committees, and that of the Chairman. The questions were designed to encourage broad discussions on the performance and effectiveness of the board and its procedures, as well as the effectiveness of the Chairman. This year's questionnaires incorporated two case studies to obtain the board's feedback on the two-day strategy event and on the acquisition of Ebba.

The appraisal output is used to identify strengths and development areas, and confirmed that the board and its committees were operating effectively. Individual performance was also appraised by the Chairman following a meeting with each of the other directors.

The findings were presented to the board and the Nomination Committee together with a proposed action plan. The balance between the board and its committees was felt to be appropriate and no changes in this area were identified outside of the rotation of directors agreed as part of the board's ongoing succession planning.

A table of actions arising from this and the prior year's performance evaluation is set out on page 41 and progress against these actions will be monitored by the board throughout the year.

In light of the review, the board considers the performance of each director to be effective and has concluded that the board and its committees provide the leadership and control required. The board will continue to review its procedures, effectiveness and development in the financial year ahead, particularly in relation to succession planning and in considering the balance of skills and expertise needed to support the company's strategy, giving due consideration to all aspects of diversity, including gender.

Attendance at meetings of the board

The attendance of directors at board meetings during the year was as follows:

Membership and attendance	Number of scheduled meetings attended/held	Number of other meetings attended/held
Gerald Corbett	10/10	5/5
Simon Litherland	10/10	5/5
John Gibney	10/10	5/5
Joanne Averiss	10/10	3/5
John Daly[1]	6/7	1/2
Ben Gordon	10/10	3/5
Bob Ivell	9/10	4/5
Ian McHoul	9/10	4/5
Silvia Lagnado[2]	9/9	3/5

Notes:

1. Meetings attended by John Daly subsequent to his appointment on 27 January 2015.
2. Meetings attended by Silvia Lagnado up until her date of resignation on 31 July 2015.

The board scheduled ten meetings during the year and an additional five meetings were convened to deal with specific matters which required the board's attention between scheduled meetings. These primarily related to the acquisition of Ebba. Therefore, excluding ad hoc conference calls and committee meetings to approve the financial results, in total the board met 15 times during the year.

Shareholder engagement

Investor relations

The board is committed to maintaining good communications with shareholders. Senior executives, including the Chairman, Chief Executive Officer and Chief Financial Officer, have regular dialogue with individual institutional shareholders in order to develop an understanding of their views which is then discussed with the board. Similarly, the Chairman of the Remuneration Committee engages, at appropriate times, with shareholders on matters relating to Remuneration Policy (for more details see page 49 of the Directors' Remuneration Report). All directors are offered the opportunity to meet with major shareholders to listen to their views and, in addition to a monthly report prepared by the Chief Financial Officer, receive regular reports prepared by an independent capital markets advisory firm which provides comprehensive information relating to the company's major shareholders.

Presentations are made to analysts, investors and prospective investors covering the annual and interim results and the company seeks to maintain a dialogue with the various bodies which monitor the company's governance policies and procedures. The Strategic Report set out on pages 2 to 29 details the financial performance of the company as well as setting out the risks it faces.

Private investors

We are keen to hear the views of our private shareholders and we encourage them to use our shareholder mailbox (investors@britvic.com) for detailed inquiries and to access our website for our company reports and business information. The website also provides direct access to Shareview (www.Shareview.co.uk) which enables shareholders to manage their shareholding account online. Specific inquiries to the Company Secretary can be sent to the Secretariat mailbox (company.secretariat@britvic.com) or posted to the registered office.

At the AGM, the Chief Executive Officer gives a regular update on the positioning and outlook for the business. Shareholders are invited to ask questions formally during the meeting and to follow up these discussions with directors on a one-to-one basis afterwards. The chairmen of the board committees and the Senior Independent Director are present and available to respond to questions at the AGM. We look forward to welcoming all our shareholders to our 2016 AGM in January and to updating them on our business developments.

audit committee

Ian McHoul
Audit Committee Chairman

The committee's role is to ensure appropriate oversight and review of the presentation and integrity of the financial reporting and statements, internal control and risk management, internal audit programmes, changes in regulatory requirements, and the independence and appointment of external auditors.

To enable the committee to discharge its responsibilities, discussions on a broad range of topics and reports were held with management, internal audit and the external auditors throughout the year. This provided us with insight into the progress towards the company's strategic goals and the challenges and risks and how they are being managed.

These include considering the requirements of the 2014 Corporate Governance Code and assessing the impact on our processes so that we are ready to report against the new code for our year ending 2 October 2016 and discussions over the timing and approach to the external audit tender. The most significant matters discussed over the course of the year are described in the pages that follow.

The committee has an open dialogue throughout the year with the Director of Audit and Risk and the external auditors to raise challenges and questions to support understanding whilst sharing experience and an independent perspective.

Objective

The objective of the committee is to provide independent scrutiny of the group's financial reporting, the internal control environment and processes in place to monitor this, the adequacy of the risk management framework and the activities of the external auditors.

Responsibilities

- Reviewing the financial results announcements and financial statements and any significant financial reporting issues and judgements which they may contain
- Advising the board on whether the annual report and accounts, taken as a whole, are fair, balanced and understandable and provide the information necessary for shareholders to assess the company's performance, business model and strategy
- Ensuring compliance with applicable accounting standards and reviewing the appropriateness of accounting policies and practices in place
- Assessing the adequacy of the internal control environment and the processes in place to monitor this, including reviewing the activities and performance of the internal audit team
- Reviewing risk management processes and considering the adequacy of the actions being taken to identify risks and reduce the exposure of the group to those risks
- Overseeing the relationship with the external auditors, reviewing their activities and performance and advising the board on their appointment and remuneration
- Ensuring appropriate safeguards are in place for individuals to raise issues with the board where a breach of conduct or compliance, including any financial reporting irregularity, is suspected.

Membership and meetings

Membership and Attendance	Number of Meetings Attended/Held
Ian McHoul (Chairman)	3/3
John Daly[1]	1/2
Bob Ivell	3/3
Ben Gordon	3/3

Notes:
1. Meetings attended by John Daly subsequent to his appointment on 27 January 2015.

The committee comprises independent Non-Executive Directors, John Daly, Ben Gordon, Bob Ivell and myself as Chairman. The board is satisfied that I have recent and relevant financial experience as required by the Code.

The committee meets three times a year; in November and May to review the annual report and accounts and interim report respectively and to consider the external audit findings, and in September to review the activities of the previous year, the plan for the year ahead and to consider any emerging issues. At each meeting the performance and findings of the internal audit team are reviewed and the most recent key risks are considered.

Attendees at each of the meetings are the committee's members as well as, by invitation, the Chief Executive Officer, the Chief Financial Officer, the Group Financial Controller, the General Counsel, the Director of Audit and Risk and the external auditor, Ernst and Young LLP (EY).

Each meeting allows time for the committee to speak with key people without the presence of the others, in particular the external auditor and the Director of Audit and Risk.

Main activities during the year

The committee supports the board in carrying out its responsibilities in relation to financial reporting, risk management and assessing internal controls. It also reviews the effectiveness of the company's internal audit function and manages the relationship with the external auditors. The committee ensures that the company has appropriate provision for confidential and impartial whistleblowing process in line with good practice.

Committee meetings usually take place prior to a board meeting, where I report to the board on the activity of the committee and matters of particular relevance to the board.

The committee undertook the following activities during the course of the year to discharge its responsibilities:

Financial reporting

At each committee meeting the Chief Financial Officer presents a review of key areas of judgement, any changes in accounting policy and key financial control activities in the year. In addition, the Audit Committee reviews both the interim and preliminary results announcement along with financial statements. Where requested by the committee, or recommended by management, further detailed updates are presented on key topics.

The committee also considers reporting from the external auditor, EY, on the interim report and financial statements, the audit plan and the outcome of the external audit and looks for constructive challenge from the auditors in all discussions.

To form its opinion, the committee reflected on the information it received and discussions during the year to evaluate whether:

- The financial statements comply with all applicable financial reporting standards and any other required regulations
- Material areas of significant judgement have been given due consideration by management and reviewed with external auditors
- The application of acceptable accounting policies and practices is consistent across the group
- The disclosures provided are clear and as required by financial reporting standards
- Any correspondence from regulators has been received in relation to our financial reporting
- The annual report and financial accounts represent a fair, balanced and understandable view of information for shareholders.

The primary areas of focus and judgement considered by the committee in relation to the 2015 accounts were as follows:

Revenue recognition

The group recognises revenue when goods are delivered and accepted by customers, and significant risks and rewards of ownership have passed to the buyer and can be measured reliably. Revenue includes deductions for long-term discounts and promotional discounts and management makes an accrual where it is probable that a rebate or discount will be earned. Governance of this process has been reviewed by the committee with updates during the year.

The committee discussed the balanced approach to judgements and completeness of accruals with management and external auditors and agreed that that the policy is applied appropriately and consistently in the group financial statements.

Valuation of goodwill and indefinite life assets

The review of goodwill and intangible assets is based on a calculation of value in use, using cash flow projections based on market measures and financial budgets prepared by senior management and approved by the board of directors. Key assumptions include weighted average cost of capital (WACC), inflation and volume growth rates. Any potential triggers of impairment are sensitivity tested to provide comfort to management that sufficient headroom is present.

The asset valuations have been reviewed and tested by management and reviewed by the external auditors, including assessment of any potential reversal to the previous impairment made to the Ballygowan brand in 2010. The committee was satisfied that the outcome of testing was no requirement for impairment or reversal of impairment in 2015.

Exceptional and other items

A group policy to identify and classify exceptional and other items was approved by the committee in September, and includes items of significant income and expense which due to their size, nature or frequency merit separate presentation to enable users of the accounts to better understand performance.

The committee reviewed items that management classified as exceptional and other in light of the group policy and FRC guidance, and agree with their appropriateness.

Derivative and hedging activities

The group has derivative instruments to which hedge accounting is applied and which swap principal and interest of the US Private Placement notes. Forward foreign currency contracts were also purchased to hedge against the cost of the Brazilian Real transaction to acquire Ebba. Updates on derivatives and hedging activities were presented in the Chief Financial Officer's paper in each meeting in the year, and the committee agreed the approach and treatment in the financial statements.

Taxation

The process for reporting the group's tax expense and liability was reviewed and reported on to the committee, along with any changes in uncertain tax positions. The completeness and appropriateness of balance sheet provisions and the effective tax rate was discussed and agreed with the committee.

Defined benefit pension scheme valuation

The committee reviewed the outcome of the actuarial valuation of the pension assets and liabilities for the three defined benefit schemes under IAS19 and agree with the approach taken by management, recognising the external auditor's review of the key assumptions used for discount rate and inflation.

Acquisition of Ebba

The acquisition of Ebba was completed on 30 September 2015, shortly after the group's year end on 27 September. Management discussed and agreed with the committee that in the period from announcing the deal on 23 July to the year end, the group did not take control of Ebba management or decision making and therefore no consolidation is required in 2015. The committee also agreed that sufficient time was not available to conclude the purchase price allocation exercise for the 2015 annual report and a post balance sheet event note has been included in the financial statements.

Fair, balanced and understandable

As part of the review of the annual report the committee considered whether the report and preliminary results announcement is fair, balanced and understandable when taken as a whole, and provides the information necessary to assess the company's performance, business model and strategy. On the basis of its review activities, the committee recommended to the board that the report is fair, balanced and understandable.

Internal audit and control

The committee agreed the audit plan to be undertaken by the internal audit team prior to the start of the year, and during each of the meetings throughout the year, progress against this plan was reviewed. The plan was assessed on the basis of providing appropriate coverage over the internal control environment, strategic priorities and key risks.

Additional areas were added to the audit plan as required where circumstances gave rise to an increased level of risk and any changes to the agreed audit plan were agreed by the committee. In light of the international growth strategy of the group, during the year the committee spent time ensuring the appropriate control environment was in place to support that strategy. The committee received an update from the Director of Audit and Risk at each meeting summarising the findings of the internal audits undertaken and the progress made against actions agreed from previous audits. Detailed updates on specific areas are provided at the request of the committee.

During the year, an evaluation of the performance of the internal audit function was carried out by an external company who deemed the function to be effective when compared with other FTSE 250 companies; all specific matters arising from the review were discussed and the Director of Audit and Risk is addressing them as part of a three-year strategy for the function.

Risk management

The risk management process is reviewed annually by the committee to ensure that it is set up to deliver appropriate risk management across the group. The risk management process is continually improving, in particular in relation to embedding across new and developing areas of the business.

The committee believe that the improvements will continue to strengthen the way that the business understands and manages risk.

A summary of the key risks and uncertainties to which the business is exposed to can be found on pages 28 and 29.

External audit

The committee oversees the relationship with the external auditor and reviews effectiveness, performance and the independence of the external auditor overall. To assess effectiveness, the committee held discussions with management on the audit process and based its assessment on the feedback provided. The committee also holds private meetings with the external auditor at each meeting to provide opportunity for further discussion.

External auditor performance

The external auditors, Ernst and Young LLP, provided the committee with their plan for undertaking the year end audit at the committee meeting in May 2015. This highlighted the proposed approach and scope of the audit for the coming year and identified the areas of audit risk, including the audit approach for these areas. The significant areas identified were revenue recognition and management override especially in relation to rebates and discounts. Other areas of focus included the carrying value of goodwill and indefinite life assets, the accounting for the group's derivatives and hedging activities, the valuation of the defined benefit pension scheme and taxation. The committee reviewed and appropriately challenged the basis for these before agreeing the proposed approach and scope of the external audit.

The external auditors prepared a detailed report of their audit findings at the year end, which they took the committee through at the meeting in November. The findings were reviewed and discussed in detail by the committee, particularly in relation to the areas highlighted above. A similar review of the external auditors' report of their findings at the half year review is undertaken by the committee. As part of this review the committee questioned and challenged the work undertaken, the findings and the key assumptions made, with particular attention to the areas of audit risk identified.

EY's external audit team was subject to an audit quality review by the UK external audit regulator in relation to its audit of the 2014 financial statements. The results were shared with the chairman of the Audit Committee and have been discussed with the EY audit partner. Whilst some limited areas for improvement were identified, the results did not cause any concern for the committee in terms of the overall quality of the external audit process.

Independence and reappointment

The committee reviews the independence of the auditors when considering their reappointment following the year end close each year, and during the year. The external auditor is required to rotate the lead audit partner every five years. The current lead audit partner began his tenure for the financial year ended 30 September 2013. EY have been the company's auditors since its stock market listing in 2005 (ten years) and during that time the external audit has not been formally tendered. The committee has reviewed the recent EU legislation and response from the UK regulatory bodies and considered the impact on the reappointment of the external auditors. The committee agreed that it will tender its external audit services during 2016 and have the new or reappointed auditors in place ahead of the year ending September 2017.

As Chairman of the committee, I have regular contact with the external audit partner outside of committee meetings and without the management of the business present.

The group has a policy regarding the provision of non-audit services by the external auditors, based on common practice of a maximum audit to non-audit fee ratio of 1:1, except in exceptional circumstances. Control over non-audit fees is exercised by ensuring non-audit projects, where fees are expected to exceed £50,000, are subject to my prior approval and that of the Chief Financial Officer. If non-audit fees on a certain project are expected to exceed £150,000, prior approval of the committee is required. We can confirm that we are significantly below the 1:1 ratio in this financial year as disclosed in note 7 in the reports and accounts.

governance

nomination committee

Gerald Corbett
Nomination Committee Chairman

Objective

To lead the process for board and senior management appointments and to make recommendations to the board.

Responsibilities

The committee is responsible for considering and recommending to the board candidates who are appropriate for appointment as Executive and Non-Executive Directors and for other senior management roles, so as to maintain an appropriate balance of skills and experience within the company and on the board and to ensure progressive refreshing of the board.

Membership and meetings

Membership and attendance	Number of meetings attended/held
Gerald Corbett (Chairman)	6/6
John Daly[1]	3/3
Bob Ivell	5/6
Ben Gordon	6/6
Ian McHoul	5/6

Notes:
1. Meetings attended by John Daly subsequent to his appointment on 27 January 2015.

The committee comprises independent Non-Executive Directors, John Daly, Ben Gordon, Bob Ivell, Ian McHoul and myself as Chairman of the committee. The Chief Executive Officer also attends by invitation.

The committee meets as necessary and at least twice a year.

Main activities during the year

The committee considered and has made recommendations to the board in respect of:

- The appointment of John Daly, Non-Executive Director
- The appointment of Mathew Dunn, Chief Financial Officer, who succeeds John Gibney and who will be appointed to the board on 25 November following the announcement of our preliminary results
- The search for a successor to Silvia Lagnado, Non-Executive Director, who resigned from the board on 31 July
- A review of the board and committee membership following the changes to the composition of the board
- The appointment of Hessel de Jong, International Managing Director, as successor to Simon Stewart who resigned on 30 October, 2015
- Succession planning for my role as Chairman
- A review of the findings of the 2015 board evaluation (for more information see pages 41 to 42).

Details of the recruitment process are set out on the next page.

Appointment of directors

There is a formal, rigorous and transparent procedure for the appointment of new directors to the board, under which the committee interviews suitable candidates who are proposed either by existing board members or by an external search firm. Careful consideration is given to ensure proposed appointees have enough time available to devote to the role and that the balance of skills, knowledge and experience on the board is maintained. When discussions relate to the appointment of my successor, the Senior Independent Director chairs the committee instead of me. When the committee has found a suitable candidate, as Chairman of the committee, I make a proposal to the whole board, which has retained responsibility for all such appointments. I also report on the outcome of committee meetings to the board.

During the year, we welcomed John Daly to the board. Silvia Lagnado stepped down from the board.

Appointment processes

The recruitment procedure described above was undertaken during the year for the appointments of John Daly and Mathew Dunn, Chief Financial Officer, who joins the board on 25 November 2015. The committee engaged Spencer Stuart, which held no other relations with the company, as the search consultancy, and the following process was undertaken:

- Role profiles were prepared against which potential candidates were considered
- As Chairman, I interviewed an initial list of candidates, from which a shortlist of preferred candidates was selected
- Other Non-Executive and Executive board members interviewed the shortlist of candidates and provided feedback to the committee
- The committee considered these views in its deliberations before recommending a preferred candidate to the board
- The board approved the appointment as recommended.

Succession planning

Succession planning has continued to be an area of focus of the committee during the year. This has included the independence of longer standing members of the board, in particular, Bob Ivell, SID and my role as Chairman. Accordingly, it has been agreed that Bob, who reaches his tenure as an independent director at the AGM, will not retire from the board at the AGM but that John Daly will take on his role as SID and as Chairman of the Remuneration Committee. Whilst Bob will no longer be counted as independent in compliance with the Code from the conclusion of the AGM, the board is unanimous in its view that it would be in the best interests of the company and its shareholders that he should remain on the board until it is satisfied that a suitable successor has been identified to replace him.

The committee is in the process of recruiting for a successor to Silvia Lagnado, Non-Executive Director, with appropriate international marketing experience. It also recently made a recommendation to the board which resulted in the appointment of a successor to Simon Stewart, International Managing Director.

Whilst these changes unfold and until the new membership of the board is established I have willingly agreed to stay on as Chairman to ensure that the board and its committees continues to demonstrate effective leadership and the right balance of skills, experience, independence and knowledge of the company to discharge their respective duties and responsibilities effectively.

Diversity

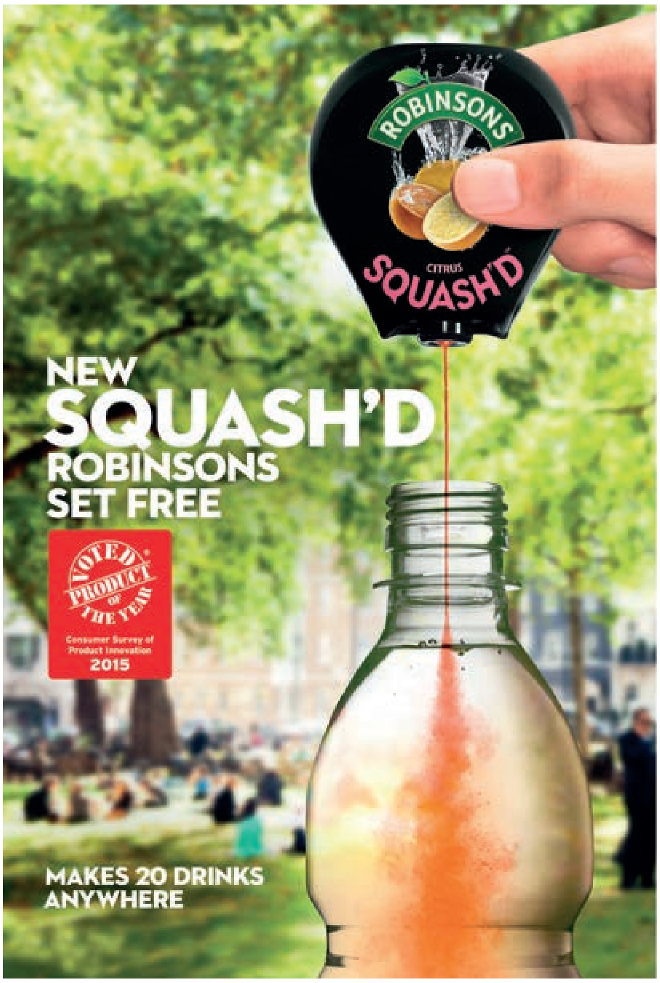
The committee monitors diversity on behalf of the board. At Britvic, we see diversity as a wider topic than simply gender and the board recommend to the company that, in order to achieve its future growth aspirations, it should remain committed to building a pipeline of diverse talent and to regularly review its HR processes, including recruitment and performance management frameworks.

I am pleased to say that we continue to have a number of women in senior management roles. The directors' view, however, remains that we do not feel in a position to publish a target of the percentage of women on the board. Further details of the company's statistics on gender diversity may be found on page 24 of the Strategic Report.

Board evaluation

Details of the review of the board and its committees, including this committee and my effectiveness as Chairman, undertaken during the year can be found on pages 41 to 42.

Having reviewed the results of the evaluation, the committee has confirmed to the board that the present board and its committees continue to operate effectively and that all of the Non-Executive Directors remained independent, with the exception of Joanne Averiss (PepsiCo-nominated Director) in accordance with the Code and should stand for re-election (or election in the case John Daly) at the AGM.



remuneration committee

Bob Ivell
Remuneration Committee Chairman

Objective
To agree remuneration policy and to set individual compensation for directors and senior management.

Membership and meetings

Membership and attendance	Number of meetings attended/held
Bob Ivell (Chairman)	5/5
Gerald Corbett	4/5
John Daly[1]	2/2
Ben Gordon	5/5
Ian McHoul	5/5

Notes:
1. Meetings attended by John Daly subsequent to his appointment on 27 January 2015.

The committee comprises Gerald Corbett, John Daly, Ben Gordon, Ian McHoul and myself, as Chairman. The company's Chairman and Chief Executive Officer (who may attend by invitation) do not attend meetings when their individual remuneration is discussed. The committee meets as necessary and at least three times a year. As Chairman of the committee, I report on the outcome of the meetings to the board.

Main activities during the year
Full details of the committee's responsibilities and of its activities are set out in the Directors' Remuneration Report which follows.

directors' remuneration report

Annual Statement from the Chairman of the Remuneration Committee

I am pleased to present the Directors' Remuneration Report for the year ended 27 September 2015, which was another excellent year for Britvic despite some very challenging market conditions.

The contents of this annual statement provide an overview of the remuneration outcomes for the period ended on 27 September 2015 and a summary of the business context in which those outcomes have been determined.

The remainder of the report sets out:

- An 'at a glance' summary of the key pay decisions taken over the year and an overview of how the Remuneration Policy for directors will be implemented in 2016
- The annual report on remuneration which is subject to an advisory shareholder vote at the January 2016 Annual General Meeting (AGM) and sets out the detail of payments made to directors in respect of the year ended 27 September 2015
- The current Remuneration Policy for directors approved by shareholders at the AGM in January 2015.

It is the intention of the Remuneration Committee (the committee) to operate the current remuneration policy that was approved at the January 2015 AGM for a period of three years. However it may be necessary to bring amendments to the Remuneration Policy back to shareholders for approval in advance of this in certain circumstances (e.g. such as a significant unanticipated strategic change to the company).

Business performance and remuneration outcomes over the year
Based on our Remuneration Policy approved at the last AGM both the outcomes under our short and long-term variable pay elements for Executive Directors reflect 2015's strong profit, continued longer term earnings growth and ROIC performance:

- Annual bonus pay outs for Executive Directors are at 53.3% of the maximum opportunity
- Three-year EPS, TSR and ROIC performance conditions attaching to our long-term incentive awards made in March 2013 will both vest at 100% of the maximum opportunity.

In line with the remuneration reporting regulations, details of the performance targets and actual achievement against these are set out in the Annual Report on Remuneration.

Shareholder engagement

The committee and I are committed to ensuring an open dialogue with our shareholders and recognise there are a number of divergent views across the various stakeholders. We were pleased to receive a very positive response at the January 2015 AGM with 97.9% votes "For" our Remuneration Policy and 99.1% votes "For" the annual report on remuneration. Should you have any questions relating to our approach to executive remuneration, please feel free to contact me at investors@britvic.com.

Executive Director changes

John Gibney will step down from his role as Chief Financial Officer on 25 November 2015 and retire from the company in April 2016. I am delighted to welcome Mathew Dunn as his successor. Details of each individual's remuneration are set out in the Annual Report on Remuneration, and a summary is provided in the remuneration at a glance section on the following page. Decisions on both individuals' pay have been taken in line with our approved Remuneration Policy.

Other board changes

Whilst I will be continuing my duties as a director on the board, I am pleased to confirm that John Daly, my fellow Non-Executive Director, will succeed me as Senior Independent Director and Remuneration Committee Chairman with effect from the conclusion of the AGM.

In the meantime, I look forward to receiving your support on the Annual Report on Remuneration at the January 2016 AGM.

Bob Ivell
Chairman of the Remuneration Committee

Remuneration at a glance

This section summarises the remuneration outcomes for the 2015 financial year, including how the Remuneration Policy has been implemented during the year and the link between remuneration and our strategy.

Single total figure of remuneration for Executive Directors 2015

Executive Directors	Salary £'000	Benefits £'000	Bonus £'000	LTIP £'000	Pension £'000	Total £'000
Simon Litherland	574.4	22.6	428.6	1,791.9	141.2	2,958.7
John Gibney	370.4	22.1	236.9	1,108.5	81.0	1,818.9

Summary of incentive outcomes for 2015

Annual Bonus

Performance measure	Weighting (% of bonus maximum)	Threshold £m	Target £m	Maximum £m	Actual performance £m	2015 bonus awarded (% of maximum) CEO	CFO
PBT[1]	50%	140.1	147.5	154.9	147.0	23.3%	23.3%
Revenue[2]	20%	1,377.3	1,391.2	1,405.1	1,327.6	0.0%	0.0%
Free cash flow[3]	30%	61.8	65.0	68.3	89.3	30.0%	30.0%
Total	**100%**					53.3%	53.3%

Notes:
1. PBT – Profit before tax, exceptional and other items.
2. Revenue – Actual revenue performance translated at budgeted foreign exchange rates.
3. Free cash flow – Net cash flow excluding movements in borrowings, dividend payments, exceptional and other items and proceeds from the share placement in July 2015.

These measures and definitions are consistently used throughout this Remuneration Report

Long-term incentives

Plan	Performance conditions and targets set	Performance outcome	Level of award vesting for CEO and CFO (% of maximum)
2012 ESOP	3-year EPS[1] growth over RPI of +3% to +7%	EPS growth significantly above the performance range at RPI+18.1% p.a. was achieved	100%
2012 PSP	3-year relative TSR (50% weighting): ranking between median and upper quartile against the comparator group 3-year average ROIC (50% weighting): 20.7% to 21.5%	Relative TSR was in the upper quartile of the peer group 3-year average ROIC was above the performance range at 23.9%	100%

Notes:
1. EPS – adjusted diluted earnings per share as disclosed in note 11 on page 99, but excluding the impact of the share placement in July 2015, which increases the adjusted diluted EPS by 0.4pence.

This definition is used consistently throughout this Remuneration Report.

Summary of implementation of the Remuneration Policy for 2016

Policy element	Simon Litherland (CEO)	John Gibney (CFO)	Mathew Dunn (CFO Designate)
Base salary	£580,000 increasing to £600,000 from 1 January 2016	£374,400 no increase	£340,000 no increase
Pension	28%	25%	23%
Annual bonus	Maximum 140% of salary On target 70% of salary	Maximum 120% of salary On target 60% of salary	Maximum 120% of salary On target 60% of salary
Annual bonus measures	For 2016 the following performance metrics and weightings apply to the bonus: PBT 50% Revenue 30% Free cash flow 20%		
ESOP	Maximum 300% of salary	No ESOP award will be made	Maximum 200% of salary
ESOP measures	EPS compound growth: threshold performance of 6% p.a. increasing on a straight line basis to maximum vesting for EPS compound growth of 12% p.a.		
PSP	Maximum 150% of salary	No PSP award will be made	Maximum 80% of salary
PSP measures	75% weighting on EPS compound growth: threshold performance of 6% p.a. increasing on a straight line basis to maximum vesting for EPS compound growth of 12% p.a. 25% weighting on 3-year relative TSR: threshold performance of the median of the comparator group, increasing on a straight line basis to 100% vesting for upper quartile performance. The committee will also consider underlying ROIC over the performance period to ensure it remains appropriate relative to the EPS growth delivered.		
Payment for threshold performance	For the annual bonus, 0% of maximum will be awarded For the ESOP and PSP, 20% of maximum will be awarded		
Malus and clawback	Malus and clawback may be applied to Annual Bonus or LTIP awards in certain conditions where the payment of the bonus resulted from a material misstatement in the company's accounts or an error in the assessment of the satisfaction of a performance condition		
Shareholding requirement	200% of salary	100% of salary	100% of salary

John Gibney's pay on retirement

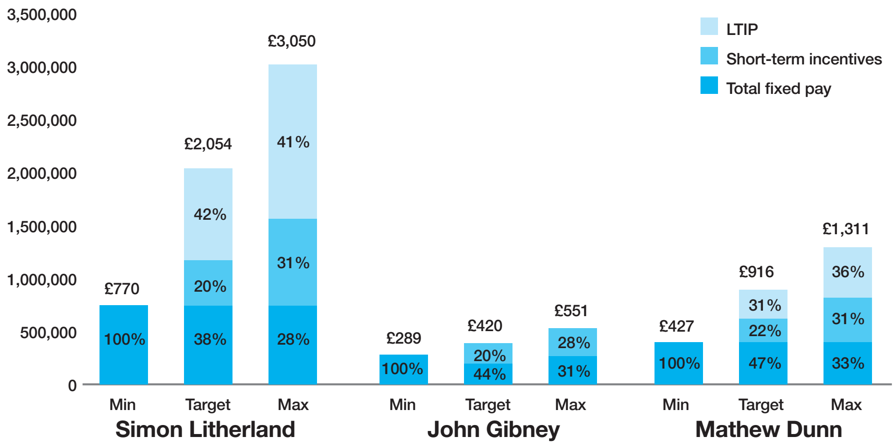
John Gibney will retire from the company in April 2016. John will be paid up to his date of departure. John will receive a pro-rated bonus in respect of 2016 subject to performance conditions and his outstanding awards under the ESOP and PSP will vest at the normal vesting date on a pro-rated basis, subject to the achievement of the relevant performance conditions. John will not receive the 2015 ESOP or PSP award due to his upcoming departure, nor will he receive a salary increase on 1 January 2016. John has a deferred pension under the defined benefit pension and also the Britvic Executive Top Up Scheme (BETUS), the company's unfunded retirement benefits scheme. Both of these were closed to future accrual on 10 April 2011. He will be eligible, if he chooses, to cash out early from these pension benefits on a discounted basis as per the Remuneration Policy. No additional payments will be made to John as a result of his departure.

Mathew Dunn's pay on appointment

Mathew Dunn will be appointed to the position of Chief Financial Officer on 25 November 2015. Mathew's pay is in line with the Remuneration Policy and is set out in the table above. As part of his recruitment, Mathew will receive a relocation allowance with a net value of £70,000 to assist in his move from South Africa to the UK (as previously communicated in the RNS announcement). No other payments were made to Mathew on his recruitment to compensate for awards forgone from his previous employer or otherwise.

Illustrations of the application of Remuneration Policy

A key element of the company's Remuneration Policy is to provide a significant part of potential reward through performance based incentive plans. Set out below is the reward mix for both Executive Directors at minimum performance, on-target performance and maximum performance under the current Remuneration Policy for the year ending 2 October 2016. The total rewards available to the Executive Directors, ignoring any change in share price and roll-up of dividends, are set out in the illustration below.



This chart has been prepared using the following assumptions:

1 Base salaries as at 1 January 2016
2 Benefits reflect those estimated to be paid in the 2016 financial year
3 Target bonus is calculated at 50% of maximum opportunity
4 Target vesting for the PSP is 60%, being the mid-point between threshold and maximum vesting level
5 Options awarded under the ESOP are valued on the standard market value for options of 30% of the face value of award. A target vesting of 60% values the ESOP award at 18% of the maximum value
6 For John Gibney, all items of pay shown are pro-rated assuming he leaves the company in April 2016. LTIPs are not included as no awards will be made for 2015

Britvic's remuneration principles and link to strategy

The Remuneration Policy is designed to support our overall vision to become the most dynamic, creative and admired soft drinks company in the world. Remuneration arrangements, therefore, are comprised of the following:

- Fixed pay: base salary, pension and benefits
- Performance pay: annual bonus and long-term incentives (share options and performance shares)

The remuneration principles which underpin the design and structure of our current arrangements in support of our vision are set out below:

Competitive market positioning and opportunity	To attract, retain and engage the executive talent we need to realise our vision and deliver our strategy, remuneration arrangements need to be sufficiently competitive but not excessive.
Pay aligned with sustainable long-term performance	The mix between both fixed and variable pay as well as the balance between rewarding short versus long-term performance are critical to ensure they are correctly balanced and rewarding those behaviours that will lead to the realisation of our long-term vision without compromise for short-term gain. In addition, all forms of variable pay are only fully delivered in return for performance above the standards required by Britvic and our shareholders – in other words superior pay is only delivered for superior performance.
Incentive metrics aligned with our strategy	The performance measures selected to determine both annual bonus and long-term incentive plans have been carefully considered to focus on a simple and effective selection of those key drivers of our strategy and long-term value creation for our shareholders (see below).
Alignment of executive and shareholder interests	To ensure the continued alignment of executive and shareholder interests, the greatest potential pay opportunity for executives is via long-term incentive plans. Awards are based in shares and dependant on a balance of absolute and relative growth in long-term value creation for shareholders. In particular, the mix of share options and performance shares is designed to ensure that executives are only rewarded for superior market performance and the realisation of our vision. This is further reinforced by meaningful shareholding guidelines for executives so that their long-term wealth remains tied to Britvic's long-term performance.
Mindful of our wider stakeholder responsibilities	In support of our vision our Executive Directors' pay arrangement are not only focused on financial returns but also mindful of performance against our wider long-term stakeholder goals. The Remuneration Committee take great care to set appropriate targets that do not compromise our wider stakeholder aspirations. Both malus and clawback provisions are in place to address potential inappropriate actions or risk taking when determining incentive plan pay outs.

The table below sets out how Britvic's key incentives and their supporting performance metrics link to our strategic priorities set out on page 10.

Incentive	Purpose	Metric	Link to strategy
Annual bonus	To motivate employees and incentivise delivery of annual performance targets.	Profit Before Tax (PBT)	PBT is a measure of the company's financial performance and, in particular, how successful the company has been at accelerating its profitability from the various strategic initiatives in place. For bonus purposes PBT is pre-exceptional items and other items in order to reflect the underlying financial performance of the business.
		Revenue	Reflects the core strategic objective of growing revenues in all the company's markets, particularly in international markets.
		Free cash flow	Free cash flow and improving cash conversion is key to allowing continued investment in international opportunities as well as maintaining our goal of a progressive dividend policy.
LTIPs (ESOP and PSP)	To motivate and incentivise delivery of sustainable, long-term performance and encourage share price and dividend growth over the performance period of the awards.	Three-year EPS growth	Adjusted diluted EPS is an important long-term financial metric linked to long-term value creation for our shareholders and also supports our continued goal of a progressive dividend policy.
		Three-year relative TSR	Relative TSR strongly links share price growth and dividends to the rewards executives receive. The relative nature of the measure ensures participants only receive awards if outperformance is achieved against a basket of peers.
		ROIC	Return on invested capital is an important financial discipline to ensure long-term investment returns to shareholders are value enhancing.

lipton ice tea

annual report on remuneration

Consideration by the directors of matters relating to directors' remuneration.

Membership of the Remuneration Committee

During the year, the committee consisted wholly of independent Non-Executive Directors:

- Bob Ivell (Chairman)
- Gerald Corbett
- John Daly[1]
- Ben Gordon
- Ian McHoul

At the invitation of the Chairman of the Committee, the Chief Executive Officer, Chief Financial Officer, plc Human Resources Director, Director of Compensation & Benefits and General Counsel & Company Secretary attend the meetings of the Committee to provide input to assist with the consideration of particular items, except when their own remuneration is under consideration. Details of the attendance by committee members at committee meetings are shown on page 48.

Note:
1. John Daly was appointed on 27 January 2015.

Composition and terms of reference

The committee's composition and terms of reference are in line with the 2012 UK Corporate Governance Code and are available on the company's website or on request from the Company Secretary. While the Chairman, who was independent on initial appointment, is a member of the committee, he is not present when his own remuneration is under discussion.

The committee meets no less than three times a year and has responsibility for:

- Reviewing Executives' remuneration in terms of the pay policy of the company as a whole, pay and conditions elsewhere in the group, and the overall cost to the shareholders
- Determining, within agreed terms of reference, and taking into account corporate performance on environmental, social and governance issues, the remuneration of the Chairman and specific remuneration packages for each of the Executive Directors and other members of the executive team, including pension rights, any compensation payments and benefits
- Approving the design and operation of the company's incentive arrangements, both short and long-term. This includes agreeing the targets that are applied to awards made to senior executives
- Responsibility for all of the company's employee share plans and the share dilution position
- Ensuring, via regular reviews, that the company's pay policies remain appropriate and relevant.

Advisors

In August 2014 the committee undertook a review of remuneration advisors and following a competitive tender process, PwC were appointed as the advisors to the committee. The company is also advised by PwC on other remuneration-related items and provided consulting support on non-remuneration related issues. PwC is a member of the Remuneration Consultants Group (the professional body for executive remuneration consultants). PwC's fees in respect of advice to the committee in the year under review were £27,350 and were charged on the basis of that firm's standard terms of business for advice provided. PwC also provide advice to Internal Audit on specific projects.

The committee also received advice from Towers Watson during the year the fees for which were £2,050 and were charged on the basis of the firm's standard terms of business for advice provided. Towers Watson also provides advice to the company on other remuneration-related issues.

During the year, Addleshaw Goddard LLP was also engaged by the committee to provide legal advice on contractual arrangements and share schemes. Addleshaw Goddard LLP also provides legal advice to the company on other legal issues.

Unless otherwise stated, these advisors have no other connection with the company and the committee, based on its experience, is satisfied that the advice it received from these organisations was objective and independent.

Statement of implementation of Remuneration Policy in the following year

The Remuneration Policy approved at the January 2015 AGM will continue to be implemented from the commencement of the new financial year 2016 as follows:

Base salary

Following the year-end review, the committee made the following base salary decisions to take effect from 1 January 2016 which are in line with the disclosed policy in this report.

	2016 base salary £'000	2015 base salary £'000	Increase
Simon Litherland	600.0	580.0	3.4%
John Gibney	374.4	374.4	0%
Mathew Dunn	340.0	340.0	0%

In reviewing the salary for the CEO for 2016 the Committee took into account a range of factors including the typical salary increase made for GB-based employees of 1.0% to 3.5%.

Benefits and pension

Benefits and pension arrangements will be implemented in line with the Remuneration Policy for 2016.

Annual bonus

In line with the Remuneration Policy[1], the performance measures and weightings are:

- Profit before tax[2] (50%)
- Revenue[3] (30%)
- Free cash flow[4] (20%)

In order to place greater focus on top line growth in 2016, the committee has increased the weighting of revenue to 30% of the total bonus and at the same time reduced the weighting for free cash flow to 20%. Profit before tax will remain at 50% of the total bonus.

Target award amounts for the CEO and CFO are 70% and 60% of base salary and maximum award values are 140% and 120% of base salary, respectively. Both the outgoing CFO and the incoming CFO will be entitled to an annual bonus, pro-rated to reflect their length of service with the company.

The board is of the view that the performance targets under the bonus plan are commercially sensitive and that it would be detrimental to the interests of the company to disclose them before the start of the financial year. Disclosure of targets in advance could lead the company to be at a disadvantage as many competitors are not subject to the same levels of disclosure. Targets and the performance against them will be disclosed in the remuneration report following the end of the financial year.

Notes:
1. These performance measures and weightings will also apply to the new incoming CFO (Mathew Dunn).
2. Profit before tax (PBT) – Profit before tax before exceptional and other items.
3. Revenue – Actual revenue performance translated at budgeted foreign exchange rates.
4. Free cash flow – net cash flow excluding movements in borrowings, dividend payments, exceptional and other items and proceeds from the share placement in July 2015.

Long-term incentive plans (PSP and ESOP)

Implemented in line with the Remuneration Policy for 2016. During the course of the year the committee will review the plans in respect of emerging best practice and the impact of the Ebba acquisition.

The committee has determined that the following awards be made in line with the disclosed policy of this report.

John Gibney will not receive any LTIP awards for 2015 due to his planned retirement in April 2016.

	Award type	Performance measure	Award at threshold vesting, 20% of maximum (% salary)	Award at maximum vesting (% of salary)	Estimated face value of awards £'000	Performance period
Simon Litherland	Share options	Threshold vesting for EPS compound growth of 6% p.a. Maximum vesting for EPS compound growth of 12% p.a.	60%	300%	£1,740	3 years commencing 28 September 2015
	Performance shares	EPS growth (75% weighting): Threshold vesting for EPS compound growth of 6% p.a. Maximum vesting for EPS compound growth of 12% p.a. Relative TSR (25% weighting): Threshold payout for ranking at median against the comparator group of 18 companies and maximum payout for ranking at or above the upper quartile.	30%	150%	£870	3 years commencing 28 September 2015
Mathew Dunn	Share options	Threshold vesting for EPS compound growth of 6% p.a. Maximum vesting for EPS compound growth of 12% p.a.	40%	200%	£680	3 years commencing 28 September 2015
	Performance shares	EPS growth (75% weighting): Threshold vesting for compound growth of 6% p.a. Maximum vesting for EPS compound growth of 12% p.a. Relative TSR (25% weighting): threshold payout for ranking at median against the comparator group of 18 companies and maximum payout for ranking at or above the upper quartile.	16%	80%	£272	3 years commencing 28th September 2015

Notes:
1. EPS will be measured using adjusted diluted earnings per ordinary share.
2. The option exercise price will be disclosed next year after the options have been granted under the ESOP.
3. The committee will also consider underlying ROIC over the performance period when assessing the vesting of the PSP to ensure it remains satisfactory.
4. The relative TSR comparator group is currently made up of the following 18 companies; AG Barr plc, Associated British Foods, C&C Group, Dairy Crest, Diageo, Fuller Smith & Turner, Glanbia, Greencore, Greene King, Marston's, Nichols, Origin Enterprises, Premier Foods, Reckitt Benckiser, SABMiller, Smith & Nephew, Tate and Lyle, Wetherspoon.

Details of remuneration package for Mathew Dunn

Details of Mathew Dunn's remuneration package are set out below. Mathew's service contract, remuneration and benefits are in line with Remuneration Policy as approved by shareholders at the AGM in January 2015. The Remuneration Policy can be found on page 62.

Item of remuneration	Application for Mathew Dunn
Base salary Element of fixed pay that reflects the individual's role, position, experience and contribution to the group.	Mathew's basic salary will be £340,000. This recognises his significant experience in the beverage sector and expertise in operational leadership. In line with the Remuneration Policy it is the Remuneration Committee's intention to move his base salary towards the market median rate over time, subject to performance and continued development in the role. This may result in salary increases higher than that of the wider employee population in the first three years following appointment.
Benefits To provide market typical benefits which are valued by recipients and allow Executives to carry out their duties efficiently.	Benefits provided are as set out in the Remuneration Policy. As Mathew was resident in South Africa at the time of his appointment, he will receive a relocation allowance with a net value of £70,000 to assist with his move to the UK.
Pension Supports a market aligned compensation package and assists participants plan for retirement.	Mathew will receive a maximum annual pension contribution of 23% of basic salary. The balance above the annual allowance set by the HMRC will be delivered as a cash supplement on a cost neutral basis to the company.
Annual bonus To motivate employees and incentivise delivery of annual performance targets.	Mathew will be eligible for an annual bonus of up to 120% of basic salary. The performance measures will be consistent with those for the CEO.
LTIPs – Executive Share Option Plan (ESOP) and Performance Share Plan (PSP) To motivate and incentivise delivery of sustained, long-term performance and encourage share price and dividend growth over the performance period of the awards	Under the company's Executive Share Option Plan, Mathew will a receive a share award equal to 200% of his basic salary in respect of 2016 and he will also receive an award under the company's Performance Share Plan equivalent to 80% of his basic salary in respect of 2016. These awards will be subject to the relevant Plan rules and the performance measures will be consistent with those for the CEO.
Contract	Mathew's service contract requires six months' notice of termination by him and 12 months' notice by the company.
Additional awards	The company is not making any payments to Mathew in lieu of any forfeited bonus, long-term incentives or benefits arising from his resignation from South African Breweries Ltd.

Single total figure of directors remuneration (subject to audit)

Non-Executive Directors

Details of the total fees paid to Non-Executive Directors and the Chairman for the period ended 27 September 2015 and 28 September 2014 are set out in the table below:

	Basic fee £'000		Remuneration Committee Chair fee £'000		Audit Committee Chair fee £'000		SID fee £'000		Total fees paid £'000	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
Gerald Corbett	235.8	230.0	-	-	-	-	-	-	235.8	230.0
Joanne Averiss	52.4	50.7	-	-	-	-	-	-	52.4	50.7
John Daly[1]	33.4	-	-	-	-	-	-	-	33.4	-
Ben Gordon	52.4	50.7	-	-	-	-	-	-	52.4	50.7
Bob Ivell	52.5	50.9	8.0	8.0	-	-	8.0	8.0	68.5	66.9
Silvia Lagnado[2]	45.3	15.7	-	-	-	-	-	-	45.3	15.7
Ian McHoul	52.4	27.5	-	-	8.0	4.3	-	-	60.4	31.8

Notes:
1. John Daly was appointed on 27 January 2015.
2. Silvia Lagnado resigned on 31 July 2015.

Executive Directors

The table below sets out the total and a breakdown of the remuneration for each Executive for the financial year under review. Additional details of each component are set out below the table:

	Simon Litherland		John Gibney	
	2015 £'000	2014 £'000	2015 £'000	2014 £'000
Salary	574.4	546.2	370.4	355.9
Benefits	22.6	21.1	22.1	20.5
Annual Bonus	428.6	552.0	236.9	308.3
LTIP[1]	1,791.9	705.5	1,108.5	958.4
Pension or cash in lieu	141.2	139.5	81.0	80.9
Total	**2,958.7**	**1,964.3**	**1,818.9**	**1,724.0**

Notes:
1. 2014 LTIP values re-stated based on the share price of £6.915 as at 8 December 2014.

i) **Base salary** – Corresponds to the amounts received during the year.

On retirement in April 2016, John Gibney will be treated in line with the approved Remuneration Policy. He will not receive a salary increase in January 2016 due to his imminent departure. John will receive a pro-rated bonus in respect of 2016 subject to performance conditions and awards under the ESOP and PSP will vest at the normal vesting date on a pro-rated basis, subject to the achievement of the relevant performance conditions. John will not receive the 2015 ESOP or PSP award due to his upcoming departure. He will not be eligible for any pay in lieu of notice or severance as a result of his departure.

During the year under review Simon Litherland's salary was increased from £560,000 to £580,000 on 1 January 2015 and John Gibney's salary was increased from £360,000 to £374,400 on 1 January 2015.

ii) **Benefits** – Corresponds to the taxable value of all benefits paid in respect of the year.

Benefits comprise car allowance, private medical assurance, life assurance, annual free share award and matching shares under the Share Incentive Plan.

iii) **Annual bonus** – Corresponds to the total bonus earned under the bonus plan in respect of 2015 performance.

The table below sets out the bonus outcome for each Executive and the respective performance targets and performance against these:

Performance measure	Weighting (% of bonus maximum)	Threshold £m	Target £m	Maximum £m	Actual performance	2015 maximum bonus opportunity (% of salary)		2015 bonus earned (£'000)		2015 bonus earned (% of maximum)	
						CEO	CFO	CEO	CFO	CEO	CFO
PBT	50%	140.1	147.5	154.9	147.0	70%	60%	187.4	103.6	23.3%	23.3%
Revenue	20%	1,377.3	1,391.2	1,405.1	1,327.6	28%	24%	0.0	0.0	0.0%	0.0%
Free cash flow	30%	61.8	65.0	68.3	89.3	42%	36%	241.2	133.3	30.0%	30.0%
Total	100%					140%	120%	428.6	236.9	53.3%	53.3%

iv) Long-term incentives

Vesting outcome and estimated value of the ESOP and PSP with three-year performance periods ending on 27 September 2015.

ESOP	Performance conditions and targets set	Maximum potential value	Performance outcome	Level of award vesting (% of maximum)	Total value of vesting (£'000)	Number of shares
Simon Litherland	Threshold vesting for EPS growth of RPI +3% p.a.	300% of salary	EPS growth significantly above the performance range at RPI+18.1% p.a	100%	919.3	357,881
John Gibney	Maximum vesting for EPS growth of RPI +7% p.a. Vesting is on a straight-line basis between threshold and maximum. Exercise price for the options is 427.52 pence.	250% of salary		100%	518.2	201,747

PSP	Performance conditions and targets set	Maximum potential value	Performance outcome	Level of award vesting	Total value of vesting £'000	Number of shares
Simon Litherland	Relative TSR (50% weighting): Threshold payout for raking at median vs the comparator group of 18 companies and maximum payout for ranking at or above the upper quartile.	100% of salary	Britvic's TSR was positioned in the upper quartile vs the comparator group resulting in a vesting of 50%.	100%	872.6	127,493
John Gibney	ROIC (50% weighting): Threshold payout for total ROIC of 20.7% over the three-year performance period and maximum payout for ROIC of 21.5%. Vesting is on a straight-line basis between threshold and maximum.	100% of salary	3 year average ROIC of 23.9% p.a. was achieved resulting in 50% of the total award vesting.	100%	590.3	86,244

Notes:
1. The combined PSP and ESOP vesting values were estimated at £1,791,958 for Simon Litherland and £1,108,542 for John Gibney.
2. A share price estimate of 684.4p was used to calculate the value of the above awards which is based on the average share price over the last quarter of the financial year.
3. The relative TSR comparator group is made up of the following 18 companies; AG Barr plc, Associated British Foods, C&C Group, Dairy Crest, Diageo, Fuller Smith & Turner, Glanbia, Greencore, Greene King, Marston's, Nichols, Origin Enterprises, Premier Foods, Reckitt Benckiser, SABMiller, Smith & Nephew, Tate and Lyle, Wetherspoon.
4. Threshold vesting is set at 25% of maximum for both PSP and ESOP.
5. Rolled up dividends earned over the performance period are included within the total value of the vesting PSP award.

v) Total pension entitlements

The table below sets out the value of the cash allowance paid to Directors for the year under review and the increase in value of the accrued pension.

	Value of cash allowance paid during year to 27 September 2015 £'000	Value of pension accrued during the year to 27 September 2015 £'000	Total value of pension for year ending 27 September 2015 shown in total single figure table £'000
Simon Litherland	141.2	nil	141.2
John Gibney	81.0	nil	81.0

Simon Litherland's and John Gibney's normal retirement age is 60.

John Gibney has a deferred pension in the defined benefit section of the Plan and is a member of the Britvic Executive Top Up Scheme ('BETUS'), the company's unfunded retirement benefits scheme.

Both the Plan and BETUS were closed to future accrual on 10 April 2011. The total accrued pension and transfer value in the combined Plan and BETUS are £204,300 p.a. and £6.9m respectively, as at 27 September 2015. They have been calculated based on entitlements accrued to 10 April 2011 but using market conditions at 27 September 2015. These figures also include increases to accrued pension since the date of leaving defined benefit service for this member, as required under the rules of the Plan and BETUS. The aim of these increases is to align the benefits with price inflation between the date of leaving pensionable service in the Plan and BETUS and the date when benefits are drawn.

In line with all members of the defined benefits section of the Plan, John Gibney will benefit from the Enhanced Early Retirement Facility ('EERF') which allows the Plan members to retire within five years of reaching normal pension age without a reduction in their pension. The EERF includes benefits payable from BETUS and is non-contractual. Continuation of the EERF formed part of the agreement with the Plan trustee on the closure of the defined benefit section of the Plan. The company has given notice to all of the Plan members that the EERF will be withdrawn by 5 April 2016.

As stated earlier in the report, John Gibney will retire in April 2016. In accordance with the terms of the EERF the Remuneration Committee may consider offering a discounted one-off cash settlement to John Gibney in respect of his deferred benefits under the defined benefits pension and BETUS to reduce the company's balance sheet exposure. Any payment will be made as a taxable lump sum and will extinguish all rights under the BETUS, and he will not be entitled to any further benefits from the scheme. Full details will be made available in next years' Directors Remuneration Report. After this there will be no executives with a deferred defined benefit pension entitlement.

The cash allowance payable to the executives:

- Reflects contributions the company would have made to the defined contribution section of the Plan had these individuals elected to join, less a deduction to ensure the cash allowance is cost neutral to the company from a National Insurance perspective
- Is paid at a rate of 24.6% of pensionable pay (base salary only) for the CEO and 22.0% of pensionable pay (base salary only) to the CFO.

Outside appointments

Simon Litherland is the President and Chairman of Incorporated Society of British Advertisers (ISBA). John Gibney was Britvic's nominated Director of Interactive Screen Media Limited, a joint venture company, until 10 November 2015, when he resigned.

Scheme interests awarded during the year (subject to audit)

The following tables set out the ESOP and PSP awards granted to Executive Directors under the LTIP during the year under review. All awards are subject to performance conditions:

ESOP	Performance conditions and targets set	Award at threshold vesting, 20% of maximum (% salary)	Maximum potential value	Face value of awards £'000	Performance period
Simon Litherland	Threshold vesting for EPS compound growth of 6% p.a. Maximum vesting for EPS compound growth of 12% p.a. Vesting is on a straight-line basis between threshold and maximum. Exercise price for the options is 671pence.	60%	300% of salary	1,680.0	3 years commencing 29 September 2014
John Gibney		50%	250% of salary	900.0	

PSP	Performance conditions and targets set	Award at threshold vesting, 20% of maximum (% salary)	Maximum potential value	Face value of awards £'000	Performance period
Simon Litherland	EPS growth (75% weighting): Threshold vesting for EPS compound growth of 6% p.a. Maximum vesting for EPS compound growth of 12% p.a. Relative TSR (25% weighting): Threshold payout for ranking at median vs the comparator group of 18 companies and maximum payout for ranking at or above the upper quartile.	30%	150% of salary	840.0	3 years commencing 29 September 2014
John Gibney		20%	100% of salary	360.0	

Notes:
1. The share price used to determine the award levels for the PSP and ESOP was 671p, based on the opening share price at 12 December 2014.
2. The relative TSR comparator group is made up of the following 18 companies; AG Barr plc, Associated British Foods, C&C Group, Dairy Crest, Diageo, Fuller Smith & Turner, Glanbia, Greencore, Greene King, Marston's, Nichols, Origin Enterprises, Premier Foods, Reckitt Benckiser, SABMiller, Smith & Nephew, Tate and Lyle, Wetherspoon.

Directors' shareholding requirements and interests in shares (subject to audit)

The table below sets out the shareholding and requirements as at 27 September 2015. A shareholding requirement of 200% of salary for the CEO and 100% for the CFO applies. The CEO was appointed to role in February 2013 and therefore currently has a shareholding of 42% of salary. As such he may not sell any vested shares from the company LTIPs (except to settle taxes and the payment of exercise prices) until the shareholding requirement has been satisfied. The CFO has a shareholding in the company of 461% which is in excess of the requirement.

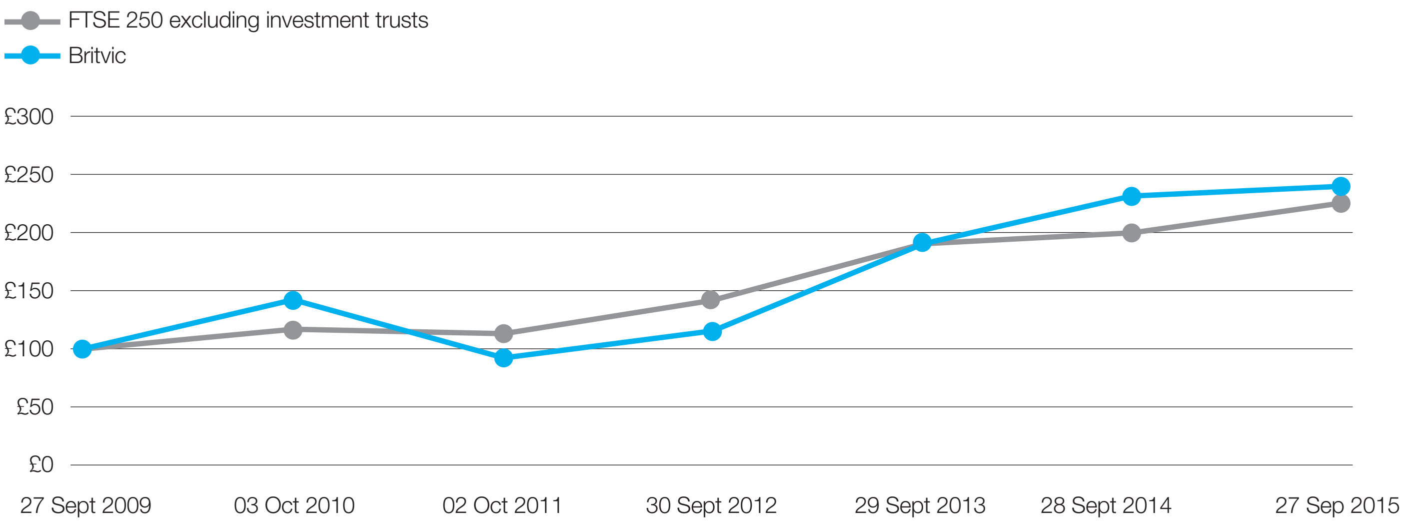
	Interest in shares in the Company as at 27 September 2015					
	Ordinary shares		Performance shares	Share options		
	Total shares	% of salary[1]	Subject to performance conditions	Subject to performance conditions	Vested but unexercised	Exercised in the period
Simon Litherland	34,267	42%	333,565	838,501	159,903	-
John Gibney	245,409	461%	194,319	465,672	504,740	-
Gerald Corbett	53,695	-	-	-	-	-
Joanne Averiss	14,696	-	-	-	-	-
John Daly[3]	-	-	-	-	-	-
Ben Gordon	11,393	-	-	-	-	-
Bob Ivell	10,870	-	-	-	-	-
Silvia Lagnado[4]	-	-	-	-	-	-
Ian McHoul	10,000	-	-	-	-	-

Notes:
1. Based on 12-month average share price of 702.8p and 100% of salary as at 27 September 2015.
2. In the period from 28 September 2015 to 24 November 2015, there has been no change in the Directors' interests above other than through the monthly purchases in October 2015 and November 2015 of partnership and matching shares under the Share Incentive Plan.
3. John Daly was appointed on 27 January 2015.
4. Silvia Lagnado resigned on 31 July 2015.

Performance graph and table

The graph below shows the Total Shareholder Return (TSR) for Britvic plc and the FTSE 250 excluding investment trusts over the six year period ended 27 September 2015. The table overleaf shows total remuneration for the Chief Executive over the same period.

Britvic's historical TSR performance growth in the value of a hypothetical £100



The committee considers the FTSE 250 (excluding Investment Trust Index) is a relevant index for total shareholder return as it represents a broad equity index in which the company is a constituent member.

Remuneration history for Chief Executive from 2010 to 2015

£'000	2010	2011	2012	2013	2014	2015
Simon Litherland total single figure of remuneration	n/a	n/a	n/a	1,114.6	1,964.3	2,958.7
Paul Moody total single figure of remuneration	1,955.3	1,819.7	670.1	1,412.6	n/a	n/a
Bonus (% of maximum)	95%	0%	0%	98.6% for Simon Litherland 0% for Paul Moody	72.2%	53.3%
LTIP (% of maximum)	100% (ESOP 100% PSP 100%)	89.6% (ESOP 86% PSP 91%)	0% (ESOP 0% PSP 0%)	n/a for Simon Litherland 0% for Paul Moody (ESOP 0% PSP 0%)	63.6% (ESOP 69.0% PSP 50%)	100% (ESOP 100% PSP 100%)

Percentage change in remuneration for CEO

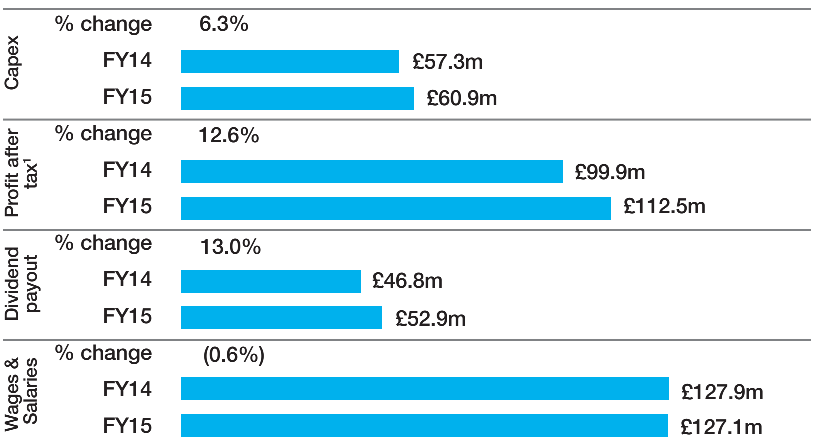
The table below shows how the percentage change in the Chief Executive's salary, benefits and bonus between 2014 and 2015 compared with the percentage change in the average of each of those components for all full-time equivalent employees based in Great Britain (GB). The GB employee workforce was chosen as a suitable comparator group as the CEO is based in GB (albeit with a global role and responsibilities) and pay changes across the group vary widely depending on local market conditions.

Element	Chief Executive % increase	GB employees % increase
Base salary	3.4%	2.3%
Taxable benefits	7.1%	4.2%
Bonus	(22.4%)	(58.6)%

Relative importance of spend on pay

The following chart sets out this information as it applies to the company, comparing figures for the year under review and the previous year. Profit after tax and capital expenditure are also shown below for context. For the purposes of this table capital expenditure is defined as net cash flow from the purchase and sale of both tangible and intangible assets:

Distribution statement



Notes:
1. The profit after tax is before the deduction of exceptional and other items.

Payments made to past Directors (subject to audit)
No payments were made to past Directors during the year.

Payments made for loss of office (subject to audit)
No payments for loss of office were made during the year.

The agreed treatment of John Gibney's remuneration as a result of his departure in April 2016 is set out on page 50 in this report. Details of this will also be included in the 2016 Directors' Remuneration Report.

Directors' contracts
Details of the Executives' service contracts and the Non-Executive Directors' letters of appointment are set out below. All directors' service contracts and letters of appointment are available for inspection at the company's registered office and at the AGM up until the start of the meeting.

Directors	Effective date of contract	Unexpired term (approx. months)
Simon Litherland	14 February 2013	12
John Gibney	14 December 2005	12
Gerald Corbett	14 December 2014	24
Joanne Averiss	14 December 2014	24
John Daly[1]	27 January 2015	28
Ben Gordon	16 April 2014	16
Bob Ivell	14 December 2014	24
Silvia Lagnado[2]	2 June 2014	-
Ian McHoul	10 March 2014	18

Executive Directors' contracts operate on a 12-month rolling basis.

Notes:
1. John Daly was appointed on 27 January 2015.
2. Silvia Lagnado resigned on 31 July 2015.

Statement of voting outcomes at general meeting
The table below sets out the votes received for the binding vote on the Directors Remuneration Policy and the advisory vote on the Directors Remuneration Report at the AGM in 2015.

	Votes for	Votes against	Withheld
Directors Remuneration Policy	188,539,826 (97.93%)	3,994,950 (2.07%)	586,370
Directors' Remuneration Report 2014	190,958,650 (99.05%)	1,828,072 (0.95%)	334,424

This Directors' Remuneration Report will be subject to an advisory vote at the 2016 AGM.

Correction to 2014 Directors' Remuneration Report
In the 2014 remuneration report, the ROIC targets for the PSP granted in December 2013 were misstated as 21.5% to 22.3% (threshold to maximum performance). The correct targets (against which the performance of the 2014 PSP will be assessed and as originally disclosed in the 2013 remuneration report) are 23.4% to 24.2% (threshold to maximum performance).

Directors' Remuneration Policy
For reference, the following is an extract from Britvic's Remuneration Policy approved at the AGM held on 27 January 2015. The full policy can be found in the 2014 remuneration report on www.britvic.com.

There is no intention to revise the policy more frequently than every three years. However the committee will review the Remuneration Policy annually in order to ensure it remains aligned with the company's strategy, appropriately positioned against the market and aligned with corporate governance requirements.

In the event a change to the policy is required, the committee will consult with Britvic's major shareholders prior to submitting the policy for approval by all shareholders.

Please note that because the table on page 63 is an extract of the Remuneration Policy approved by shareholders at the 2015 AGM. As such, some of the text relates specifically to the 2015 financial year.

Our overall approach to remuneration

The principal objective of our executive Remuneration Policy is to support a performance-based culture that will help drive the successful execution of our business strategy. We aim to provide competitive levels of remuneration opportunity for our senior Executives and leadership team, a significant portion of which is in the form of variable pay.

In setting the Remuneration Policy the committee carefully considered corporate governance best practice and the company's environmental and social responsibilities.

Remuneration Policy table

The table below sets out the Remuneration Policy the committee will continue to apply to Directors in 2016 following its approval at the 2015 AGM.

Element and link to strategy	Operation	Maximum opportunity and payment at target	Performance measures
Base Salary Element of fixed pay that reflects the individual's role, position, experience and contribution to the group.	Base salaries are paid in cash and reviewed annually, with any changes normally taking effect from 1 January. Out of cycle reviews may be conducted if considered appropriate by the Committee. Base salaries are set with reference to comparator groups made up of similar sized UK listed companies (both pan-sector and from the food and beverages sector). The Committee also has reference to international food and beverages companies. Alternative peer groups may be considered depending on the location and domicile of Directors based outside of the UK.	Whilst there is no prescribed formulaic maximum, annual increases will normally be in the context of overall business performance and the level awarded to the general GB-based workforce. Higher increases may be made where there have been significant changes in the responsibility and accountability in a role, where there are large variances to the market, for example in the case of a new Executive Director appointed on a salary below the market median, or where there is a significant change in the relationship of the company relative to the peer group. Any significant increases will be fully explained.	n/a
Benefits To provide market typical benefits which are valued by recipients and allow Executives to carry out their duties efficiently.	Benefits and allowances include but are not limited to: annual car benefit (or allowance), membership of the company's private medical healthcare plan, and the ability to 'buy' or 'sell' holiday under the company's flexible benefits plan, payment of up to two subscriptions to recognised professional bodies, and life assurance. There is also a relocation policy which provides for reasonable expenses to be paid subject to the Committee's approval. Other benefits may be provided from time to time if considered reasonable and appropriate by the Committee and will be explained in the Annual Report on Remuneration for the relevant year.	The maximum levels of benefit provision are: • Provision of a company car or car allowance paid in cash. The company car rental cost would not exceed £10,800 and a cash allowance would not exceed £10,634 per annum • Private medical insurance on a private basis • The value of any professional subscriptions paid by the company may vary but would not be excessive • Life assurance cover of 4 times base salary The value of any relocation allowance provided is dependent on the relevant circumstances when the need arises. However the Committee would not pay more than necessary in such situations. Up to 5 days holiday may be sold at a prorated value of the individual's salary.	n/a

<table>
<tr><th>Element and link to strategy</th><th>Operation</th><th>Maximum opportunity and payment at target</th><th>Performance measures</th></tr>
<tr><td>Pension

Supports a market-aligned compensation package and assists participants plan for retirement.</td><td>Pension provision is provided in the form of a defined contribution (DC) pension or a cash allowance where the individual opts out of the pension scheme as a result of exceeding the tax efficient pension savings limits set by HMRC.

A legacy defined benefit pension and Executive Top Up Scheme (BETUS), a securitised unfunded unregistered pension scheme, closed to future accrual on 10 April 2011. Current Executive Directors have accrued benefits under these arrangements.</td><td>For the defined contribution pension, the maximum annual contribution is:
• 28% of base salary for the CEO
• 25% of base salary for the CFO

For the cash allowance, the maximum contributions reflect those under the DC pension less a deduction to ensure the cash allowance is broadly cost neutral to the company from a National Insurance perspective.

A discounted one-off cash settlement of the BETUS may be offered to an eligible member of the legacy defined benefit plan who is leaving or retiring from the company.</td><td>n/a</td></tr>
<tr><td>Annual Bonus

To motivate employees and incentivise delivery of annual performance targets.</td><td>Annual bonuses are paid after the year end of the financial year to which they relate.

Targets are set at the beginning of the performance year which runs from the start to the end of each financial period.

The committee has the discretion to adjust the bonus outcome if the pure application of a formula is not felt to produce an appropriate result in light of overall underlying performance. In particular the committee has the discretion to adjust payments downwards if profits have fallen. Any adjustment made using this discretion will be explained.

Malus and clawback may be applied in respect of the bonus in certain situations where the payment of the bonus resulted from a material misstatement in the company's accounts or an error in the assessment of the satisfaction of a performance condition.</td><td>Target and maximum opportunities are:
• 70% and 140% of base salary for the CEO
• 60% and 120% for the CFO

The level of payment at threshold is set on an annual basis but will not exceed 25% of the maximum award value.</td><td>The specific measures, targets and weighting may vary from year to year in order to align with the group's strategy, but always with a substantial proportion based on key financial metrics.

For 2014/15 the annual bonus will be based 100% on key financial metrics.

The performance conditions are set annually based on the metrics the committee feels are most appropriate for the business and create value for shareholders. These may include, but are not limited to, profit, revenue and cash flow metrics. Strategic KPIs may be chosen to support particular objectives for the year.

Annual bonus targets are set with reference to internal budgets and analyst consensus forecasts, with maximum payout requiring performance well ahead of budget.</td></tr>
</table>

Element and link to strategy	Operation	Maximum opportunity and payment at target	Performance measures
Long-term Incentives – Executive Share Option Plan (ESOP) and Performance Share Plan (PSP) To motivate and incentivise delivery of sustained, long-term performance and encourage share price and dividend growth over the performance period of the awards. The Committee believes that long-term incentive plan measures should be simple, aligned to sustainable long-term shareholder value creation as well as providing line of sight to management so that they are meaningful and incentivising.	**ESOP** - Allows for annual grants of market value options. Awards vest after three years, subject to performance conditions. Options expire 10 years following the grant date. **PSP** - Allows for annual grants of performance share awards. Awards vest after three years, subject to performance conditions. Under the PSP participants are entitled to dividend equivalents between award and vesting in respect of awards that vest. Malus and clawback may be applied in respect of LTIP awards in certain situations where the vesting of an LTIP award resulted from a material misstatement in the company's accounts or an error in the assessment of the satisfaction of a performance condition.	**ESOP** - The maximum opportunities are: • 300% of base salary for the CEO • 250% of base salary for the CFO **PSP** - The maximum opportunities are: • 150% of base salary for the CEO • 100% of base salary for the CFO Under the ESOP and PSP 20% of the maximum award vests for achieving threshold performance increasing to 100% of the maximum opportunity vesting for achieving maximum performance on a straight line basis.	The Committee chooses performance metrics measured over three years that support the company's long-term strategic priorities, provide a direct link with shareholder value and ensure a clear line of sight for participants between performance and reward. For ESOP grants made in 2014/15, performance will be measured using an EPS performance condition. For PSP grants made in 2014/2015, 75% of performance will be measured using the same EPS performance condition as for the ESOP, with the remaining 25% of performance measured using relative TSR. ROIC over the performance period will also be considered by the committee in determining the level of vesting at the end of the period. EPS growth is a key measure of our success in growing value for shareholders over time. The setting of the EPS targets takes into account analyst consensus forecasts, internal projections, and the levels of performance required over the long-term to deliver absolute value appreciation for shareholders. Relative TSR strongly links share price growth and dividends to the rewards Executives receive. The relative nature of the measure ensures participants only receive awards if outperformance is achieved against a basket of investment comparables. ROIC is an important financial discipline to ensure growth in the business continues to be value enhancing over the long-term. The committee may adjust the performance measures for future awards and the weighting of these measures if it feels this will create greater alignment with business and strategic priorities. A significant change to the measures used would only be adopted following consultation with major shareholders.
Shareholding guidelines To encourage long-term share ownership by the Executive Directors so that interests are aligned with other long-term investors.	Executive Directors are to acquire and then hold a certain shareholding from the date of their appointment to the board. Until this holding is acquired, the Executive Directors may not sell any shares received through the long-term incentives operated by the company other than to finance the cost of exercising share options and any tax liabilities arising from the vesting of long-term incentive plans, unless approved by the Committee (for example, in cases of financial hardship).	Shareholdings are set at 200% of base salary for the CEO and 100% for the CFO from the date of appointment to the board. The Committee will monitor progress on this requirement on an annual basis.	n/a

Element and link to strategy	Operation	Maximum opportunity and payment at target	Performance measures
All-employee Share Plans To allow Executives to participate in share plans on the same terms as other employees.	Executive Directors may participate in the Britvic Share Incentive Plan, which is an all-employee HMRC approved share plan open to employees based in GB. The plan has three parts, all of which the Directors participate in: • Free share awards, which are made annually subject to the company's performance and at the discretion of the Committee • Partnership shares, which are purchased by employees through payroll deductions • Matching shares, which are provided by the employer to individuals purchasing partnership shares The Committee reserves the right to use its discretion to amend the operation of the all-employee share plan from time to time.	• Free share awards, up to a maximum of 4% of earnings, capped at £3,600 per annum • Partnership shares, up to £1,800 per year • Matching shares, on a one for one basis up to a maximum of £650 per year	The Committee has the discretion to limit the free share awards in light of performance against internal profit targets.
Chairman and Non-Executive Director (NED) fees To attract and retain experienced and skilled NEDs.	The fees paid to the Chairman are determined by the Committee, while the fees of the NEDs are determined by the Board with affected persons absenting themselves from the discussions as appropriate. Annual fees are paid to the Chairman and other NEDs on a periodic basis. Additional fees are paid to NEDs who are members of and who chair a board committee and to the Senior Independent Director (SID). NED fee levels are annually reviewed by the board (for NEDs) and the committee (for the Chairman). Any increases to fees are normally effective from 1 January. NEDs do not participate in company incentive arrangements, and do not receive any form of pension provision. NEDs will be reimbursed by the company for all reasonable expenses incurred in performing their duties of office.	The maximum fee level for each NED is set by reference to fees paid in UK-listed companies of a similar size and scope to Britvic. Any planned increases in fees will take into account general increases across the wider employee population.	n/a

Remuneration Policy notes

Differences in Remuneration Policy for all employees

All employees are entitled to base salary and benefits and may also receive bonus, pension and share awards the value of which vary according to the individual's seniority and level of responsibility.

Share awards made prior to the implementation of approved Remuneration Policy

Unvested ESOP and PSP awards will continue to pay out in accordance with the relevant plan rules. Any payments under these plans will be disclosed in the Annual Report on Remuneration as required by the regulations. A summary of the operation of the outstanding awards is set out below:

Element	Summary of operation	Performance measures
ESOP awards made prior to the 2014/15 financial year	Maximum PSP opportunity is 100% of salary for the CEO and CFO. ESOP is as shown in the main policy table. Threshold payout is 25% of the maximum opportunity increasing to maximum on a straight-line basis.	100% EPS growth
PSP awards made prior to the 2014/15 financial year		50% relative TSR 50% ROIC

Committee discretion

In addition to the discretion set out in this policy report, the Committee may apply discretion in operating the Remuneration Policy in certain matters including the following:

- The timing of any payments
- The impact of a change of control or restructuring
- Any adjustments to performance conditions or awards required as a result of a corporate event (such as a transaction, corporate restructuring event, special dividend or rights issue)
- The operation of malus and clawback provisions
- Minor administrative matters to improve the efficiency of operation of the plans or to comply with local tax law or regulation.

Discretion regarding the treatment of leavers is set out in service contracts and the policy on the payment for loss of office section.

The Committee also reserves the right to make a remuneration payment that originated from before the individual became an Executive Director.

In relation to the annual bonus and LTIP plans, the Committee retains the ability to amend the performance conditions and/or measures in respect of any award or payment if one or more event(s) have occurred which would lead the Committee to consider that it would be appropriate to do so, provided that such an amendment would not be materially less difficult to meet.

If the committee used any of the discretions set out above these would, where relevant, be disclosed in the next Annual Remuneration Report and the views of major shareholders may also be sought.

Statement of consideration of employment conditions elsewhere in Britvic

The Committee is kept regularly updated on pay and conditions across the group and has reference to average pay increases and the average salaries for the wider employee population. These metrics are considered by the Committee when reviewing the remuneration for Executive Directors.

The company did not consult with employees when drawing up the Remuneration Policy.

Statement of consideration of shareholder views

The Committee is committed to ongoing dialogue with the company's shareholder base. This can take a variety of forms, such as:

- Meetings with major shareholders to consider significant potential changes to policy or specific issues of interest to particular shareholder groups
- Other dialogue to update shareholders and take their feedback on planned refinements to arrangements.

In drawing up the Remuneration Policy approved at the last AGM, the Chairman of the Committee wrote to Britvic's major shareholders and key institutional representative bodies and held several follow up meetings. The views expressed by our shareholders during this process have been considered in the development of the Remuneration Policy.

Approach to remuneration on recruitment

When hiring a new Executive Director, or making internal promotions to the Board, the Committee will in principle apply the same policy as for existing Executive Directors, as detailed in the Remuneration Policy. The rationale for the package offered will be explained in the next Annual Remuneration Report.

For internal promotions any commitments made prior to appointment may continue to be honoured as the Executive is transitioned to the new remuneration arrangements.

Our recruitment Remuneration Policy aims to give the Committee sufficient flexibility to secure the appointment and promotion of high-calibre Executives to strengthen the management team and secure the skill sets to deliver our strategic objectives. The details are set out in the table below:

Area	Policy and operation
Base salary	• Base salary would be set at an appropriate level to recruit the best candidate based on their skills, experience and current remuneration. In some instances it may be appropriate to recruit on a salary at the lower end of the typical market range and progress salary increases above the typical rate of increases provided to the wider employee workforce to align with performance and policy over time
Benefits and pension	• Benefits and pension would be in line with normal policy and may include, where appropriate, relocation benefits or other benefits reflective of normal market practice in the territory in which the Executive Director is employed
Annual bonus	• Awards would be made under the annual bonus plan in line with the Remuneration Policy • Maximum opportunity would not exceed 140% of base salary
Normal LTIP awards (ESOP and PSP)	• Awards would be made under the LTIP plans in line with the Remuneration Policy • Under the ESOP, maximum opportunity would not exceed 300% of base salary • Under the PSP, maximum opportunity would not exceed 150% of base salary
Additional LTIP awards (ESOP and PSP)	• On the recruitment of a director the Committee may make a one-off performance linked award under the ESOP and PSP subject to the below limits. Under the ESOP an award of up to 500% of base salary may be made in a year to an Executive (inclusive of the normal annual award that would be granted to an Executive) • Under the PSP an award of up to 200% of base salary may be made in a year to an Executive (inclusive of the normal annual award that would be granted to an Executive)
Replacement awards	• The Committee will normally seek to avoid using replacement awards. However where, in exceptional circumstances, replacement awards are considered by the Committee to be necessary, they are not subject to a formal maximum, although would be designed to reflect only the value of remuneration forgone by the recruited Executive or less. In making any buyout awards the Committee would take into account any additional LTIP awards made as set out above
Service contracts	• The Committee may agree a contractual notice period with the Executive which initially exceeds twelve months, as applies to other Executives, particularly if it is necessary to attract Executives who will be required to relocate their families • This will reduce to a twelve month rolling notice period once the individual is 12 months from the end of their initial notice period

Service contracts and policy on payment for loss of office

The table below sets out items that are contained within the service contracts for the Executive Directors. It is the policy that these will apply to any future Director.

Item	Policy
Notice period	• 12 months if given by the company • 6 months if given by the Executive
Remuneration	• Base salary and pension • Eligibility to participate in the annual bonus and LTIP and other share incentive plans
Benefits	• Provision of company car or cash alternative • Payment of professional subscriptions for up to two recognised professional bodies • Eligibility for private medical insurance
Contractual termination payment	• The company may terminate the Executive's employment at any time and with immediate effect and will pay the Executive an after tax sum in lieu of notice equal to the basic salary which the Executive would have been entitled to receive during their notice period. A payment may also be made in respect of outstanding untaken holiday entitlement accrued up to and including the date of termination • Payments in lieu of notice would be paid monthly and are subject to mitigation if the Executive obtains alternative income during the period • If the Executive is terminated for reasons such as gross misconduct no payment in lieu of notice will be due • The Committee may at its discretion put the Executive on garden leave for any period provided that base salary and contractual benefits are paid during this period. The Committee would only use this discretion when appropriate and would seek to minimise the cost to the company if such discretion was required
Non-Executive Directors	• The NEDs do not have service contracts but instead have letters of appointment for a three-year term • On termination NEDs shall only be entitled to accrued fees as at the date of termination

In the event of a settlement agreement, the Committee may agree payments it considers reasonable in settlement of legal claims. This may include reasonable reimbursement of professional fees in connection with such agreements.

The table below sets out details of how an Executive Directors incentives and pension would be treated on termination. Items of fixed pay are detailed in the previous table.

Incentives	Treatment
Annual bonus	• In the case of retirement with the agreement of the Committee, redundancy, death in service, or such other reason as the Committee may in its discretion approve, the bonus will be pro-rated to the date of termination and paid on the normal payment date • Executives leaving for any other reason will normally forfeit their awards
ESOP and PSP	• Awards for Executives who are treated as a 'good leaver' under the rules of the LTIPs (reasons include ill health, injury, disability, redundancy, change of control, retirement with the consent of the company and any other reason at the committee's discretion) will vest at the normal vesting date unless the Committee determines the awards should vest at an alternative date taking into consideration the extent to which any performance conditions have been satisfied and time served over the performance period • If the Executive is not a 'good leaver', the awards will lapse immediately on termination • If the Executive ceases to be a director as a result of death, awards will vest as soon as practicable taking into consideration the extent to which any performance conditions have been satisfied and time served over the performance period
Pension	• The Committee may consider offering a discounted one-off cash settlement to a member who is leaving the company to reduce the company's balance sheet exposure to the BETUS liability. This is normally used at retirement • All members of the defined benefits section of the pension plan (Plan) may benefit from the Enhanced Early Retirement Facility ('EERF') which allows the Plan members to retire within five years of reaching normal pension age without a reduction in their pension. The EERF includes benefits payable from BETUS and is non-contractual. Continuation of the EERF formed part of the agreement with the Plan Trustee on the closure of the defined benefit section of the Plan. The company has given notice to all of the Plan members that the EERF will be withdrawn by 5 April 2016

Other appointments

The Executive Directors are not permitted to have any engagement with any other company during the term of their appointment without the prior written consent of the board.

On behalf of the board

Bob Ivell

Chairman of the Remuneration Committee

directors' report

The directors present their report and the audited consolidated financial statements of the company and the group for the 52 weeks ended 27 September 2015.

Business review and future development

A review of the group's operations during the year and its plans for the future is given in the Chairman's introduction, the Chief Executive Officer's Review and the Chief Financial Officer's Review between pages 2 and 21.

Details of the group's business model and strategy are summarised between pages 8 and 11.

Results and dividends

The group's profit before taxation attributable to the equity shareholders amounted to £137.6m (2014: £120.1m) and the profit after taxation amounted to £103.8m (2014: £89.7m).

An interim dividend of 6.7p (2014: 6.1p) per ordinary share was paid on 10 July 2015.

The directors have proposed a final dividend of 16.3p (2014: 14.8p) per ordinary share payable on 5 February 2016 to shareholders on the register at the close of business on 4 December 2015, giving a total dividend in respect of 2015 of 23.0p (2014: 20.9p).

2016 annual general meeting

The AGM will be held at Nomura, One Angel Lane, London EC4R 3AB at 11.00am on 27 January 2016. Details of the resolutions to be proposed at the AGM are set out in the separate circular which has been sent to all shareholders with this annual report.

Articles of association

The company's articles may only be amended by a special resolution at a general meeting of shareholders. No amendments to the articles are being proposed at the AGM.

Directors

The following were directors of the company during the year: Gerald Corbett, Simon Litherland, John Gibney, Joanne Averiss, John Daly (appointed 27 January 2015), Ben Gordon, Bob Ivell, Silvia Lagnado (resigned on 31 July 2015) and Ian McHoul.

Subject to company law and the company's articles, the directors may exercise all of the powers of the company and may delegate their power and discretion to committees. The executive team is responsible for the day-to-day management of the group.

The articles give the directors power to appoint and replace directors. Under the terms of reference of the Nomination Committee, any appointment must be recommended by the Nomination Committee for approval by the board. The articles also require directors to retire and submit themselves for election to the first AGM following appointment and to retire at the AGM held in the third calendar year after election or last re-election, but to comply with the UK Corporate Governance Code all of the directors will submit themselves for election (John Daly and Mathew Dunn) or re-election at the AGM except for John Gibney who steps down from the board at the conclusion of the AGM. The biographical details of the directors are set out on pages 34 and 35 of this report.

Directors' interests

The directors' interests in ordinary shares of the company are shown within the Directors' Remuneration Report on page 60. No director has any other interest in any shares or loan stock of any group company.

Other than Joanne Averiss, who is a director of a number of PepsiCo's subsidiaries, no director was or is materially interested in any contract, other than his service contract, which was subsisting during or existing at the end of year and which was significant in relation to the group's business. Further details of Joanne Averiss' appointments are set out on page 35 in the Corporate Governance Report.

Directors' liabilities

As at the date of this report, customary indemnities are in place under which the company has agreed, to the extent permitted by law and the company's articles, to indemnify:

- The directors, in respect of all losses arising out of, or in connection with, the execution of their powers, duties and responsibilities as directors of the company or any of its subsidiaries; and
- Directors of companies which are corporate trustees of the group's pension schemes against liability incurred in connection with those companies' activities as trustees of such schemes.

Directors' remuneration

The Remuneration Committee, on behalf of the board, has adopted a policy that aims to attract and retain the directors needed to run the group effectively. The policy is contained within the Directors' Remuneration Report on pages 48 to 69.

Employees

For full information on our employees, including the areas of learning and development, employee communication and engagement, health, safety and wellbeing and equal opportunities these are included in our Sustainable Business Review on pages 22 to 27.

Political donations

No political donations were made by the group and its subsidiaries (2014: nil).

Greenhouse gas emissions

Details of the greenhouse gas emissions in tonnes of carbon dioxide equivalent (CO_2e) for our office and manufacturing locations are set out in the Sustainable Business Review on page 25.

Major shareholders

At 24 November 2015 the company has been notified, pursuant to DTR5 of the Financial Conduct Authority's Disclosure and Transparency Rules, of the following notifiable voting rights in its ordinary share capital:

	Number of ordinary shares	Percentage of voting rights	Nature of holding
TIAA-CREF Investment Management, LLC	12,873,383	4.935%	Direct
APG Asset Management N.V.	12,522,359	5.07%	Direct
Kames Capital	12,295,181	4.97%	Direct/Indirect
Standard Life Investments Ltd	12,294,602	4.708%	Direct/Indirect
PepsiCo, Inc.	11,813,032	4.88%	Direct

Share capital

The company's issued share capital comprised a single class of shares divided into ordinary shares of 20 pence each (referred to as "ordinary shares"). An equity placing of 12,361,455 new ordinary shares was undertaken by the company on 23 July 2015 for the purpose of funding the Ebba acquisition. Full details of the ordinary shares in issue are given in note 21 to the financial statements on page 105.

Rights and restrictions attaching to shares

On a show of hands at a general meeting of the company, every holder of ordinary shares present in person and entitled to vote shall have one vote, and on a poll, every member present in person or by proxy and entitled to vote shall have one vote for every ordinary share held. Any notice of general meeting issued by the company will specify deadlines for exercising voting rights and in appointing a proxy or proxies in relation to resolutions to be proposed at the general meeting. All proxy votes are counted and the numbers for, against or withheld in relation to each resolution are announced at the general meeting and published on the company's website after the meeting.

There are no restrictions on the transfer of ordinary shares in the company other than:

- Certain restrictions which may from time to time be imposed by laws and regulations (for example, insider trading laws); and
- Pursuant to the Listing Rules of the Financial Conduct Authority and Britvic's share dealing code whereby certain employees of the group require the approval of the company to deal in its ordinary shares.

The company is not aware of any agreements between shareholders that may result in restrictions on the transfer of securities and/or voting rights.

Shares held in employee benefit trusts

Under the rules of the Britvic Share Incentive Plan ('the Plan') eligible employees are entitled to acquire shares in the company. Plan shares are held in trust for participants by Equiniti Share Plan Trustees Limited ('the Trustees'). Voting rights are exercised by the Trustees on receipt of participants' instructions. If a participant does not submit an instruction to the Trustees no vote is registered. In addition, the Trustees do not vote on any unawarded shares held under the Plan as surplus assets. As at 24 November 2015, the Trustees held 0.08% (2014: 0.19%) of the issued share capital of the company.

Similarly, if First Names (Jersey) Limited, as Trustee of the Britvic Employee Benefit Trust ('the Trustee'), holds ordinary shares on trust for the benefit of the executive directors, senior executives and managers of the group, a dividend waiver is in place. The Trustee is not permitted to vote on any unvested shares held in the trust unless expressly directed to do so by the company. The Trustees held 0.5% of the issued share capital as at 24 November 2015 (2014: nil).

Change of control provisions

There are no agreements between the company and its directors or employees providing for compensation for loss of office or employment (whether through resignation, purported redundancy or otherwise) that occurs because of a takeover bid. The company's banking arrangements are terminable upon a change of control of the company. Certain other indebtedness becomes repayable if a change of control leads to a downgrade in the credit rating of the company. The company's agreements with PepsiCo are terminable upon a change of control. Further details of these agreements can be found on page 28.

Financial risk management

It is the group's objective to manage its financial risk so as to minimise the adverse fluctuations in the financial markets on the group's reported profitability and cash flows. The policies for managing each of the group's main financial risk areas are referred to in the Treasury Management section of the Chief Financial Officer's review on pages 17 to 21 and in more detail within note 25 of the consolidated financial statements.

Research and development

The group carries out research and development necessary to support its principal activities as a manufacturer and distributor of soft drinks.

Post balance sheet event

On 30 September 2015, the group acquired 100% of the issued share capital of Empresa Brasileira de Bebidas e Alimentos SA (Ebba), a soft drinks company in Brazil. Further details on the acquisition can be found in note 33 to the financial statements on page 127.

Directors' statement as to disclosure of information to auditors

So far as each director is aware, there is no relevant audit information (as defined by the Companies Act 2006) of which the auditors are unaware. Each director has taken all steps that ought to be taken by a director to make themself aware of, and to establish, that the auditors are aware of any relevant audit information.

A copy of the financial statements is placed on the company's website. The maintenance and integrity of this website is the responsibility of the directors. The work carried out by the auditors does not involve consideration of these matters and, accordingly, the auditors accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.

Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Going concern

In presenting the financial statements on a going concern basis, the directors have considered both the business activities and principal risks and uncertainties as set out in the Strategic Report on pages 2 to 29. In addition, the directors have considered the following factors: the group's ability to generate cash flows, the financial resources available to it, headroom under bank covenants, and exposure to credit risk. Based on the group's cash flow forecasts and projections, the board is satisfied that the group will be able to operate within the level of its facilities for the foreseeable future. For this reason, the group continues to apply the going concern basis in preparing its financial statements.

Auditors

Ernst & Young LLP have indicated their willingness to accept re-appointment as auditors of the company and a resolution proposing their re-appointment is contained in the Notice of AGM and will be put to the shareholders at the forthcoming AGM.

By order of the Board

Clare Thomas
Company Secretary

24 November 2015

statement of directors' responsibilities

The directors are responsible for preparing the Annual Report and Accounts, including the consolidated financial statements and the company financial statements, the directors' report, including the remuneration report and the strategic report, in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have prepared the consolidated financial statements in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU, and the Company financial statements and the Remuneration Report in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom generally accepted accounting practice, UK GAAP). In preparing the consolidated financial statements, the Directors have also elected to comply with IFRS, issued by the International Accounting Standards Board (IASB). 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 on a consolidated and individual basis and for the profit or loss of the Company on a consolidated basis 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 estimates that are reasonable and prudent state that the consolidated financial statements comply with IFRS as issued by the IASB and IFRS adopted by the EU and, with regard to Company financial statements, that applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements
- Prepare the consolidated financial statements and Company financial statements on a going concern basis unless it is inappropriate to presume that the Company, on a consolidated and individual basis, will continue in business, in which case there should be supporting assumptions or qualifications as necessary.

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 on a consolidated and individual basis, and to enable them to ensure that the consolidated financial statements comply with the Companies Act 2006 and Article 4 of the IAS Regulation and the company financial statements and the Remuneration Report comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and its subsidiaries and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Each of the directors, whose names and functions are listed on page 34 and 35, confirms that:

- To the best of their knowledge, the consolidated financial statements and the company financial statements, which have been prepared in accordance with IFRS as issued by the IASB and IFRS as adopted by the EU and UK GAAP respectively, give a true and fair view of the assets, liabilities, financial position and profit of the company on a consolidated and individual basis
- To the bet of their knowledge, the Strategic Report contained in the Annual Report and Accounts includes a fair review of the development and performance of the business and the position of the company on a consolidated and individual basis, together with a description of the principal risks and uncertainties that it faces
- They consider the Annual Report and Accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the company's performance, business model and strategy.

Simon Litherland
Chief Executive Officer

24 November 2015

John Gibney
Chief Financial Officer

24 November 2015

financial

statements

independent auditor's report to the members of Britvic plc

Opinion on financial statements

In our opinion:

- The financial statements give a true and fair view of the state of the group's and of the parent company's affairs as at 27 September 2015 and of the group's profit for the 52-week period then ended;
- The group financial statements have been properly prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union;
- The parent company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- The financial statements have been prepared in accordance with the requirements of the Companies Act 2006 and, as regards the group financial statements, Article 4 of the IAS Regulation.

What we have audited

We have audited the financial statements of Britvic plc for the 52-week period ended 27 September 2015 which comprise the consolidated income statement, the consolidated statement of comprehensive income/(expense), the consolidated balance sheet, the consolidated statement of cash flows, the consolidated statement of changes in equity, the company balance sheet and the related notes. The financial reporting framework that has been applied in the preparation of the group financial statements is applicable law and IFRSs as adopted by the European Union. The financial reporting framework that has been applied in the preparation of the parent company financial statements is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 set out on page 73, 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 group's and the parent 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 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.

Our assessment of risk of material misstatement

We identify below the risks of material misstatement which had the greatest effect on the overall audit strategy, the allocation of resources in the audit, and directing the efforts of the engagement team.

Risks	Our response to those risks
Revenue recognition – including the treatment of discounts given to customers in the form of long-term discounts or promotional discounts and the timing of revenue recognition (AC, AP*)	• We tested controls over revenue recognition, including those relating to the timing of revenue recognition; • We tested a sample of long-term discounts and promotional discounts by agreeing balances through to supporting documentation and ensured that the revenue recognition policies adopted complied with IFRS; • We performed journal entry testing and analytical procedures including correlation of revenue to discounts to assess completeness of discounts; • We performed revenue transaction testing, which included ensuring that, where necessary, the transaction had been appropriately recorded in the income statement; • We performed cut-off testing on customer delivery notes around the period end; • We looked for and tested journal entries relating to revenue for transactions close to the period end to ensure they were valid entries. We also analysed and selected journals for testing which appeared unusual in nature either due to size, preparer or being manually posted. We verified the journals to originating documentation to confirm that the entry was valid; and • We ensured that the financial statement disclosures were in accordance with accounting standards.

Within International Standard on Auditing (UK&I) 240 there is a presumption that there are risks of fraud in revenue recognition. We therefore evaluated the revenue transactions or assertions which give rise to such risk in the current year as noted above.

The risk of management override of internal control	• We performed tailored procedures, including analytical procedures and journal entry testing, sufficient to address the identified risk in respect of subjective areas which were considered to be most susceptible to management override which we considered to be revenue discounts, customer claim accruals, bonus accruals and the classification of exceptional and other items.

* These risks are discussed in other areas of the annual report as noted by the following key.

AC – See Audit Committee Report on pages 43 to 45
AP – See note 3 accounting policies on page 84

In 2014 we also focused on:

- The assessment of the carrying value of goodwill and indefinite lived assets. Although this has remained an area of audit focus in the current year, this has had a lesser effect on our overall audit strategy due to the continued growth in profitability of the group and a well-established methodology which supports the annual impairment review;
- The valuation of the group's derivatives and assessment of hedging activities. Whilst this remained an area of audit focus in the current year, the effective adoption of IFRS 7 in the prior year coupled with the implementation of a new derivatives valuation model meant this had a lesser effect on our overall audit strategy; and
- The assessment of the assumptions used to assess the obligations for the defined benefit pension schemes. This has also remained an area of audit focus, but due to the well-established methodologies and processes used to derive the pension liabilities assumptions this had a lesser effect on our overall audit strategy.

Our application of materiality

We determined materiality for the group to be £7.5 million (2014: £6.3 million), which is approximately 5% (2014: 5%) of adjusted pre-tax profit because, in our view, this is the most relevant measure of the underlying financial performance of the group. For 2015, we used pre-tax profits adjusted for the transaction costs in relation to the purchase of Britvic Brazil (as disclosed in note 5) of the annual report. For 2014 we used adjusted pre-tax profits to exclude those items classified as "exceptional and other items" as disclosed in Note 5. This materiality provided the basis for determining the nature, timing and extent of our audit procedures, and identifying and assessing the risk of material misstatement.

On the basis of our risk assessments, together with our assessment of the group's overall control environment, our judgement was that overall performance materiality (i.e. our tolerance for misstatement in an individual account or balance) for the group should be 75% (2014: 75%) of planning materiality, namely £5.6 million (2014: £4.7 million). Our objective in adopting this approach was to ensure that the total corrected and uncorrected audit differences did not exceed our materiality of £7.5 million for the financial statements as a whole.

Our application of materiality (continued)

Audit work at individual components is undertaken based on a percentage of our total performance materiality. The performance materiality set for each component is based on the relative size of the component and our view of the risk of misstatement at that component. In the current year the range of performance materiality allocated to components was £0.6 million to £4.8 million (2014: £0.5 million to £4.5 million).

We agreed with the Audit Committee that we would report to the Committee all audit differences in excess of £0.38 million (2014: £0.32 million), as well as differences below that threshold that, in our view warranted reporting on qualitative grounds.

We evaluate any uncorrected misstatements against both the quantitative measures of materiality discussed above and in the light of other relevant qualitative considerations.

An overview of the scope of our audit

In assessing the risk of material misstatement to the group financial statements, our group audit scope in addition to auditing the group level functions focused on four businesses, of which GB and France were subject to a full scope audit for the 52-week period ended 27 September 2015. Certain operations of the remaining two businesses - Ireland (Britvic Ireland Limited) and International (Britvic Americas Limited and Britvic EMEA Limited) - were subject to a specific scope audit, where the extent of the audit work was based on our assessment of the risk of material misstatement in specific account balances and the materiality of those operations to the group's business.

Together with the group functions, which were also subject to a full scope audit, these operations represent the principal business units of the group and account for 95% (2014: 98%) of the group's total assets, 96% (2014: 100%) of the group's revenue and 94% (2014: 100%) of the group's adjusted profit before tax. For 2015, the full scope components contributed 97% of the group's adjusted profit before tax. The three specific scope components contributed 8% of the group's revenue and (1%) of the group's adjusted profit before tax. The audit scope of these components did not include testing of all significant accounts of the component but will have contributed to the coverage of significant accounts tested for the group.

For the remaining locations, we performed other procedures, including analytical reviews, testing of consolidation journals and intercompany eliminations and foreign currency translation recalculations to respond to any potential risks of material misstatement to the group financial statements.

We have obtained an understanding of the entity-level controls of the group as a whole which assisted us in identifying and assessing risks of material misstatement due to fraud or error, as well as assisting us in determining the most appropriate audit strategy.

The Senior Statutory Auditor leads the audit of GB, the audit of both specific scope locations, and the group functions. The Senior Statutory Auditor visited France, the other full scope location, participated in the component teams planning including the discussion of fraud and error and attended the closing meeting.

Opinion on other matters prescribed by the Companies Act 2006

In our opinion:

- The part of the Directors' Remuneration Report to be audited has been properly prepared in accordance with the Companies Act 2006;
- 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; and
- The information given in the Corporate Governance Report set out on pages 33 to 73 with respect to internal control and risk management systems in relation to financial reporting processes and about share capital structures is consistent with the financial statements.

Matters on which we are required to report by exception

We have nothing to report in respect of the following:

Under the ISAs (UK and Ireland) we are required to report to you if, in our opinion, information in the annual report is:

- Materially inconsistent with the information in the audited financial statements; or
- Apparently materially incorrect based on, or materially inconsistent with, our knowledge of the group acquired in the course of performing our audit; or
- Is otherwise misleading.

In particular, we are required to consider whether we have identified any inconsistencies between our knowledge acquired during the audit and the directors' statement that they consider the annual report is fair, balanced and understandable and whether the annual report appropriately discloses those matters that we communicated to the audit committee which we consider should have been disclosed.

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- Adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- The parent company financial statements and the part of the Directors' Remuneration Report to be audited 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; or
- A Corporate Governance Report has not been prepared by the company.

Under the Listing Rules we are required to review:

- The directors' statement, set out on page 72, in relation to going concern; and
- The part of the Corporate Governance Report relating to the company's compliance with those provisions of the UK Corporate Governance Code specified for our review.

Simon O'Neill (Senior Statutory Auditor)

for and on behalf of Ernst & Young LLP, Statutory Auditor
Birmingham

24 November 2015

consolidated income statement

For the 52 weeks ended 27 September 2015

	Note	52 weeks ended 27 September 2015 Before exceptional & other items £m	52 weeks ended 27 September 2015 Exceptional & other items* £m	52 weeks ended 27 September 2015 Total £m	52 weeks ended 28 September 2014 Before exceptional & other items £m	52 weeks ended 28 September 2014 Exceptional & other items* £m	52 weeks ended 28 September 2014 Total £m
Revenue		**1,300.1**	**-**	**1,300.1**	1,344.4	-	1,344.4
Cost of sales		**(581.4)**	**-**	**(581.4)**	(617.5)	-	(617.5)
Gross profit		**718.7**	**-**	**718.7**	726.9	-	726.9
Selling and distribution costs		**(355.6)**	**-**	**(355.6)**	(370.4)	-	(370.4)
Administration expenses		**(194.1)**	**(12.4)**	**(206.5)**	(198.4)	(12.8)	(211.2)
Operating profit/(loss)	6	**169.0**	**(12.4)**	**156.6**	158.1	(12.8)	145.3
Finance income	9	**0.3**	**3.6**	**3.9**	0.2	1.0	1.2
Finance costs	9	**(22.3)**	**(0.6)**	**(22.9)**	(25.4)	(1.0)	(26.4)
Profit/(loss) before tax		**147.0**	**(9.4)**	**137.6**	132.9	(12.8)	120.1
Taxation	10	**(34.5)**	**0.7**	**(33.8)**	(33.0)	2.6	(30.4)
Profit/(loss) for the period attributable to the equity shareholders		**112.5**	**(8.7)**	**103.8**	99.9	(10.2)	89.7
Earnings per share							
Basic earnings per share	11			**41.8p**			36.5p
Diluted earnings per share	11			**41.2p**			36.2p
Adjusted basic earnings per share**	11			**46.3p**			41.8p
Adjusted diluted earnings per share**	11			**45.7p**			41.5p

* See note 5.

** Adjusted basic and diluted earnings per share measures have been adjusted by adding back exceptional & other items (see notes 5 and 11) and amortisation relating to acquired intangible assets (see note 14).

All activities relate to continuing operations.

consolidated statement of comprehensive income/(expense)

For the 52 weeks ended 27 September 2015

	Note	**52 weeks ended 27 September 2015 £m**	52 weeks ended 28 September 2014 £m
Profit for the period attributable to the equity shareholders		**103.8**	89.7
Other comprehensive income/(expense):			
Items that will not be reclassified to profit or loss			
Remeasurement gains/(losses) on defined benefit pension schemes	23	**3.2**	(12.3)
Deferred tax on defined benefit pension schemes	10a	**(3.7)**	(2.0)
Current tax on additional pension contributions	10a	**3.1**	4.5
		2.6	(9.8)
Items that may be subsequently reclassified to profit or loss			
Gains/(losses) in the period in respect of cash flow hedges	26	**10.1**	(11.9)
Amounts recycled to the income statement in respect of cash flow hedges	26	**(22.1)**	10.5
Deferred tax in respect of cash flow hedges accounted for in the hedging reserve	10a	**2.5**	0.1
Exchange differences on translation of foreign operations	26	**(1.5)**	(3.9)
Tax on exchange differences accounted for in the translation reserve	10a	**-**	0.7
Deferred tax on other temporary differences	10a	**-**	0.1
		(11.0)	(4.4)
Other comprehensive expense for the period, net of tax		**(8.4)**	(14.2)
Total comprehensive income for the period attributable to the equity shareholders		**95.4**	75.5

consolidated balance sheet

As at 27 September 2015

	Note	2015 £m	2014 £m
Assets			
Non-current assets			
Property, plant and equipment	13	**244.2**	221.0
Intangible assets	14	**305.1**	299.7
Other receivables	16	**2.4**	3.0
Derivative financial instruments	26	**90.4**	64.6
Pension asset	23	**22.4**	-
		664.5	588.3
Current assets			
Inventories	17	**86.7**	84.7
Trade and other receivables	18	**293.9**	276.9
Derivative financial instruments	26	**10.9**	4.5
Cash and cash equivalents	19	**239.6**	144.0
		631.1	510.1
Non-current assets held for sale	20	**3.5**	3.6
Total assets		**1,299.1**	1,102.0
Current liabilities			
Trade and other payables	24	**(417.4)**	(379.7)
Bank overdrafts	19	**-**	(0.7)
Interest bearing loans and borrowings	22	**(2.9)**	(22.4)
Derivative financial instruments	26	**(13.8)**	(1.6)
Current income tax payable		**(24.0)**	(25.4)
Provisions	28	**(1.3)**	(4.1)
Other current liabilities	27	**-**	(0.4)
		(459.4)	(434.3)
Non-current liabilities			
Interest bearing loans and borrowings	22	**(572.4)**	(539.9)
Deferred tax liabilities	10d	**(46.4)**	(23.3)
Pension liability	23	**(5.1)**	(8.4)
Derivative financial instruments	26	**(1.3)**	(9.9)
Provisions	28	**(1.2)**	(1.6)
Other non-current liabilities	27	**(1.5)**	(1.5)
		(627.9)	(584.6)
Total liabilities		**(1,087.3)**	(1,018.9)
Net assets		**211.8**	83.1
Capital and reserves			
Issued share capital	21	**52.2**	49.4
Share premium account		**123.2**	33.5
Own shares reserve		**(11.4)**	(2.9)
Hedging reserve		**(8.1)**	1.4
Translation reserve		**14.9**	16.4
Merger reserve		**87.3**	87.3
Retained losses		**(46.3)**	(102.0)
Total equity		**211.8**	83.1

The financial statements were approved by the board of directors and authorised for issue on 24 November 2015. They were signed on its behalf by:

Simon Litherland John Gibney

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consolidated statement of cash flows

For the 52 weeks ended 27 September 2015

	Note	**52 weeks ended 27 September 2015 £m**	52 weeks ended 28 September 2014 £m
Cash flows from operating activities			
Profit before tax		**137.6**	120.1
Finance costs	9	**19.0**	25.2
Other financial instruments		**3.9**	(1.3)
Impairment of property, plant and equipment and intangible assets	13	**0.1**	0.6
Depreciation	13	**29.9**	31.5
Amortisation	14	**11.1**	10.4
Share based payments	29	**10.6**	9.1
Net pension charge less contributions		**(22.2)**	(22.9)
(Increase)/decrease in inventory		**(4.4)**	3.1
Increase in trade and other receivables		**(21.5)**	(15.8)
Increase/(decrease) in trade and other payables		**36.1**	10.5
Decrease in provisions		**(3.1)**	(4.8)
Loss on disposal of property, plant and equipment and intangible assets		**-**	1.1
Income tax paid		**(30.2)**	(20.2)
Net cash flows from operating activities		**166.9**	146.6
Cash flows from investing activities			
Proceeds from sale of property, plant and equipment		**4.1**	0.7
Purchases of property, plant and equipment		**(54.1)**	(49.2)
Purchases of intangible assets		**(7.0)**	(8.8)
Net cash flows used in investing activities		**(57.0)**	(57.3)
Cash flows from financing activities			
Interest paid		**(21.6)**	(24.2)
Interest bearing loans drawndown/(repaid)	22	**(0.9)**	0.2
Repayment of 2009 USPP Notes	22	**(18.0)**	-
Repayment of 2007 USPP Notes	22	**-**	(76.8)
Issue of 2014 USPP Notes	22	**-**	105.8
Issue costs paid	22	**(2.2)**	(0.4)
Issue of shares relating to incentive schemes for employees		**3.7**	4.9
Issue of shares under a non pre-emptive placing	21	**87.8**	-
Purchase of own shares		**(9.2)**	-
Dividends paid to equity shareholders	12	**(52.9)**	(46.8)
Net cash flows used in financing activities		**(13.3)**	(37.3)
Net increase in cash and cash equivalents		**96.6**	52.0
Cash and cash equivalents at beginning of period		**143.3**	91.5
Exchange rate differences	30	**(0.3)**	(0.2)
Cash and cash equivalents at the end of the period	19	**239.6**	143.3

consolidated statement of changes in equity

For the 52 weeks ended 27 September 2015

	Issued share capital £m	Share premium account £m	Own shares reserve £m	Hedging reserve £m	Translation reserve £m	Merger reserve £m	Retained Losses* £m	**Total £m**
At 29 September 2013	49.0	25.0	(1.1)	2.7	19.6	87.3	(141.6)	40.9
Profit for the period	-	-	-	-	-	-	89.7	89.7
Other comprehensive expense	-	-	-	(1.3)	(3.2)	-	(9.7)	(14.2)
	-	-	-	(1.3)	(3.2)	-	80.0	75.5
Issue of shares	0.4	8.5	(5.4)	-	-	-	-	3.5
Own shares utilised for share schemes	-	-	3.6	-	-	-	(2.2)	1.4
Movement in share based schemes	-	-	-	-	-	-	7.2	7.2
Current tax on share based payments	-	-	-	-	-	-	0.8	0.8
Deferred tax on share based payments	-	-	-	-	-	-	0.6	0.6
Payment of dividend	-	-	-	-	-	-	(46.8)	(46.8)
At 28 September 2014	49.4	33.5	(2.9)	1.4	16.4	87.3	(102.0)	83.1
Profit for the period	-	-	-	-	-	-	103.8	103.8
Other comprehensive expense	-	-	-	(9.5)	(1.5)	-	2.6	(8.4)
	-	-	-	(9.5)	(1.5)	-	106.4	95.4
Issue of shares relating to incentive schemes for employees	0.3	5.5	(2.1)	-	-	-	-	3.7
Issue of shares under a non pre-emptive placing	2.5	85.3	-	-	-	-	-	87.8
Transaction costs relating to placement of ordinary shares	-	(1.1)	-	-	-	-	-	(1.1)
Own shares purchased for share schemes	-	-	(13.4)	-	-	-	-	(13.4)
Own shares utilised for share schemes	-	-	7.0	-	-	-	(5.6)	1.4
Movement in share based schemes	-	-	-	-	-	-	8.2	8.2
Current tax on share based payments	-	-	-	-	-	-	0.6	0.6
Deferred tax on share based payments	-	-	-	-	-	-	(1.0)	(1.0)
Payment of dividend	-	-	-	-	-	-	(52.9)	(52.9)
At 27 September 2015	**52.2**	**123.2**	**(11.4)**	**(8.1)**	**14.9**	**87.3**	**(46.3)**	**211.8**

* The retained losses balance has been amalgamated with the share scheme reserve in the consolidated statement of changes in equity and the consolidated balance sheet.

notes to the consolidated financial statements

1. General information

Britvic plc (the 'company') is a company incorporated in the United Kingdom under the Companies Act 2006. It is a public limited company domiciled in England and Wales and its ordinary shares are traded on the London Stock Exchange. Britvic plc and its subsidiaries (together the 'group') operate in the soft drinks manufacturing and distribution industry, principally in the United Kingdom, Republic of Ireland and France.

The operating companies of the group are disclosed within note 32.

The financial statements were authorised for issue by the board of directors on 24 November 2015.

2. Statement of compliance

The financial information has been prepared on the basis of applicable International Financial Reporting Standards as adopted by the European Union (IFRS), as they apply to the financial statements of the group.

3. Accounting policies

Basis of preparation

The financial statements have been prepared on a going concern basis.

The consolidated financial statements have been prepared on a historical cost basis except where measurement of balances at fair value is required as explained below. The consolidated financial statements of the group are presented in pounds sterling, which is also the functional currency of the company, and all values are rounded to the nearest 0.1 million except where otherwise indicated.

Finance income and finance cost have been split out on the face of the income statement in the current and prior period in order to assist users of the financial statements in understanding the finance costs and finance income of the group.

Going concern

The directors are confident that it is appropriate for the going concern basis to be adopted in preparing the financial statements. As at 27 September 2015, the consolidated balance sheet is showing a net assets position of £211.8m (28 September 2014: net assets of £83.1m).

Group reserves are low due to the capital restructuring undertaken at the time of flotation. This does not impact on Britvic plc's ability to make dividend payments.

The liquidity of the group remains strong, an agreement was reached in November 2014 to refinance the group's £400.0m bank facility with a revised maturity date of November 2019, which was subsequently revised further to November 2020, and £574.0m of private placement notes have maturity dates between 2016 and 2026.

Basis of consolidation

The consolidated financial statements of the group incorporate the financial information of the company and the entities controlled by the company (its subsidiaries) in accordance with IFRS 10 'Consolidated financial statements'. Control is achieved when the company:

- Has the power over the investee;
- Is exposed, or has rights, to variable return from its involvement with the investee; and
- Has the ability to use its power to affect its returns.

The financial statements of subsidiaries are prepared for the same reporting period as the company, using consistent accounting policies. All intra-group transactions, balances, income and expenses are eliminated on consolidation. The results of subsidiary undertakings acquired or disposed of in the year are included in the consolidated income statement from the date the group gains control or up to the date control ceases respectively.

Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the group and the revenue can be reliably measured, regardless of when payment is being made.

Revenue is recognised when goods are delivered and accepted by customers, when the significant risks and rewards of ownership of the goods have passed to the buyer and the amount can be measured reliably.

Revenue is the value of sales, excluding transactions with or between subsidiaries, after the deduction of sales-related discounts and rebates, value added tax and other sales-related taxes. Sales-related discounts comprise:

- Long-term discounts and rebates – which are sales incentives to customers to encourage them to purchase increased volumes and are related to total volumes purchased and sales growth
- Short-term promotional discounts – which are directly related to promotions run by customers.

Where sales-related rebates and discounts are earned, management make an accrual where it is probable that the rebate will be earned by the customer. Accruals are made for each individual promotion or rebate based on the specific terms and conditions of the customer agreement. Management make estimates on an ongoing basis to assess customer performance and sales volume to calculate total amounts earned to be recorded as deductions from revenue.

3. Accounting policies (continued)

Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and any impairment losses. Cost comprises the aggregate amount paid and the fair value of any other consideration given to acquire the asset and includes costs directly attributable to making the asset capable of operating as intended.

Assets under construction are carried at cost. Depreciation of these assets commences when they are ready for use.

Depreciation is calculated so as to write off the cost of an asset, less its estimated residual value, on a straight-line basis, over the useful economic life of that asset as follows:

Plant and machinery	3 to 20 years
Vehicles (included in plant and machinery)	5 to 7 years
Equipment in retail outlets (included in fixtures, fittings, tools and equipment)	5 to 10 years
Other fixtures and fittings (included in fixtures, fittings, tools and equipment)	3 to 10 years

Land is not depreciated.

Freehold properties are depreciated over 50 years.

Leasehold properties are depreciated over 50 years, or over the unexpired lease term when this is less than 50 years.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Gains and losses on disposals are determined by comparing proceeds with carrying amount, and are included in the consolidated income statement in the period of derecognition.

The carrying values of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable and are written down immediately to their recoverable amount. Useful lives and residual amounts are reviewed annually and where adjustments are required these are made prospectively.

Investment property

Investment property is property held to earn rentals and/or capital appreciation. The group has elected to use the cost model. Properties are stated at cost less accumulated depreciation and any impairment loss at the balance sheet date. Depreciation on investment property is calculated in the same way as for property, plant and equipment.

The carrying value of investment property is reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable and is written down immediately to the recoverable amount. Useful lives and residual amounts are reviewed annually and where adjustments are required these are made prospectively.

Non-current assets held for sale

The group classifies non-current assets as held for sale if their carrying amounts will be recovered principally through a sale rather than continuing use. Such non-current assets as held for sale are measured at the lower of their carrying value and fair value less costs to sell.

Property, plant and equipment and intangibles assets are not depreciated or amortised once classified as held for sale.

Assets classified as held for sale are presented separately beneath current items in the statement of financial position.

Goodwill

While the original acquisition of Britannia Soft Drinks Limited was accounted for under the merger method, business combinations on or after 4 October 2004 have been accounted for under IFRS 3 'Business Combinations' using the acquisition method. On acquisition, the assets, liabilities and contingent liabilities of a subsidiary are measured at their fair values at the date of acquisition. Any excess of the cost of acquisition over the fair values of the identifiable net assets acquired is recognised as goodwill. Any deficiency of the cost of acquisition below the fair values of the identifiable net assets acquired (discount on acquisition) is credited to the consolidated income statement in the period of acquisition.

Following initial recognition, goodwill is measured at cost less accumulated impairment losses. Goodwill is not amortised.

Goodwill is reviewed for impairment at least annually and whenever events or changes in circumstances indicate that the carrying value may be impaired. As at the acquisition date, any goodwill acquired is allocated to the group of cash-generating units expected to benefit from the combination's synergies by management. Impairment is determined by assessing the recoverable amount of the group of cash-generating units to which the goodwill relates. Where the recoverable amount of the cash-generating units is less than the carrying amount, an impairment loss is recognised immediately in the consolidated income statement.

On disposal of a subsidiary the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

3. Accounting policies (continued)

Intangible assets

Software costs

Software expenditure is recognised as an intangible asset only after its technical feasibility and commercial viability can be demonstrated. Acquired computer software licences and software developed in-house are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. Costs include resources focussed on delivery of capital projects where the choice has been made to use internal resources rather than external resources. These costs are amortised over their estimated useful lives of three to seven years on a straight-line basis.

Trademarks, franchise rights and customer lists

Intangible assets acquired separately are measured on initial recognition at the fair value of consideration paid. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation or impairment losses. An intangible asset acquired as part of a business combination is recognised outside goodwill, at fair value at the date of acquisition, if the asset is separable or arises from contractual or other legal rights and its fair value can be measured reliably.

The useful lives of intangible assets are assessed to be either finite or indefinite. Amortisation is charged on assets with finite lives on a straight-line basis over a period appropriate to the asset's useful life.

The carrying values of intangible assets with finite and indefinite lives are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable.

Intangible assets with indefinite useful lives are also tested for impairment annually either individually or, if the intangible asset does not generate cash flows that are largely independent of those from other assets or groups of assets, as part of the cash-generating unit to which it belongs. Such intangibles are not amortised. The useful life of an intangible asset with an indefinite life is reviewed annually to determine whether indefinite life assessment continues to be supportable. If not, the change in the useful life assessment from indefinite to finite is made on a prospective basis.

Research and development

Research costs are expensed as incurred. Development expenditure is recognised as an intangible asset when the group can demonstrate:

- The technical feasibility of completing the intangible asset so that the asset will be available for use
- Its intention to complete and its ability to use the asset
- How the asset will generate future economic benefits
- The availability of resources to complete the asset
- The ability to measure reliably the expenditure during development
- The ability to use the intangible asset generated

Following initial recognition of development expenditure as an asset, the asset is carried at cost less any accumulated amortisation and accumulated impairment losses. Amortisation of the asset begins when development is complete and available for use. It is amortised over the period of expected future benefit. During the period of development, the asset is tested for impairment annually.

Impairment of intangible assets

The group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the group makes an estimate of the asset's recoverable amount or the recoverable amount of the Cash Generating Unit ("CGU") to which the asset belongs if it does not generate largely independent cash flows. An asset's recoverable amount is the higher of an asset's fair value less costs to sell and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects senior management's estimate of the cost of capital. Impairment losses of continuing operations are recognised in the consolidated income statement in those expense categories consistent with the function of the impaired asset.

An assessment is made at each reporting date as to whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such an indication exists, the recoverable amount is estimated. A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case the carrying amount of the asset is increased to its recoverable amount. That increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Goodwill impairment losses cannot subsequently be reversed.

Inventories and work in progress

Inventories are stated at the lower of cost and net realisable value. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing inventories to their present location and condition. Cost is determined using the weighted average cost method. Net realisable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

3. Accounting policies (continued)

Financial assets

The group determines the classification of its financial assets at initial recognition. When financial assets are recognised initially, they are measured at fair value, which is normally the transaction price, plus directly attributable transaction costs for those financial assets not subsequently measured at fair value through profit or loss. The group assesses at each reporting date whether a financial asset or group of financial assets is impaired.

Loans and receivables

The group has financial assets that are classified as loans and receivables. Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market, do not qualify as trading assets and have not been designated as either fair value through profit or loss or available for sale. Such assets are carried at amortised cost using the effective interest method if the time value of money is significant. Gains and losses are recognised in the consolidated income statement when loans and receivables are derecognised or impaired, as well as through the amortisation process.

Trade and other receivables

Trade receivables, which generally have 30-90 day terms, are recognised at the lower of their original invoiced value and recoverable amount.

Provision is made when collection of the full amount is no longer considered probable. Balances are written off when the probability of recovery is assessed as being remote.

Fair value

The group measures financial instruments, such as derivatives, at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The fair value of an asset or liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The group uses valuation techniques that are appropriate in the circumstance and for which sufficient data is available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation at the end of each reporting period.

Derivative financial instruments and hedging

The group uses derivative financial instruments such as forward currency contracts and interest rate swaps to hedge its risks associated with foreign currency and interest rate fluctuations. All derivative financial instruments are initially recognised and subsequently remeasured at fair value. Derivatives are carried as assets when the fair value is positive and as liabilities when the fair value is negative.

The fair value of forward currency contracts is calculated by reference to current forward exchange rates for contracts with similar maturity profiles. The fair value of interest rate swap contracts is determined by reference to market values for similar instruments.

For those derivatives designated as hedges and for which hedge accounting is appropriate, the hedging relationship is documented at its inception. This documentation identifies the hedging instrument, the hedged item or transaction, the nature of the risk being hedged and how effectiveness will be measured throughout its duration. Such hedges are expected at inception to be highly effective.

Any gains or losses arising from changes in the fair value of derivatives that do not qualify for hedge accounting are taken to the consolidated income statement. The treatment of gains and losses arising from revaluing derivatives designated as hedging instruments depends on the nature of the hedging relationship, as follows:

3. Accounting policies (continued)

Derivative financial instruments and hedging (continued)

Cash flow hedges

Hedges are classified as cash flow hedges when hedging exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction. For cash flow hedges, the effective portion of the gain or loss on the hedging instrument is recognised in other comprehensive income, while the ineffective portion is recognised in the consolidated income statement. Amounts previously recognised in other comprehensive income are transferred to the consolidated income statement in the period in which the hedged item affects profit or loss, such as when a forecast sale occurs. However, when the forecast transaction results in the recognition of a non-financial asset or liability, the amounts previously recognised in other comprehensive income are included in the initial carrying amount of the asset or liability.

If a forecast transaction is no longer expected to occur, amounts previously recognised in other comprehensive income are transferred to the consolidated income statement. If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover, or if its designation as a hedge is revoked, amounts previously recognised in other comprehensive income remain in equity until the forecast transaction occurs and are then transferred to the consolidated income statement or included in the initial carrying amount of a non-financial asset or liability as above.

Net investment hedges

Financial instruments are classified as net investment hedges when they hedge the group's net investment in foreign operations. Some of the group's foreign currency borrowings qualify as hedging instruments that hedge foreign currency net investment balances. The effective portion of gains or losses on translation of borrowings designated as net investment hedges is recognised in other comprehensive income. Any ineffective portion is recognised immediately in the consolidated income statement. Upon disposal of the associated investment in foreign operations any cumulative gain or loss previously recognised in other comprehensive income is recycled through the consolidated income statement.

Fair value hedges

Hedges of the change in fair value of recognised assets or liabilities are classified as fair value hedges. For fair value hedges, the gain or loss on the fair value of the hedging instrument is recognised in the consolidated income statement. The gain or loss on the hedged item attributable to the hedged risk adjusts the carrying amount of the hedged item and is also recognised in the consolidated income statement. If the hedge relationship no longer meets the criteria for hedge accounting, the hedged item would no longer be adjusted and the cumulative adjustment to its carrying amount would be amortised to the consolidated income statement based on a recalculated effective interest rate. The fair value gain or loss on the hedging instrument would continue to be recorded in the consolidated income statement.

Derecognition of financial instruments

The derecognition of a financial asset takes place when the contractual rights to the cash flows expire, or when the contractual rights to the cash flows have either been transferred or an obligation has been assumed to pass them through to a third party and the group does not retain substantially all the risks and rewards of the asset.

Financial liabilities are only derecognised when they are extinguished, that is, when the obligation is discharged, cancelled or expires.

Share-based payments

The cost of equity-settled transactions with employees is measured by reference to the fair value at the date at which they are granted. Fair value is determined by an external valuer using an appropriate pricing model. In valuing equity-settled transactions, no account is taken of any performance conditions, other than conditions linked to the price of the shares ('market conditions').

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award ('vesting date'). The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the number of equity instruments that, in the opinion of the Directors and based on the best available estimate at that date, will ultimately vest (or in the case of an instrument subject to a market condition, be treated as vesting as described below). The consolidated income statement charge or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period.

No expense is recognised for awards that do not ultimately vest, except for awards where vesting is conditional upon a market condition, which are treated as vesting irrespective of whether or not the market condition is satisfied, provided that all other performance conditions are satisfied.

Taxation

The current income tax expense is based on taxable profits for the period, after any adjustments in respect of prior periods. It is calculated using taxation rates enacted or substantively enacted by the balance sheet date and is measured at the amount expected to be recovered from or paid to the taxation authorities.

Provision is made for deferred tax liabilities, or credit taken for deferred tax assets, on all material temporary differences between the tax base of assets and liabilities and their carrying values in the consolidated financial statements.

The principal temporary differences arise from accelerated capital allowances, intangible assets, provisions for pensions and other post-retirement benefits, provisions for share-based payments and unutilised losses incurred in overseas jurisdiction.

Deferred tax assets are recognised to the extent that it is regarded as probable that future taxable profits will be available against which the temporary differences can be utilised.

Deferred tax is calculated at the tax rates that are expected to apply in the periods in which the asset or liability will be settled based on the tax rates enacted or substantively enacted by the balance sheet date.

3. Accounting policies (continued)

Provisions

Provisions are recognised when: the group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as finance costs.

Pensions and post retirement benefits

The group operates a number of pension schemes. These include both defined benefit and defined contribution plans.

Defined benefit plans

The defined benefit pension liability or asset in the balance sheet comprises the total for each plan of the present value of the defined benefit obligation less the fair value of plan assets out of which the obligations are to be settled directly. The cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each reporting period.

Remeasurement, comprising actuarial gains and losses, the effect of the asset ceiling and the return on plan assets (excluding interest), is reflected immediately in the statement of financial position with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss.

Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined liability or asset.

Defined benefit costs are categorised as follows:

- Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- Net interest expense or income; and
- Remeasurement.

The retirement benefit obligation recognised in the consolidated statement of financial position represents the actual deficit or surplus in the group's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

Defined contribution plans

Under defined contribution plans, contributions payable for the period are charged to the consolidated income statement as an operating expense.

Employee benefits

Wages, salaries, bonuses and paid annual leave are accrued in the period in which the associated services are rendered by the employees of the group.

Leases

Leases in which substantially all the risks and rewards of ownership of the leased asset are retained by the lessor are classified as operating leases by the group. Leases in which the group assumes substantially all the risks and rewards of ownership are classified as finance leases.

Rentals payable under operating leases are charged to income on a straight-line basis over the term of the relevant lease. Any lease incentives received are credited to the consolidated income statement on a straight-line basis over the term of the leases to which they relate.

Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less, which are readily convertible into known amounts of cash and subject to insignificant risk of changes in value. For the purposes of the statement of cash flows, bank overdrafts repayable on demand are a component of cash and cash equivalents.

Interest bearing loans and borrowings

Interest bearing loans and borrowings are initially recognised in the balance sheet at fair value less directly attributable transaction costs and are subsequently measured at amortised cost using the effective interest rate method.

Gains and losses arising on the repurchase, settlement or otherwise cancellation of liabilities are recognised respectively in finance income and finance cost.

On a refinancing any unamortised financing charges are accelerated through the consolidated income statement.

3. Accounting policies (continued)

Foreign currencies

Functional and presentation currency

The consolidated financial statements of the group are presented in pounds sterling. The presentation currency of the consolidated financial statements is the same as the functional currency of the company. For each entity the group determines the functional currency and items, included in the financial statements of each entity, are measured using that functional currency.

Transactions and balances

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. All differences are taken to the consolidated income statement, except when hedge accounting is applied and for differences in monetary assets and liabilities that form part of the group's net investment in a foreign operation. These are taken in other comprehensive income until the disposal of the net investment, at which time they are recognised in profit and loss.

Foreign operations

The consolidated income statement and statement of cash flows of foreign operations are translated at the average rate of exchange during the period. The balance sheet is translated at the rate ruling at the reporting date. Exchange differences arising on opening net assets and arising on the translation of results at an average rate compared to a closing rate are both recognised in other comprehensive income. On disposal of a foreign operation, the accumulated exchange differences previously recognised in other comprehensive income are included in the consolidated income statement.

Certain of the group's financial instruments are classified as net investment hedges when they hedge the group's net investment in foreign operations. See derivative financial instruments and hedging policy on page 87 and 88 for further detail.

Segmental reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the board of directors of the company.

Issued share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Other reserves

Share premium account

The share premium account is used to record the excess of proceeds over the nominal value on the issue of shares.

Own shares reserve

The own shares reserve is used to record purchases and issues by the group of its own shares, which will be distributed to employees as and when share awards made under the Britvic employee share plans vest.

Hedging reserve

The hedging reserve records the effective portion of movements in the fair value of forward exchange contracts, interest rate and cross-currency swaps that have been designated as hedging instruments in cash flow hedges.

Translation reserve

The translation reserve includes cumulative net exchange differences on translation into the presentational currency of items recorded in group entities with a non-sterling functional currency net of amounts recognised in respect of net investment hedges.

Merger reserve

The merger reserve arose as a result of the non pre-emptive share placement which took place on 21 May 2010. It was executed using a structure which created a merger reserve under Section 612-3 of the Companies Act 2006.

Own shares

The cost of own shares held in employee share trusts and in treasury is deducted from shareholders' equity until the shares are cancelled, reissued or disposed. Where such shares are subsequently sold or reissued, the fair value of any consideration received is also included in shareholders' equity.

Exceptional and other items

The group presents items as exceptional and other items on the face of the consolidated income statement to allow shareholders to understand better the elements of financial performance in the year, so as to facilitate comparison with prior periods and to assess trends in financial performance more readily.

- 'Exceptional' items include those significant items of income and expense which, because of the size, nature and infrequency of the events giving rise to them, merit separate presentation.
- 'Other' items include fair value movements on financial instruments where hedge accounting cannot be applied on future transactions and also where hedge ineffectiveness is recognised. These items have been included within 'exceptional and other items' because they are non-cash and do not form part of how management assesses performance.

3. Accounting policies (continued)

Key judgements and estimates

The preparation of financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that the actual outcomes could differ from those estimates. In the process of applying the group's accounting policies, management has made the following judgements and estimates which have the most significant effect on the amounts recognised in the financial statements.

Post-retirement benefits

The determination of the pension and other post-retirement benefits cost and obligation is based on assumptions determined with independent actuarial advice. The assumptions include discount rate, inflation, pension and salary increases, expected return on scheme assets, mortality and other demographic assumptions. These key assumptions are disclosed in note 23.

Franchise rights

Franchise rights represent franchise agreements acquired as part of the Britvic Ireland business combination which provides long-term rights to distribute certain soft drinks. These agreements were allocated a 35 year useful economic life. The franchise agreement has a contract life less than the useful economic life. The useful economic life has been determined on the basis that the renewal of the franchise agreements is highly probable. A significant emphasis is made on developing relationships with Pepsico, which includes maintaining an appropriate level of communication to deal with ongoing operational issues. This is further strengthened through the addition of Pepsico products to Britvic's portfolio in recent years.

Intangible assets with indefinite lives

Management have made a judgement that intangible assets relating to brands have indefinite lives. This is based on their historical longevity, and a business model and strategy that is based on development and expansion of Britvic's brands.

Impairment of goodwill and intangible assets with indefinite lives

Determining whether goodwill and intangible assets with indefinite lives are impaired requires an estimation of the value in use of the cash generating units to which the goodwill/intangible asset has been allocated. The value in use calculation requires an estimate of the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value. Further details are given in note 15.

New standards adopted in the current period

During the period, the group adopted a number of interpretations and amendments to standards including IFRS 10 'Consolidated financial statements', IFRS 11 'Joint arrangements' and IFRS 12 'Disclosure of interests in other entities', all of which had an immaterial impact on the consolidated financial statements of the group.

New standards and interpretations not applied

The group has not applied the following IFRSs, which may be applicable to the group, that have been issued (although in some cases not yet adopted by the EU) but are not yet effective:

		Effective date – periods commencing on or after
International Financial Reporting Standards (IFRS)		
IFRS 9	Financial Instruments	1 January 2018
IFRS 10, IFRS 12 and IAS 28	Amendments to IFRS10, IFRS12 and IAS 28 – Investment Entities	1 January 2016
IFRS 15	Revenue from contracts with customers	1 January 2018
IFRS 11	Amendments to IFRS 11 – Accounting for Acquisition of Interests in Joint Operations	1 January 2016
IFRS 10 and IAS 28	Amendments to IFRS 10 and IAS 28 – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	1 January 2016
International Accounting Standards (IAS)		
IAS 16 and IAS 38	Amendments to IAS 16 and IAS 38 – Clarification of Acceptable Methods of Depreciation and Amortisation	1 January 2016
IAS 1	Amendments to IAS 1 – Disclosure Initiatives	1 January 2016
IAS 27	Amendments to IAS 27 – Equity Method in Separate Financial Statements	1 January 2016
Annual IFRS Improvement Process		
AIP IFRS 5	Non-current Assets Held for Sale and Discontinued Operations – Changes in methods of disposal	1 January 2016
AIP IFRS 7	Financial Instruments: Disclosure – Servicing contracts	1 January 2016
AIP IAS 19	Employee Benefits – Discount rate: regional market issue	1 January 2016

The group is currently confirming the impacts of the above new standards and interpretations on its results, financial position and cash flows, which are not expected to be material.

4. Segmental reporting

For management purposes, the group is organised into business units and has five reportable segments as follows:

- GB stills – United Kingdom excluding Northern Ireland
- GB carbs – United Kingdom excluding Northern Ireland
- Ireland – Republic of Ireland and Northern Ireland
- France
- International

These business units sell soft drinks into their respective markets.

Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on brand contribution. This is defined as revenue less material costs and all other marginal costs that management considers to be directly attributable to the sale of a given product. Such costs include brand specific advertising and promotion costs, raw materials and marginal production and distribution costs. However, group financing (including finance costs) and income taxes are managed on a group basis and are not allocated to reportable segments.

Transfer prices between reportable segments are on an arm's length basis in a manner similar to transactions with third parties.

52 weeks ended 27 September 2015	GB stills £m	GB carbs £m	Total GB £m	Ireland £m	France £m	International £m	Total £m
Revenue	321.6	565.7	**887.3**	120.4	240.3	52.1	**1,300.1**
Brand contribution	151.1	225.1	**376.2**	44.2	75.6	16.9	**512.9**
Non-brand advertising & promotion*							(9.7)
Fixed supply chain**							(92.6)
Selling costs**							(118.6)
Overheads and other costs*							(123.0)
Operating profit before exceptional & other items							**169.0**
Finance costs before exceptional & other items							(22.0)
Exceptional & other items							(9.4)
Profit before tax							**137.6**

52 weeks ended 28 September 2014	GB stills £m	GB carbs £m	Total GB £m	Ireland £m	France £m	International £m	Total £m
Revenue	335.2	567.8	**903.0**	128.3	254.9	58.2	**1,344.4**
Brand contribution	159.4	222.4	**381.8**	47.0	67.1	21.0	**516.9**
Non-brand advertising & promotion*							(9.9)
Fixed supply chain**							(101.8)
Selling costs**							(120.7)
Overheads and other costs*							(126.4)
Operating profit before exceptional & other items							**158.1**
Finance costs before exceptional & other items							(25.2)
Exceptional & other items							(12.8)
Profit before tax							**120.1**

* Included within 'administration expenses' in the consolidated income statement. 'Overheads and other costs' relate to central expenses including salaries, IT maintenance, depreciation and amortisation.

** Included within 'selling and distribution costs' in the consolidated income statement.

4. Segmental reporting (continued)

Geographic information

Revenues from external customers

The analysis below is based on the location where the sale originated.

	2015 £m	2014 £m
United Kingdom	**939.4**	966.7
Republic of Ireland	**100.8**	109.2
France	**252.7**	268.2
Other	**7.2**	0.3
Total revenue	**1,300.1**	1,344.4

Non-current assets

	2015 £m	2014 £m
United Kingdom	**253.9**	233.7
Republic of Ireland	**102.0**	105.3
France	**194.8**	183.6
Other	**1.0**	1.1
Total	**551.7**	523.7

Non-current assets for this purpose consist of property, plant and equipment, intangible assets and other receivables.

5. Exceptional and other items

Unless otherwise stated, exceptional and other items are included within administration expenses in the consolidated income statement.

	Note	52 weeks ended 27 September 2015 £m	52 weeks ended 28 September 2014 £m
Asset impairments	(a)	**-**	(0.7)
Costs in relation to the acquisition of subsidiary	(b)	**(6.5)**	-
Gain on disposal of previously impaired assets		**0.4**	0.7
Gain on held for sale property in Britvic Ireland		**0.8**	-
Strategic restructuring - cost initiatives	(c)	**(3.6)**	(14.1)
Strategic restructuring - business capability programme	(d)	**(1.4)**	-
Fair value movements	(e)	**(2.1)**	1.3
Total included in administration expenses		**(12.4)**	(12.8)
Fair value movements	(e)	**3.6**	1.0
Total included in finance income		**3.6**	1.0
Fair value movements	(e)	**(0.6)**	-
Write-off of unamortised financing fees	(f)	**-**	(1.0)
Total included in finance costs		**(0.6)**	(1.0)
Total exceptional and other items before tax		**(9.4)**	(12.8)

(a) Asset impairments relates to the loss recognised on transfer of a property from property, plant and equipment to held for sale in Britvic GB following closure in 2014 as part of strategic cost initiatives announced in May 2013.

(b) Costs relating to the purchase of Empresa Brasileira de Bebidas e Alimentos SA (Ebba). Primarily these costs relate to advisors fees (see note 33).

(c) Strategic restructuring - cost initiatives relate to the continuation of cost initiatives announced in May 2013, following the closure of two factories in Britvic GB and subsequent reorganisation as well as integration of GB and Ireland back office operations.

(d) Strategic restructuring - business capability programme relates to a restructuring of supply chain to enhance commercial capabilities in Britvic GB.

(e) Fair value movements relate to the fair value movement of derivative financial instruments where either hedge accounting cannot be applied to future transactions or where there is ineffectiveness in the hedge relationship.

(f) In 2014, following the decision to refinance the group's committed bank facility, unamortised financing fees of £1.0m were written off to finance costs in the consolidated income statement (see note 9).

Details of the tax implications of exceptional and other items are given in note 10a.

6. Operating profit/(loss)

This is stated after charging:	2015 £m	2014 £m
Cost of inventories recognised as an expense	**581.4**	617.5
Including: write-down of inventories to net realisable value	**2.4**	1.1
Research and development expenditure written off	**3.5**	2.6
Net foreign currency exchange differences	**1.0**	1.6
Depreciation of property, plant and equipment	**29.9**	31.5
Amortisation of intangible assets	**11.1**	10.4
Operating lease payments – minimum lease payments	**13.5**	11.7

7. Auditor's remuneration

	2015 £m	2014 £m
Audit of the group financial statements	**0.1**	0.2
Audit of subsidiaries	**0.5**	0.4
Total audit	**0.6**	0.6
Audit related assurance services	**0.1**	-
Other non-audit services not covered above	**0.2**	1.4
Total non-audit services	**0.3**	1.4
Total fees	**0.9**	2.0

8. Staff costs

	2015 £m	2014 £m
Wages and salaries	**127.0**	127.9
Social security costs	**19.6**	19.8
Net pension charge	**12.8**	11.1
Expense of share based compensation (note 29)	**10.6**	9.1
	170.0	167.9

	2015 £m	2014 £m
Directors' emoluments	**2.4**	2.5
Aggregate gains made by directors on exercise of options	**-**	1.5

	2015 No.	2014 No.
Number of directors accruing benefits under defined benefit schemes	**-**	-

The average monthly number of employees during the period was made up as follows:

	2015 No.	2014 No.
Distribution	**290**	300
Production	**1,386**	1,389
Sales and marketing	**911**	911
Administration	**530**	559
	3,117	3,159

9. Finance costs

	2015 £m	2014 £m
Finance income		
Bank deposits	**0.3**	0.2
Fair value movement on interest rate swap (see note 26)	**1.5**	1.0
Ineffectiveness in respect of cash flow hedges	**2.1**	-
Total finance income	**3.9**	1.2
Finance costs		
Bank loans, overdrafts and loan notes	**(22.2)**	(25.3)
Unwinding of discount in provisions	**(0.1)**	(0.1)
Write off of unamortised financing fees (see note 5)	**-**	(1.0)
Ineffectiveness in respect of fair value hedges	**(0.6)**	-
Total finance costs	**(22.9)**	(26.4)
Net finance costs	**(19.0)**	(25.2)

10. Taxation

a) Tax on profit on continuing operations

			2015
	Before exceptional & other items £m	Exceptional & other items £m	Total £m
Income statement			
Current income tax			
Current income tax (charge)/credit	**(34.4)**	**1.2**	**(33.2)**
Amounts over/(under) provided in previous years	**0.9**	**(0.2)**	**0.7**
Total current income tax (charge)/credit	**(33.5)**	**1.0**	**(32.5)**
Deferred income tax			
Origination and reversal of temporary differences	**(0.6)**	**(0.3)**	**(0.9)**
Amounts (under)/over provided in previous years	**(0.4)**	**-**	**(0.4)**
Total deferred tax charge	**(1.0)**	**(0.3)**	**(1.3)**
Total tax (charge)/credit in the income statement	**(34.5)**	**0.7**	**(33.8)**
Statement of comprehensive income			
Current tax on additional pension contributions			**3.1**
Deferred tax on defined benefit plans			**(3.7)**
Deferred tax in respect of cash flow hedges accounted for in the hedging reserve			**2.5**
Total tax credit in the statement of comprehensive income			**1.9**
Statement of changes in equity			
Current tax on share options exercised			**0.6**
Deferred tax on share options granted to employees			**(1.0)**
Total tax charge in the statement of changes in equity			**(0.4)**

10. Taxation (continued)

a) Tax on profit on continuing operations (continued)

			2014
	Before exceptional & other items £m	Exceptional & other items £m	Total £m
Income statement			
Current income tax			
Current income tax (charge)/credit	(36.2)	3.0	(33.2)
Amounts (under)/over provided in previous years	(2.0)	0.7	(1.3)
Total current income tax (charge)/credit	(38.2)	3.7	(34.5)
Deferred income tax			
Origination and reversal of temporary differences	4.3	(0.4)	3.9
Amounts over/(under) provided in previous years	0.9	(0.7)	0.2
Total deferred tax credit/(charge)	5.2	(1.1)	4.1
Total tax (charge)/credit in the income statement	(33.0)	2.6	(30.4)
Statement of comprehensive income			
Current tax on additional pension contributions			4.5
Deferred tax on defined benefit plans			(2.0)
Deferred tax in respect of cash flow hedges accounted for in the hedging reserve			0.1
Tax on exchange differences accounted for in the translation reserve			0.7
Deferred tax on other temporary differences			0.1
Total tax credit in the statement of comprehensive income			3.4
Statement of changes in equity			
Current tax on share options exercised			0.8
Deferred tax on share options granted to employees			0.6
Total tax credit in the statement of changes in equity			1.4

b) Reconciliation of the total tax charge

The tax expense in the consolidated income statement is higher (2014: higher) than the standard rate of corporation tax in the UK of 20.5% (2014: 22.0%). The differences are reconciled below:

			2015
	Before exceptional & other items £m	**Exceptional & other items £m**	**Total £m**
Profit/(loss) before tax	**147.0**	**(9.4)**	**137.6**
Profit/(loss) multiplied by the UK average rate of corporation tax of 20.5%	**(30.1)**	**1.9**	**(28.2)**
Permanent differences	**0.5**	**(0.7)**	**(0.2)**
Impact of change in tax rates on deferred tax liability	**(0.2)**	**(0.1)**	**(0.3)**
Tax over/(under) provided in previous years	**0.5**	**(0.2)**	**0.3**
Overseas tax rate differences	**(4.8)**	**0.4**	**(4.4)**
Losses not recognised	**(0.4)**	**(0.6)**	**(1.0)**
	(34.5)	**0.7**	**(33.8)**
Effective income tax rate	**23.5%**		**24.6%**

10. Taxation (continued)

b) Reconciliation of the total tax charge (continued)

	Before exceptional & other items £m	Exceptional & other items £m	2014 Total £m
Profit/(loss) before tax	132.9	(12.8)	120.1
Profit/(loss) multiplied by the UK average rate of corporation tax of 22.0%	(29.2)	2.8	(26.4)
Permanent differences	0.4	0.1	0.5
Impact of change in tax rates on deferred tax liability	(0.2)	0.1	(0.1)
Tax underprovided in previous years	(0.9)	(0.1)	(1.0)
Overseas tax rate differences	(3.1)	(0.3)	(3.4)
	(33.0)	2.6	(30.4)
Effective income tax rate	24.8%		25.3%

c) Unrecognised tax items

The temporary differences associated with investments in subsidiaries for which a deferred tax liability has not been recognised total £9.3m (2014: £7.5m). No deferred tax has been provided in respect of these differences, since the timing of the reversals can be controlled and it is probable that the temporary differences will not reverse in the future.

The group expects that future remittances of earnings from its overseas subsidiaries will be covered by the UK dividend exemption and so the un-remitted earnings of these subsidiaries are not disclosed above.

No deferred tax asset has been recognised in respect of unused tax losses of £8.8m (2014: £4.3m). Included in this amount are tax losses of £3.6m (2014: £2.8m) that will expire in 7-8 years. Other losses may be carried forward indefinitely.

d) Deferred tax

The deferred tax included in the balance sheet is as follows:

	2015 £m	2014 £m
Deferred tax liability		
Accelerated capital allowances	**(5.8)**	(5.4)
Acquisition fair value adjustments*	**(33.9)**	(15.4)
Other temporary differences	**(1.5)**	-
Post employment benefits	**(20.3)**	(16.1)
Deferred tax liability	**(61.5)**	(36.9)
Deferred tax asset		
Employee incentive plan	**5.8**	5.7
Unutilised losses incurred in overseas jurisdictions	**4.2**	6.6
Other temporary differences	**5.1**	1.3
Deferred tax asset	**15.1**	13.6
Net deferred tax liability	**(46.4)**	(23.3)

* Following a review, further non-current deferred tax liabilities of £20.3m were identified that should have been recognised in relation to acquired indefinite life brand intangibles upon acquisition of Britvic France which has resulted in an increase in goodwill.

10. Taxation (continued)

d) Deferred tax (continued)

Certain deferred tax assets and liabilities have been offset. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	2015 £m	2014 £m
Net deferred tax assets	**-**	-
Net deferred tax liabilities	**(46.4)**	(23.3)
	(46.4)	(23.3)

The deferred tax included in the consolidated income statement is as follows:

	2015 £m	2014 £m
Employee incentive plan	**0.9**	1.4
Accelerated capital allowances	**(0.4)**	1.5
Post employment benefits	**(0.4)**	(0.6)
Acquisition fair value adjustments	**0.9**	1.0
(Utilised)/unutilised losses incurred in overseas jurisdictions	**(1.6)**	1.3
Other temporary differences	**(0.7)**	(0.5)
Deferred tax (charge)/credit	**(1.3)**	4.1

In 2015, there is a £0.3m charge relating to exceptional items (2014: £1.1m charge) included within the overall £1.3m deferred tax charge (2014: overall £4.1m credit) in the consolidated income statement.

e) Impact of rate change

Finance Act 2015 enacted reductions in the UK corporation tax rate from 20% to 19% from 1 April 2017 and to 18% from 1 April 2020. The effect of the new rate is to reduce the deferred tax provision by a net £1.9m, comprising a credit of £1.7m to the income statement and a credit of £0.2m to the consolidated statement of comprehensive income.

11. Earnings per share

Basic earnings per share amounts are calculated by dividing the net profit/(loss) for the period attributable to the equity shareholders of the parent by the weighted average number of ordinary shares outstanding during the period.

Diluted earnings per share amounts are calculated by dividing the net profit attributable to the ordinary equity shareholders of the parent by the weighted average number of ordinary shares outstanding during the period plus the weighted average number of ordinary shares that would be issued on the conversion of all the dilutive potential ordinary shares into ordinary shares.

The following table reflects the income and share data used in the basic and diluted earnings per share computations:

	2015 £m	2014 £m
Basic earnings per share		
Profit for the period attributable to equity shareholders	**103.8**	89.7
Weighted average number of ordinary shares in issue for basic earnings per share	**248.6**	245.8
Basic earnings per share	**41.8p**	36.5p
Diluted earnings per share		
Profit for the period attributable to equity shareholders	**103.8**	89.7
Effect of dilutive potential ordinary shares – share schemes	**3.1**	1.7
Weighted average number of ordinary shares in issue for diluted earnings per share	**251.7**	247.5
Diluted earnings per share	**41.2p**	36.2p

The group has granted share options to employees which have the potential to dilute basic EPS in the future which have not been included in the calculation of diluted EPS as they are antidilutive for the periods presented (see note 29).

The group presents as exceptional and other items on the face of the consolidated income statement, those significant items of income and expense which, because of the size, nature and infrequency of the events giving rise to them, merit separate presentation to allow shareholders to understand better the elements of financial performance in the period, so as to facilitate comparison with prior periods and to assess trends in financial performance more readily.

11. Earnings per share (continued)

To this end, basic and diluted earnings per share are also presented on this basis with the amortisation of acquisition related intangible assets also added back using the weighted average number of ordinary shares for both basic and diluted amounts as per the table below.

	Note	2015 £m	2014 £m
Adjusted basic earnings per share			
Profit for the period attributable to equity shareholders		**103.8**	89.7
Add: Net impact of exceptional and other items		**8.7**	10.2
Add: Intangible assets amortisation (acquisition-related)	14	**2.6**	2.9
		115.1	102.8
Weighted average number of ordinary shares in issue for basic earnings per share		**248.6**	245.8
Adjusted basic earnings per share		**46.3p**	41.8p
Adjusted diluted earnings per share			
Profit for the period attributable to equity shareholders before exceptional items and other items and acquisition related intangible assets amortisation		**115.1**	102.8
Weighted average number of ordinary shares in issue for diluted earnings per share		**251.7**	247.5
Adjusted diluted earnings per share		**45.7p**	41.5p

The weighted average number of ordinary shares in issue for basic and diluted earnings per share includes 2.1 million shares in relation to the non pre-emptive share placement in July 2015 which was used for the acquisition of Ebba subsequent to the period end. The impact of this placement is a reduction in the adjusted basic and diluted earnings per share of 0.4p in the current period.

12. Dividends paid and proposed

	2015 £m	2014 £m
Declared and paid during the period		
Equity dividends on ordinary shares		
Final dividend for 2014: 14.8p per share (2013: 13.0p per share)	**36.4**	31.8
Interim dividend for 2015: 6.7p per share (2014: 6.1p per share)	**16.5**	15.0
Dividends paid	**52.9**	46.8
Proposed		
Final dividend for 2015: 16.3p per share (2014: 14.8p per share)	**42.6**	36.3

13. Property, plant and equipment

	Freehold land and buildings £m	Leasehold land and buildings £m	Plant and machinery £m	Fixtures, fittings, tools and equipment £m	Total £m
At 29 September 2013, net of accumulated depreciation and impairment	61.5	29.0	86.4	38.8	215.7
Exchange differences	(2.1)	(0.7)	(2.6)	(0.1)	(5.5)
Additions	15.5	0.9	18.8	12.9	48.1
Disposals at cost	-	-	(2.9)	(15.2)	(18.1)
Depreciation eliminated on disposals	-	-	2.0	14.5	16.5
Depreciation charge for the year	(2.5)	(0.9)	(17.6)	(10.5)	(31.5)
Assets transferred to held for sale (note 20)	-	(3.6)	-	-	(3.6)
Reclassification	-	-	0.7	(0.7)	-
(Impairment)*/impairment reversal	-	(0.7)	0.1	-	(0.6)
At 28 September 2014 net of accumulated depreciation and impairment	72.4	24.0	84.9	39.7	221.0
Exchange differences	(1.8)	(0.4)	(2.0)	-	(4.2)
Additions	9.9	1.7	40.8	8.9	61.3
Disposals at cost	(0.2)	-	(2.8)	(15.1)	(18.1)
Depreciation eliminated on disposals	0.2	-	2.7	14.1	17.0
Depreciation charge for the year	(2.8)	(1.0)	(16.2)	(9.9)	(29.9)
Assets transferred to held for sale (note 20)	-	(2.8)	-	-	(2.8)
Reclassification	-	-	(0.3)	0.3	-
Impairment*	-	-	(0.1)	-	(0.1)
At 27 September 2015 net of accumulated depreciation and impairment	**77.7**	**21.5**	**107.0**	**38.0**	**244.2**
At 27 September 2015					
Cost (gross carrying amount)	**101.9**	**32.2**	**310.0**	**149.7**	**593.8**
Accumulated depreciation and impairment	**(24.2)**	**(10.7)**	**(203.0)**	**(111.7)**	**(349.6)**
Net carrying amount	**77.7**	**21.5**	**107.0**	**38.0**	**244.2**
At 28 September 2014					
Cost (gross carrying amount)	95.4	35.9	279.7	157.5	568.5
Accumulated depreciation and impairment	(23.0)	(11.9)	(194.8)	(117.8)	(347.5)
Net carrying amount	72.4	24.0	84.9	39.7	221.0

* The impairment in 2015 relates to assets impaired in France. The impairment in 2014 relates to a loss on transfer of a property held in the GB stills segment to non-current assets held for sale (see note 20), and has been included within exceptional and other items (see note 5).

Assets under construction

The net book value of property, plant and equipment includes the following balances in respect of assets under construction where no depreciation is charged until these assets are ready to be used; freehold land and buildings £1.1m (2014: £0.9m), plant and machinery £28.0m (2014: £8.0m), and fixtures, fittings, tools and equipment £9.9m (2014: £12.6m).

Finance leases

The net book value of freehold land and buildings includes £0.1m (2014: £0.1m) in respect of assets held under finance leases. The assets are pledged as security for the finance lease liabilities.

Investment property

The net book value of freehold land and buildings includes £2.6m (2014: £nil) in respect of assets classified as investment property. The investment property was purchased during the current period at fair value and comprises £2.5m in relation to the freehold land and buildings and £0.1m of associated purchase costs. The property rental income earned by the group from its investment property, all of which is leased out under operating leases, amounted to £0.1m (2014: £nil).

14. Intangible assets

	Trademarks £m	Franchise rights £m	Customer lists £m	Software costs £m	Goodwill £m	Total £m
Cost as at 29 September 2013, net of accumulated amortisation	97.5	20.6	34.8	25.0	139.1	317.0
Exchange differences	(6.5)	(1.5)	(2.2)	(0.1)	(5.2)	(15.5)
Additions	-	-	-	8.8	-	8.8
Disposals at cost	-	-	-	(0.4)	-	(0.4)
Amortisation eliminated on disposals	-	-	-	0.2	-	0.2
Amortisation charge for the period	-	(0.7)*	(2.2)*	(7.5)	-	(10.4)
At 28 September 2014	91.0	18.4	30.4	26.0	133.9	299.7
Exchange differences	(5.1)	(1.0)	(1.6)	-	(4.1)	(11.8)
Additions	-	-	-	8.2	-	8.2
Disposals at cost	-	-	-	(6.6)	-	(6.6)
Amortisation eliminated on disposals	-	-	-	6.4	-	6.4
Amortisation charge for the period	-	(0.6)*	(2.0)*	(8.5)	-	(11.1)
Other movement**	-	-	-	-	20.3	20.3
At 27 September 2015	**85.9**	**16.8**	**26.8**	**25.5**	**150.1**	**305.1**
At 27 September 2015						
Cost (gross carrying amount)	**111.3**	**21.8**	**43.9**	**73.6**	**210.0**	**460.6**
Accumulated amortisation and impairment	**(25.4)**	**(5.0)**	**(17.1)**	**(48.1)**	**(59.9)**	**(155.5)**
Net carrying amount	**85.9**	**16.8**	**26.8**	**25.5**	**150.1**	**305.1**
At 28 September 2014						
Cost (gross carrying amount)	117.9	23.1	46.5	72.8	196.6	456.9
Accumulated amortisation and impairment	(26.9)	(4.7)	(16.1)	(46.8)	(62.7)	(157.2)
Net carrying amount	91.0	18.4	30.4	26.0	133.9	299.7

* Acquisition related amortisation (see note 11).

** Following a review, further non-current deferred tax liabilities were identified that should have been recognised in relation to acquired indefinite life brand intangibles upon acquisition of Britvic France which has resulted in an increase in goodwill.

Trademarks

Britvic Ireland and Britvic France

Trademarks represent those trade names acquired which the group plans to maintain. All trademarks have been allocated an indefinite life by management. A list of the trademarks held in respect of the Britvic Ireland and Britvic France segments is shown in note 15.

It is expected, and in line with existing well-established trademarks within the group, that the trademarks with indefinite lives in respect of Britvic France and Britvic Ireland will be held and supported for an indefinite period of time and are expected to generate economic benefits. The group is committed to supporting its trademarks and invests in significant consumer marketing promotional spend.

Franchise rights

Franchise rights represent the franchise agreements acquired as part of the Britvic Ireland business combination which provide the long-term right to bottle and distribute certain soft drinks. These agreements were allocated a 35-year useful economic life. As at 27 September 2015 these intangible assets have a remaining useful life of 27 years. The franchise agreement itself has a contract life less than the useful economic life. The useful economic life has been determined on the basis that the renewal of the contract is highly probable.

Customer lists

Britvic France

Customer lists recognised on the acquisition of Britvic France relate to those customer relationships acquired. These intangible assets have been allocated useful economic lives of 20 years. At 27 September 2015 these intangible assets have a remaining useful life of 15 years.

Britvic Ireland

Customer lists represent those customer relationships acquired which are valued in respect of the grocery and wholesale businesses. These customer lists have been allocated useful economic lives of between ten and twenty years. At 27 September 2015 these intangible assets have a remaining useful life of between two and twelve years.

14. Intangible assets (continued)

Software costs

Software is capitalised at cost. These intangible assets have been assessed as having finite lives and are amortised using the straight-line method over a period of 3 to 7 years. As at 27 September 2015 these intangible assets have a remaining useful life of up to 7 years.

Goodwill

Goodwill is subject to an impairment review at each reporting date in accordance with IAS 36 'Impairment of Assets'. Further detail is provided in note 15.

Intangible assets recognised on the acquisition of Britvic Ireland and Britvic France are valued in euros and translated to sterling at the reporting date.

15. Impairment testing of intangible assets

Carrying amount of goodwill and trademarks with indefinite lives

The carrying amount of goodwill acquired through business combinations, and trademarks with indefinite lives recognised as part of fair value exercises on acquisitions, are attributable to the following cash-generating units:

	2015 £m	2014 £m
Goodwill CGUs		
Britvic GB		
Orchid	**6.0**	6.0
Tango	**8.9**	8.9
Robinsons	**38.6**	38.6
Britvic Soft Drinks business (BSD)	**7.8**	7.8
Britvic Ireland	**14.7**	15.5
Britvic France	**74.1**	57.1
	150.1	133.9

	2015 £m	2014 £m
Trademarks with indefinite lives		
Britvic Ireland CGUs		
Britvic	**5.5**	5.9
Cidona	**4.9**	5.2
Mi Wadi	**7.6**	8.0
Ballygowan	**2.1**	2.2
Club	**12.5**	13.2
	32.6	34.5
Britvic France CGUs		
Teisseire	**42.1**	44.7
Moulin de Valdonne	**3.5**	3.7
Pressade	**4.0**	4.2
Fruité	**3.7**	3.9
	53.3	56.5
Total Trademarks	**85.9**	91.0

The Britvic Ireland and Britvic France goodwill and trademarks with indefinite lives are valued in euros and translated into sterling at the reporting date. The movements in the carrying amount of goodwill from the prior year relate to translation movements.

With the exception of Britvic Ireland and Britvic France goodwill, all other goodwill amounts were recognised on acquisitions made within Britvic GB.

Trademarks with indefinite lives were recognised as part of the fair value exercises relating to the 2007 acquisition of Britvic Ireland and the 2010 acquisition of Britvic France. They were allocated by senior management to the individual cash-generating units for impairment testing as shown in the table above.

15. Impairment testing of intangible assets (continued)

Method of impairment testing

Goodwill and intangible assets with indefinite lives

Impairment reviews of goodwill and intangible assets are undertaken by senior management annually. Value in use calculations are performed for each cash-generating unit using cash flow projections and are based on the latest annual financial budgets prepared by senior management and approved by the board of directors. Senior management expectations are formed in line with performance to date and experience, as well as available external market data.

The group has considered the impact of the current economic climate in determining the appropriate discount rate to use in impairment testing. The same discount rate is relevant to all CGUs in each country as the group only operates in the soft drinks manufacturing and distribution market sector. The applicable pre-tax discount rate for cash flow projections is:

	At 27 September 2015	At 28 September 2014
Britvic GB	**10.9%**	9.6%
Britvic Ireland	**9.3%**	9.7%
Britvic France	**12.8%**	10.5%

Key assumptions used in value in use calculations

Cash flows beyond a one-year period are extrapolated based on growth and discount rates as described below.

The following describes each key assumption on which management has based its cash flow projections to undertake impairment testing of goodwill.

Volume growth rates – reflect senior management expectations of volume growth based on growth achieved to date, current strategy and expected market trends.

Discount rates – reflect senior management's estimate of the pre-tax cost of capital adjusted where necessary to reflect the different risks of different countries in which the group operates. The estimated pre-tax cost of capital is the benchmark used by management to assess operating performance and to evaluate future capital investment proposals.

Marginal contribution – being revenue less material costs and all other marginal costs that management considers to be directly attributable to the sale of a given product. Marginal contribution is based on financial budgets approved by the Britvic plc board. Key assumptions are made within these budgets about pricing, discounts and costs based on historical data, current strategy and expected market trends.

Advertising and promotional spend – financial budgets approved by senior management are used to determine the value assigned to advertising and promotional spend. This is based on the planned spend for year one and strategic intent thereafter.

Raw materials price, production and distribution costs, selling costs and other overhead inflation – the basis used to determine the value assigned to inflation is the forecast increase in consumer price indices in the relevant market. This has been used in all value in use calculations performed.

Intangible assets with finite lives

No indicators of impairment were identified on intangible assets with finite lives and no impairment was recognised against these assets.

Results and conclusions

No impairments have been identified during the 52 week period ended 27 September 2015. In 2014 no impairments were identified.

Other than for the Britvic trademark within Britvic Ireland where the recoverable amount is equal to its carrying value, the directors do not consider that a reasonably possible change in the assumptions used to calculate the value in use of remaining goodwill and intangible assets would result in any impairment. The key assumption to which the calculation of value in use for the Britvic trademark within Britvic Ireland is most sensitive is the discount rate where an increase in the discount rate from 9.3% to 10.3% would result in an impairment charge of £0.5m.

16. Other receivables (non-current)

	2015 £m	2014 £m
Operating lease premiums	**2.4**	2.4
Other	**-**	0.6
Total other receivables (non-current)	**2.4**	3.0

Operating lease premiums relates to the un-amortised element of lease premiums paid on inception of operating leases.

17. Inventories

	2015 £m	2014 £m
Raw materials	**24.6**	27.5
Finished goods	**54.0**	49.1
Consumable stores	**7.2**	6.7
Returnable packaging	**0.9**	1.4
Total inventories at lower of cost and net realisable value	**86.7**	84.7

18. Trade and other receivables (current)

	2015 £m	2014 £m
Trade receivables	**269.2**	250.0
Other receivables	**9.4**	9.0
Prepayments	**15.3**	17.9
	293.9	276.9

Trade receivables are non-interest bearing and are generally on credit terms usual for the markets in which the group operates. As at 27 September 2015, trade receivables at nominal value of £1.8m (2014: £1.2m) were impaired and fully provided against. Movements in the provision for impairment of receivables were as follows:

	Total £m
At 29 September 2013	1.6
Charge for period	2.5
Utilised	(0.5)
Unused amounts reversed	(2.4)
At 28 September 2014	1.2
Charge for period	2.5
Utilised	(0.2)
Unused amounts reversed	(1.7)
At 27 September 2015	**1.8**

The group takes the following factors into account when considering whether a provision for impairment should be made for trade receivables:

- Payment performance history; and
- External information available regarding credit ratings.

The ageing analysis of trade receivables is as follows:

			Past due but not impaired				
	Total £m	Neither past due nor impaired £m	< 30 days £m	30 – 60 days £m	60 – 90 days £m	90 – 120 days £m	> 120 days £m
2015	**269.2**	**224.9**	**23.8**	**5.8**	**5.3**	**1.2**	**8.2**
2014	250.0	222.7	13.1	3.1	1.3	0.4	9.4

The credit quality of trade receivables that are neither past due nor impaired is considered good. Refer to note 25 for details of the group's credit risk policy. The group monitors the credit quality of trade receivables by reference to credit ratings available externally.

19. Cash and cash equivalents

	2015 £m	2014 £m
Cash at bank and in hand	**14.3**	25.3
Deposits	**225.3**	118.7
Cash and cash equivalents	**239.6**	144.0
Bank overdrafts	**-**	(0.7)
Cash and cash equivalents in the statement of cash flows	**239.6**	143.3

During the year, short-term deposits are made for varying periods depending on the immediate cash requirements of the group, and earn interest at the respective short-term deposit rates. The fair value of cash and cash equivalents is equal to the book value.

At 27 September 2015 the group had available £400.0m (2014: £400.0m) of un-drawn committed borrowing facilities in respect of which all conditions precedent had been met. Following the refinancing of this agreement during the year these facilities now have a maturity date of November 2020.

Where available, the group operates cash pooling arrangements whereby the net cash position across a number of accounts is recognised for interest purposes.

20. Non-current assets held for sale

	Total £m
At 29 September 2013	-
Net transfer from property, plant and equipment	3.6
At 28 September 2014	3.6
Disposal	(2.8)
Net transfer from property, plant and equipment	2.8
Impairment in value during the period	(0.1)
At 27 September 2015	**3.5**

The disposal relates to a property previously held for sale in Britvic Ireland. The sale of the property completed on 2 October 2014 and resulted in a gain on disposal of £0.8m.

21. Issued share capital

The issued share capital is wholly comprised of ordinary shares carrying one voting right each. The nominal value of each ordinary share is £0.20. There are no restrictions placed on the distribution of dividends, or the return of capital on a winding up or otherwise.

Issued, called up and fully paid ordinary shares	No. of shares	Value £
At 29 September 2013	245,091,028	49,018,205
Shares issued relating to incentive schemes for employees	2,138,087	427,618
At 28 September 2014	247,229,115	49,445,823
Shares issued relating to incentive schemes for employees	1,549,282	309,856
Shares issued under a non pre-emptive placing	12,361,455	2,472,291
At 27 September 2015	**261,139,852**	**52,227,970**

Consideration received from the non pre-emptive placing was £87.8m which was used for the acquisition of Ebba subsequent to the period end. In addition fees relating to the raising of equity of £1.1m have been offset in share premium.

Of the issued and fully paid ordinary shares, 1,678,637 shares (2014: 409,725 shares) are own shares held by an employee benefit trust. This equates to £335,727 (2014: £81,945) at £0.20 par value of each ordinary share. These shares are held for the purpose of satisfying the share schemes detailed in note 29.

An explanation of the group's capital management process and objectives is set out in note 25.

22. Interest bearing loans and borrowings

	2015 £m	2014 £m
Current		
Finance leases	**(0.1)**	(0.1)
Bank loans	**(0.1)**	(0.8)
Private placement notes	**(3.4)**	(21.8)
Less: un-amortised issue costs	**0.7**	0.3
Total current	**(2.9)**	(22.4)

	2015 £m	2014 £m
Non-current		
Finance leases	**(0.1)**	(0.2)
Bank loans	**(0.4)**	(0.6)
Private placement notes	**(574.0)**	(540.1)
Less: un-amortised issue costs	**2.1**	1.0
Total non-current	**(572.4)**	(539.9)
Total interest bearing loans and borrowings	**(575.3)**	(562.3)

Total interest bearing loans and borrowings comprise the following:

	2015 £m	2014 £m
Finance leases	**(0.2)**	(0.3)
2007 Notes	**(192.8)**	(180.9)
2009 Notes	**(151.3)**	(160.5)
2010 Notes	**(119.8)**	(111.7)
2014 Notes	**(110.1)**	(105.2)
Accrued interest	**(3.4)**	(3.6)
Bank loans	**(0.5)**	(1.4)
Capitalised issue costs	**2.8**	1.3
	(575.3)	(562.3)

Analysis of changes in interest-bearing loans and borrowings

	2015 £m	2014 £m
At the beginning of the period	**(562.3)**	(549.9)
Net bank loans repaid/(drawndown)	**0.9**	(0.4)
Partial repayment of 2007 Notes	**-**	76.8
Partial repayment of 2009 Notes	**18.0**	-
Issue of 2014 Notes	**-**	(105.8)
Issue costs	**2.2**	0.4
Repayment of finance leases	**0.1**	0.2
Amortisation of issue costs and write off of financing fees	**(0.7)**	(1.9)
Net translation (loss)/gain and fair value adjustment	**(33.7)**	18.0
Accrued interest	**0.2**	0.3
At the end of the period	**(575.3)**	(562.3)
Derivatives hedging balance sheet debt *	**71.8**	38.1
Debt translated at contracted rate	**(503.5)**	(524.2)

* Represents the element of the fair value of interest rate currency swaps hedging the balance sheet value of the private placement notes. This amount has been disclosed separately to demonstrate the impact of foreign exchange movements which are included in interest bearing loans and borrowings.

22. Interest bearing loans and borrowings (continued)

Bank loans

The bank loans classified as non-current are repayable by December 2018 (2014: December 2018).

Loans outstanding at 27 September 2015 attract interest at an average rate of 4.52% for euro denominated loans (2014: 4.21% for euro denominated loans and 11.00% for Indian Rupee denominated loans). There were no sterling denominated bank loans outstanding at 27 September 2015 (2014: £nil).

Private placement notes

The group holds loan notes with coupons and maturities as shown in the following table:

Year issued	Maturity date	Amount	Interest terms
2007	February 2019	£13m	UK£ fixed at 5.94%
2007	February 2017 – February 2019	$273m	US$ fixed at 5.90% - 6.00%
2009	December 2016 – December 2019	$220m	US$ fixed at 4.77% - 5.24%
2010	December 2017	£7.5m	UK£ fixed at 3.74%
2010	December 2017 – December 2022	$163m	US$ fixed at 3.45% - 4.14%
2014	February 2021 – February 2024	£35m	UK£ fixed at 3.40% - 3.92%
2014	February 2024 – February 2026	$114m	US$ fixed at 4.09% - 4.24%

The group entered into a number of cross-currency swap agreements in relation to the loan notes to manage any foreign exchange risk on interest rates or on the repayment of the principal borrowed. These swaps expire in line with the loan notes and are discussed in note 26.

See note 25 for an analysis of the interest rate profile and the maturity of the borrowings and related interest rate swaps.

Partial repayment of 2009 Notes

On 17 December 2014, in line with the maturity profile of the 2009 Notes, Britvic plc repaid US$30m (equivalent to £18.0m) in the United States private placement market (USPP).

23. Pensions

The group's principal pension scheme for GB employees, the Britvic Pension Plan ('BPP') has both a defined benefit and contribution section. The defined benefit section was closed to new members from 1 August 2002 and closed to future accrual for active members from 1 April 2011, with new members moving to the defined contribution section for future service benefits.

Contributions are paid into the defined benefit section of the BPP as determined by the Trustee, agreed by the company and certified by an independent actuary in the Schedule of Contributions. The latest formal actuarial valuation for contribution purposes was carried out as at 31 March 2013. No additional employer contributions have been requested as the funding level has improved since the 2010 actuarial valuation.

The BPP is a limited partner of Britvic Scottish Limited Partnership ('Britvic SLP'), which in turn is a limited partner in both Britvic Property Partnership ('Britvic PP') and Britvic Brands LLP ('Britvic Brands'). Britvic SLP, Britvic PP and Britvic Brands are all consolidated by the group. The investment held by BPP does not represent a plan asset for accounting purposes and is therefore not included in the fair value of the plan assets.

In 2010/11 properties were transferred to Britvic PP at a value of £28.6m and in 2011/12 certain group brands to the value of £72.4m were transferred to Britvic Brands, all of which are leased back to Britvic Soft Drinks Limited. The group retains operational flexibility over the properties and brands including the ability to substitute the properties and brands held by Britvic PP and Britvic Brands respectively.

The BPP is entitled to a share of the profits in Britvic SLP until 2026. At the end of this period, the partnership capital allocated to the BPP will be changed to an amount equal to any funding deficit of the BPP at this time, up to a maximum of £105m.

In addition to the expected partnership income of at least £5m per annum, the group will make payments to the BPP of £15m per annum by 31 December each year, from 2014 to 2017. Additional contributions of £15m per annum by 31 December in the years 2018 and 2019 will be made should the formal actuarial valuation in 2016 reveal that these contributions are necessary to return the BPP to full funding on a self-sufficiency basis by 31 March 2020. During this year £20.4m of additional contributions were paid to the BPP, of which £15.4m was paid by the group and £5.0m relates to income received from the pension funding partnership ('PFP') structure.

All members of the defined benefit section of the BPP may benefit from the Enhanced Early Retirement Facility ('EERF'), which is a non-contractual benefit that allows members to retire within five years of reaching the normal pension age without a reduction in their pension, and to benefit from smaller reductions in their pension if they retire more than five years before reaching normal pension age. The company has given notice to all Plan members that the EERF will be withdrawn from 5 April 2016.

The amount recognised as an expense in relation to the BPP defined contribution scheme in the consolidated income statement for 2015 was £11.4m (2014: £10.8m).

Britvic's business in GB also has a secured unfunded unregistered retirement benefit scheme called The Britvic Executive Top Up Scheme ('BETUS') which provides benefits for members who have historically exceeded the Earnings Cap, or the Lifetime Allowance whilst members of the defined benefit section of the BPP. BETUS closed to future accrual on 10 April 2011 which coincided with the closure of the defined benefit section of the BPP.

23. Pensions (continued)

The Britvic Northern Ireland Pension Plan ('BNIPP') is a defined benefit pension plan which was closed to new members on 28 February 2006, and since this date new employees have been eligible to join a Stakeholder plan with Legal & General. The latest formal actuarial valuation for contribution purposes was carried out as at 31 December 2011. The 31 December 2014 valuation is currently underway and is expected to be completed by 31 March 2016.

The Britvic Ireland Pension Plan ('BIPP') is a defined benefit pension plan. Following legislative changes made in 2012 no deficit recovery contributions are currently required. The 1 January 2015 triennial valuation is underway and will be completed by 1 April 2016. The Trustee has been undertaking investment de-risking to protect the ongoing funding position achieved as a result of the 2012 changes.

The amount recognised as an expense in relation to the Irish defined contribution schemes in the consolidated income statement for 2015 was £0.6m (2014: £0.8m).

Britvic France operates two defined benefit schemes: in the first, employees receive long-service cash payments at various stages throughout their careers. From the second, employees receive a lump sum at retirement. Payment amounts are dependent upon salary and service with the company. The schemes are unfunded therefore these benefits are paid directly as they fall due.

All group pension schemes are administered by trustees who are independent of the group's finances, except for the Britvic France schemes which are operated directly by the company.

The assets and liabilities of the pension schemes were valued on an IAS 19 (Revised) basis at 27 September 2015 by Towers Watson (BPP and the French schemes), Invesco (BIPP) and Buck (BNIPP).

Risks

For defined contribution sections and plans, the group's liability is limited to the requirement to pay contributions on behalf of each employee. In these arrangements the associated risks are borne by the members.

For defined benefit sections and plans, the group bears the risks of operation. The main risk that the group runs in respect of the defined benefit schemes is that additional contributions are required to pay for the benefits if investment returns are not sufficient. The contributions required for the schemes are in general determined at each triennial actuarial funding valuation. The key factors that will affect the need for additional contributions include levels of long-term inflation and interest rates and the assessment of how long members are expected to live, along with the level of investment return achieved. The level of investment return achieved is subject to a range of risks typical of the asset classes held, in particular market risk on equities, credit risk on corporate bonds and exposure to the property market. The discount rates used to calculate the liabilities are set by reference to yields on high quality corporate bonds. There is therefore a mismatch between the assets held and the way that the liabilities are calculated, meaning that the net balance sheet position disclosed under IAS 19 could fluctuate.

For the BPP, the trustee holds the power to determine the contribution rates that the group should pay, although the group fully uses the opportunity to make representation to the trustee on this point.

The trustee of the BPP agreed to implement a revised investment strategy following the completion of the 31 March 2013 valuation. The revised investment strategy will consist of a diverse range of fixed interest and index-linked securities, which will provide a partial hedge against inflation and interest rate risk. The removal of equities from the investment portfolio will also reduce investment risk.

The BPP is exposed to specific non-financial risks in respect of the non-contractual EERF benefit available to all members of its defined benefit section. If more members than expected choose to exercise this option, it will serve to increase the pension liability. An allowance for some members to exercise this option has already been made within the liabilities and the facility will be withdrawn from 5 April 2016, at which point this risk will be removed.

The funding partnership mitigates the risk that additional cash contributions will be required after 31 March 2026, as the partnership will pay up to £105m to remove any funding deficit at 31 March 2026.

Principal assumptions

Financial assumptions

				2015
	ROI %	**NI %**	**France %**	**GB %**
Discount rate	**2.60**	**3.60**	**2.00**	**3.80**
Rate of compensation increase	**2.00**	**3.60**	**2.00-3.00***	**n/a**
Pension increases	**-**	**2.10-2.30**	**-**	**1.85-2.95**
Inflation assumption	**1.40**	**2.30**	**2.00**	**3.15**

				2014
	ROI %	NI %	France %	GB %
Discount rate	3.00	3.90	1.86	4.00
Rate of compensation increase	2.75	3.60	1.00-4.00*	n/a
Pension increases	-	2.10-2.30	-	1.90-2.95
Inflation assumption	1.75	2.30	-	3.20

* Rate dependent on employee and business unit.

23. Pensions (continued)

Principal assumptions (continued)

Demographic assumptions

The most significant non-financial assumption is the assumed rate of longevity. This is based on standard actuarial tables, which for the BPP are known as SAPS Series 1. An allowance for future improvements in longevity has also been included. The following life expectancy assumptions have been used:

	2015 ROI Years	**2015 NI Years**	**2015 GB Years**	2014 ROI Years	2014 NI Years	2014 GB Years
Current pensioners (at age 65) – males	**20.9**	**22.2**	**21.4**	20.9	22.2	21.3
Current pensioners (at age 65) – females	**23.4**	**25.0**	**24.4**	23.4	24.9	24.3
Future pensioners currently aged 45 (at age 65) – males	**23.3**	**24.0**	**23.2**	23.3	24.0	23.1
Future pensioners currently aged 45 (at age 65) – females	**25.5**	**26.6**	**26.3**	25.5	26.4	26.2

The mortality assumptions used to calculate the GB pension obligation were revised in 2014 following a mortality analysis carried out as part of the actuarial valuation of the BPP at 31 March 2013.

For the French arrangements mortality follows the INSEE 2012 tables. As benefits are paid on retirement, the mortality assumption is of much less significance for these arrangements than for the GB and Irish arrangements.

Sensitivities

Changes in assumptions used for determining retirement benefit costs and obligations may have a material impact on the consolidated income statement and balance sheet. The main assumptions are the discount rate, the rate of inflation and the assumed mortality rate. The following table provides an estimate of the potential impact of each of these variables on the principal pension plans.

Assumption	Change in assumption	Impact on ROI liabilities	Impact on NI liabilities	Impact on France liabilities	Impact on GB liabilities
Discount rate	Increase by 0.5%	Decrease by £8.1m	Decrease by £2.5m	Decrease by £0.2m	Decrease by £55.8m
	Decrease by 0.5%	Increase by £9.4m	Increase by £2.8m	Increase by £0.2m	Increase by £64.3m
Inflation rate	Increase by 0.25%*	Increase by £2.1m	Increase by £1.3m	Increase by £0.1m	Increase by £20.7m
	Decrease by 0.25%*	Decrease by £2.1m	Decrease by £1.3m	Decrease by £0.1m	Decrease by £24.2m
Longevity rates	Increase by 1 year	Increase by £1.3m	Increase by £0.7m	n/a	Increase by £21.0m

* The sensitivity to inflation assumption includes corresponding changes to future salary (applicable only to France) and future pension increase assumptions.

Net benefit income/(expense)

					2015
	ROI £m	**NI £m**	**France £m**	**GB £m**	**Total £m**
Current service cost	**(0.9)**	**(0.1)**	**(0.2)**	**-**	**(1.2)**
Net interest on net defined benefit asset/(liability)	**(0.1)**	**0.1**	**(0.1)**	**0.5**	**0.4**
Curtailment gain	**0.1**	**-**	**-**	**-**	**0.1**
Net income/(expense)	**(0.9)**	**-**	**(0.3)**	**0.5**	**(0.7)**

					2014
	ROI £m	NI £m	France £m	GB £m	Total £m
Current service cost	(0.8)	(0.1)	(0.1)	-	(1.0)
Net interest on net defined benefit asset/(liability)	(0.1)	-	(0.1)	-	(0.2)
Curtailment gain	0.4	-	-	-	0.4
Settlement gain	-	-	-	1.3	1.3
Net income/(expense)	(0.5)	(0.1)	(0.2)	1.3	0.5

Other than stated below, the net income detailed above is recognised in arriving at net profit from continuing operations before tax and finance costs/income, and is included within cost of sales, selling and distribution costs and administration expenses.

23. Pensions (continued)

Taken to the statement of comprehensive income

	ROI £m	NI £m	France £m	GB £m	2015 Total £m
Actual return on scheme assets	**4.4**	**1.5**	**-**	**42.2**	**48.1**
Less: Amounts included in net interest expense	**(1.7)**	**(1.2)**	**-**	**(24.1)**	**(27.0)**
Return on plan assets (excluding amounts included in net interest expense)	**2.7**	**0.3**	**-**	**18.1**	**21.1**
Gains/(losses) due to demographic assumptions	**(1.2)**	**0.9**	**(0.4)**	**-**	**(0.7)**
Losses due to financial assumptions	**(1.0)**	**(1.7)**	**-**	**(16.0)**	**(18.7)**
Experience gains	**(0.4)**	**1.6**	**0.3**	**-**	**1.5**
Remeasurement losses taken to the statement of comprehensive income	**0.1**	**1.1**	**(0.1)**	**2.1**	**3.2**

	ROI £m	NI £m	France £m	GB £m	2014 Total £m
Actual return on scheme assets	8.5	2.8	-	48.0	59.3
Less: Amounts included in net interest expense	(2.2)	(1.2)	-	(25.1)	(28.5)
Return on plan assets (excluding amounts included in net interest expense)	6.3	1.6	-	22.9	30.8
Gains/(losses) due to demographic assumptions	4.3	(0.2)	-	16.8	20.9
Losses due to financial assumptions	(12.5)	(3.3)	(0.4)	(48.4)	(64.6)
Experience gains	0.4	0.2	-	-	0.6
Remeasurement losses taken to the statement of comprehensive income	(1.5)	(1.7)	(0.4)	(8.7)	(12.3)

Net (liability)/asset

	ROI £m	NI £m	France £m	GB £m	2015 Total £m
Present value of benefit obligation	**(61.2)**	**(30.1)**	**(2.8)**	**(619.4)**	**(713.5)**
Fair value of plan assets	**58.9**	**32.6**	**-**	**639.3**	**730.8**
Net (liability)/asset	**(2.3)**	**2.5**	**(2.8)**	**19.9**	**17.3**

	ROI £m	NI £m	France £m	GB £m	2014 Total £m
Present value of benefit obligation	(60.5)	(30.5)	(2.7)	(598.7)	(692.4)
Fair value of plan assets	58.0	30.4	-	595.6	684.0
Net liability	(2.5)	(0.1)	(2.7)	(3.1)	(8.4)

23. Pensions (continued)

Movements in present value of benefit obligation

	ROI £m	**NI £m**	**France £m**	**GB £m**	**2015 Total £m**
At 28 September 2014	**(60.5)**	**(30.5)**	**(2.7)**	**(598.7)**	**(692.4)**
Exchange differences	**3.5**	**-**	**0.1**	**-**	**3.6**
Curtailment gain	**0.1**	**-**	**-**	**-**	**0.1**
Current service cost	**(0.9)**	**(0.1)**	**(0.2)**	**-**	**(1.2)**
Member contributions	**(0.2)**	**-**	**-**	**-**	**(0.2)**
Interest cost on benefit obligation	**(1.7)**	**(1.2)**	**-**	**(23.6)**	**(26.5)**
Benefits paid	**1.1**	**0.9**	**0.1**	**18.9**	**21.0**
Remeasurement gains/(losses)	**(2.6)**	**0.8**	**(0.1)**	**(16.0)**	**(17.9)**
At 27 September 2015	**(61.2)**	**(30.1)**	**(2.8)**	**(619.4)**	**(713.5)**
Weighted average duration of the liabilities	**21 years**	**20 years**	**15 years**	**22 years**	

	ROI £m	NI £m	France £m	GB £m	2014 Total £m
At 29 September 2013	(54.8)	(26.6)	(2.2)	(562.4)	(646.0)
Exchange differences	3.7	-	-	-	3.7
Curtailment gain	0.4	-	-	-	0.4
Settlement gain	-	-	-	1.3	1.3
Current service cost	(0.8)	(0.1)	(0.1)	-	(1.0)
Member contributions	(0.2)	-	-	-	(0.2)
Interest cost on benefit obligation	(2.2)	(1.2)	(0.1)	(25.1)	(28.6)
Benefits paid	1.2	0.7	0.1	19.1	21.1
Remeasurement gains/(losses)	(7.8)	(3.3)	(0.4)	(31.6)	(43.1)
At 28 September 2014	(60.5)	(30.5)	(2.7)	(598.7)	(692.4)
Weighted average duration of the liabilities	23 years	20 years	14 years	22 years	

Movements in fair value of plan assets

	ROI £m	**NI £m**	**France £m**	**GB £m**	**2015 Total £m**
At 28 September 2014	**58.0**	**30.4**	**-**	**595.6**	**684.0**
Exchange differences	**(3.4)**	**-**	**-**	**-**	**(3.4)**
Interest income on plan assets	**1.7**	**1.2**	**-**	**24.1**	**27.0**
Return on scheme assets excluding interest income	**2.7**	**0.3**	**-**	**18.1**	**21.1**
Employer contributions	**0.8**	**1.6**	**-**	**20.4**	**22.8**
Member contributions	**0.2**	**-**	**-**	**-**	**0.2**
Benefits paid	**(1.1)**	**(0.9)**	**-**	**(18.9)**	**(20.9)**
At 27 September 2015	**58.9**	**32.6**	**-**	**639.3**	**730.8**

	ROI £m	NI £m	France £m	GB £m	2014 Total £m
At 29 September 2013	53.2	26.7	0.1	546.7	626.7
Exchange differences	(3.4)	-	-	-	(3.4)
Interest income on plan assets	2.1	1.2	-	25.1	28.4
Return on scheme assets excluding interest income	6.3	1.6	-	22.9	30.8
Employer contributions	0.8	1.6	-	20.0	22.4
Member contributions	0.2	-	-	-	0.2
Benefits paid	(1.2)	(0.7)	(0.1)	(19.1)	(21.1)
At 28 September 2014	58.0	30.4	-	595.6	684.0

23. Pensions (continued)

Categories of scheme assets as a percentage of the fair value of total scheme assets

	ROI £m	NI £m	France £m	GB £m	2015 Total £m	2015 Total %
UK equities	**1.9**	**7.7**	**-**	**51.1**	**60.7**	**8**
Overseas equities	**23.2**	**7.8**	**-**	**20.4**	**51.4**	**7**
Properties	**-**	**-**	**-**	**4.4**	**4.4**	**1**
Corporate bonds	**-**	**5.0**	**-**	**283.4**	**288.4**	**40**
Fixed interest gilts	**30.1**	**5.1**	**-**	**-**	**35.2**	**5**
Index linked gilts	**-**	**6.5**	**-**	**273.5**	**280.0**	**38**
Cash and other assets	**3.7**	**0.5**	**-**	**6.5**	**10.7**	**1**
Total	**58.9**	**32.6**	**-**	**639.3**	**730.8**	**100**

	ROI £m	NI £m	France £m	GB £m	2014 Total £m	2014 Total %
UK equities	0.9	7.4	-	98.8	107.1	16
Overseas equities	23.9	7.6	-	47.5	79.0	11
Properties	-	-	-	5.5	5.5	1
Corporate bonds	-	4.6	-	196.2	200.8	29
Fixed interest gilts	29.3	4.6	-	-	33.9	5
Index linked gilts	-	6.1	-	245.7	251.8	37
Cash and other assets	3.9	0.1	-	1.9	5.9	1
Total	58.0	30.4	-	595.6	684.0	100

The fair values of the above equity and debt instruments are determined based on quoted market prices in active markets whereas the fair values of properties are not based on quoted market prices.

Normal contributions of £0.8m are expected to be paid into the defined benefit pension schemes during the 2016 financial year.

Additional contributions of £21.5m are expected to be paid into the defined benefit pension schemes during the 2016 financial year, of which £16.5m is expected to be paid by the group and £5.0m by the partnership.

24. Trade and other payables (current)

	2015 £m	2014 £m
Trade payables	**261.9**	248.4
Other payables	**23.6**	4.5
Accruals and deferred income	**80.7**	81.5
Other taxes and social security	**51.2**	45.3
	417.4	379.7

Trade payables are non-interest bearing and are normally settled on 60-90 day terms.

25. Financial risk management objectives and policies

Overview

The group's principal financial instruments comprise derivatives, borrowings and overdrafts, and cash and cash equivalents. These financial instruments are used to manage interest rate and currency exposures, funding and liquidity requirements and share price exposure arising under the group's employee incentive schemes. Other financial instruments which arise directly from the group's operations include trade receivables and payables (see notes 18 and 24 respectively).

It is, and has always been, the group's policy that no derivative is entered into for trading or speculative purposes.

The main risks arising from the group's financial instruments are interest rate risk, foreign currency risk, credit risk and liquidity risk. Additionally, the group is exposed to commodity price risk and share price risk. The board of directors review and agree policies for managing these risks as summarised below.

Interest rate risk

The group's policy is to manage its interest cost by maintaining a mix of fixed and variable rate debt. The group's policy is to have an average over the next three years of between 25% and 80% of its borrowings at fixed rates of interest. To manage this, the group enters into interest rate swaps, cross-currency swaps and forward rate agreements to hedge underlying debt obligations. At 27 September 2015 after taking into account the effect of these instruments, approximately 77% of the group's borrowings are at a fixed rate of interest (2014: 75%).

Interest rate risk table

The following table demonstrates the sensitivity to a reasonably possible change in interest rates, with all other variables held constant, on the group's profit before tax (through the impact on floating rate borrowings) and equity (through the change in fair values of applicable derivative instruments).

	Increase/ (decrease) in basis points	Effect on profit/(loss) before tax £m	Effect on equity £m
2015			
Sterling	**200**	**0.6**	**25.7**
	(200)	**(0.6)**	**(28.8)**
Euro	**200**	**(1.4)**	**3.9**
	(200)	**1.4**	**(4.4)**
2014			
Sterling	200	0.1	25.0
	(200)	(0.1)	(29.1)
Euro	200	(0.2)	5.6
	(200)	0.1	(6.5)

Foreign currency risk

Foreign currency risk is primarily in respect of exposure to fluctuations to the sterling/euro, sterling/US dollar and euro/US dollar rates of exchange. The group has operations in euro-denominated countries and finances these partly through the use of foreign currency borrowings and cross-currency swaps which hedge the translation risk of net investments in foreign operations. Additionally cash generation from euro-denominated operations can be utilised to meet euro payment obligations in sterling denominated companies, providing a natural hedge.

The group also has transactional exposures arising from purchases of prime materials, capital expenditure and interest costs in currencies other than the functional currency of the individual group entities. Non functional currency purchases and interest costs are mainly in the currencies of US dollars and euros. As at 27 September 2015 the group has hedged 62% (2014: 72%) of forecast net exposures 12 months in advance using forward foreign exchange contracts.

Where funding is raised in a currency other than the currency ultimately required by the group, cross-currency interest rate swaps are used to convert the cash flows to the required currency. These swaps have the same duration and other critical terms as the underlying borrowing.

The following table demonstrates the sensitivity to a reasonably possible change in the US dollar and euro exchange rates, with all other variables held constant, of the group's profit before tax (due to changes in the fair value of monetary assets and liabilities) and the group's equity (due to changes in fair value of forward exchange contracts).

25. Financial risk management objectives and policies (continued)

Overview (continued)

	Increase/ (decrease) in currency rate %	Effect on profit before tax £m	Effect on equity £m
2015			
Sterling/euro	**10**	**(1.9)**	**4.5**
	(10)	**1.9**	**(4.5)**
Sterling/US dollar	**10**	**(0.4)**	**1.1**
	(10)	**0.4**	**(1.1)**
Euro/US dollar	**10**	**(0.4)**	**1.4**
	(10)	**0.4**	**(1.4)**
2014			
Sterling/euro	10	(2.1)	4.0
	(10)	2.1	(4.0)
Sterling/US dollar	10	(0.4)	1.0
	(10)	0.4	(1.0)
Euro/US dollar	10	(0.5)	1.9
	(10)	0.5	(1.9)

Credit risk

The group trades only with recognised creditworthy third parties. It is the group's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an ongoing basis with the result that the group's exposure to bad debts is not significant. The maximum exposure is the carrying amount disclosed in note 18. For transactions that do not occur in the country of the relevant operating unit, the group does not offer credit terms without the approval of the Director of Finance Shared Services. There are no significant concentrations of credit risk within the group.

The group maintains a policy on counterparty credit exposures with banks and financial institutions arising from the use of derivatives and financial instruments. This policy restricts the investment of surplus funds and entering into derivatives to counterparties with a minimum credit rating maintained by either Moody's, Standard & Poors or Fitch. The level of exposure with counterparties at various ratings levels is also restricted under this policy. The level of exposure and the credit worthiness of the group's banking counterparties is reviewed regularly to ensure compliance with this policy.

Commodity price risk

The main commodity price risk arises in the purchases of prime materials, being polyethylene terephthalate (PET), sugar, steel and frozen concentrated orange juice. Where it is considered commercially advantageous, the group enters into fixed price contracts with suppliers to hedge against unfavourable commodity price changes.

Share schemes equity price risk

The group operates several employee incentive share schemes. It has an exposure to the share price for the schemes in which shares are purchased in the market to satisfy the requirements of the plan. To hedge this risk the group has entered into equity derivatives against future scheme maturities.

The following table demonstrates the sensitivity to a reasonably possible change in the Britvic plc share price, with all other variables held constant, of the group's profit before tax (due to changes in the fair value of the equity derivatives).

	Increase/ (decrease) in share price %	Effect on profit before tax £m
2015	**10**	**1.0**
	(10)	**(1.0)**
2014	10	0.9
	(10)	(0.9)

25. Financial risk management objectives and policies (continued)

Overview (continued)

Liquidity risk

The group monitors its risk of a shortage of funds using rolling cash flow forecasts. These forecasts consider the maturity of both its financial investments and financial assets (e.g. accounts receivable, other financial assets) and projected cash flows from operations. The objective of the group's liquidity policy is to maintain a balance between continuity of funds and flexibility through the use of bank loans and overdrafts and long-term private placement issuance.

As part of securing the group's medium term funding platform a £400m bank facility has been successfully refinanced during the year. The bank facility has a maturity of November 2020 and is unsecured. As at 27 September 2015, the group had drawn down £nil (2014: £nil) under this facility. In addition to this facility the group had £0.5m of outstanding external borrowings all of which were secured (2014: £1.4m of which £0.8m were secured).

The table below summarises the maturity profile of the group's financial liabilities at 27 September 2015 based on contractual undiscounted payments and receipts including interest:

2015	**Less than 1 year £m**	**1 to 5 years £m**	**> 5 years £m**	**Total £m**
Bank loans	**0.2**	**0.4**	**-**	**0.6**
Private placement notes	**27.6**	**444.3**	**206.0**	**677.9**
Derivatives hedging private placement notes - payments	**16.2**	**315.2**	**156.7**	**488.1**
Derivatives hedging private placement notes - receipts	**(25.3)**	**(361.5)**	**(163.0)**	**(549.8)**
	18.5	**398.0**	**199.7**	**616.2**
Interest rate swap - payments	**0.6**	**-**	**-**	**0.6**
Interest rate swap - receipts	**-**	**-**	**-**	**-**
	0.6	**-**	**-**	**0.6**
Trade and other payables (excluding other taxes and social security)	**366.2**	**-**	**-**	**366.2**
Finance leases	**0.1**	**0.2**	**-**	**0.3**
Other financial liabilities	**13.5**	**1.0**	**-**	**14.5**
Total financial liabilities	**399.1**	**399.6**	**199.7**	**998.4**

2014	Less than 1 year £m	1 to 5 years £m	> 5 years £m	Total £m
Bank loans	0.8	0.6	-	1.4
Private placement notes	44.8	360.0	277.7	682.5
Derivatives hedging private placement notes - payments	34.9	272.1	226.8	533.8
Derivatives hedging private placement notes - receipts	(42.0)	(301.7)	(241.4)	(585.1)
	37.7	330.4	263.1	631.2
Interest rate swap - payments	1.3	0.4	-	1.7
Interest rate swap - receipts	(0.2)	-	-	(0.2)
	1.1	0.4	-	1.5
Trade and other payables (excluding other taxes and social security)	334.4	-	-	334.4
Finance leases	0.1	0.2	-	0.3
Other financial liabilities	1.6	-	-	1.6
Total financial liabilities	375.7	331.6	263.1	970.4

In respect of the private placement notes, the periods when the cash flows are expected to occur (as shown by the tables above) and when they are expected to affect the consolidated income statement are the same.

Details with regard to derivative contracts are included in note 26.

25. Financial risk management objectives and policies (continued)

Fair values of financial assets and financial liabilities

Hierarchy

The group uses the following valuation hierarchy to determine the carrying value of financial instruments that are measured at fair value:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

Unless otherwise stated, the valuation basis used to calculate fair value is level 2.

	Fair value		Carrying value	
	2015 £m	2014 £m	**2015 £m**	2014 £m
Financial assets				
Cash and cash equivalents	**239.6**	144.0	**239.6**	144.0
Loans and receivables	**268.4**	250.0	**268.4**	250.0
Derivative financial instruments in hedging relationships	**101.3**	66.5	**101.3**	66.5
Derivative financial instruments through profit or loss	**-**	2.6	**-**	2.6
	609.3	463.1	**609.3**	463.1
Financial liabilities				
Fixed rate borrowings	**(596.8)**	(584.5)	**(575.3)**	(561.9)
Derivative financial instruments in hedging relationships	**(11.2)**	(9.5)	**(11.2)**	(9.5)
Derivative financial instruments through profit or loss	**(3.9)**	(1.9)	**(3.9)**	(1.9)
Other financial liabilities	**(264.1)**	(252.0)	**(264.1)**	(252.0)
	(876.0)	(847.9)	**(854.5)**	(825.3)

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market, do not qualify as trading assets and have not been designated as either fair value through profit or loss or available for sale. Non-derivative financial liabilities are carried at amortised cost.

All derivatives are valued using discounted cash flow analysis using the applicable yield curve for the duration of the instruments. Forward currency contracts are measured using quoted forward exchange rates and yield curves derived from quoted interest rates matching maturities of the contracts. Cross-currency interest rate swaps are measured at the present value of future cash flows estimated and discounted based on quoted forward exchange rates and the applicable yield curves derived from quoted interest rates. Equity derivatives are measured using share prices and yield curves derived from quoted interest rates matching maturities of the contracts. The fair value of derivatives also includes the non-performance risk of both Britvic and its derivatives trading counterparties.

As in the prior year, the carrying value of financial assets and liabilities are considered to be reasonable approximations of their fair values, except for fixed rate borrowings.

The fair value of the group's fixed rate interest-bearing borrowings and loans are determined by using discounted cash flow methods using discount rates that reflect the group's borrowing rate as at the end of the reporting period.

25. Financial risk management objectives and policies (continued)

Fair values of financial assets and financial liabilities (continued)

Capital management

The group defines 'capital' as being net debt plus equity. The group's objectives when managing capital are to safeguard the group's ability to continue as a going concern and maintain an appropriate capital structure to balance the needs of the group to grow, whilst operating with sufficient headroom within its bank covenants.

The following table summarises the capital of the group:

	2015 £m	2014 £m
Financial assets		
Cash and cash equivalents	**(239.6)**	(144.0)
Derivatives hedging balance sheet debt	**(71.8)**	(38.1)
Financial liabilities		
Financial liabilities held at amortised cost	**575.3**	563.0
Adjusted net debt	**263.9**	380.9
Equity	**211.8**	83.1
Capital	**475.7**	464.0

The group's objectives when managing capital are to safeguard the group's ability to continue as a going concern and maintain an appropriate capital structure to balance the needs of the group to grow, whilst operating with sufficient headroom within its bank covenants.

The group manages its capital structure and makes adjustments to it, in light of changes in economic conditions or in order to facilitate acquisitions. To maintain or adjust the capital structure, the group has a number of options available to it including modifying dividend payments to shareholders, returning capital to shareholders or issuing new shares. In this way, the group balances returns to shareholders between long-term growth and current returns whilst maintaining capital discipline in relation to investing activities and taking any necessary action on costs to respond to the current environment.

The group monitors capital on the basis of the adjusted net debt/EBITDA ratio. Adjusted net debt is calculated as being the net of cash and cash equivalents, interest bearing loans and borrowings and the element of the fair value of interest rate currency swaps hedging the balance sheet value of the US private placement notes. Adjusted net debt is shown in note 30. The adjusted net debt/EBITDA ratio enables the group to plan its capital requirements in the medium term. The group uses this measure to provide useful information to financial institutions and investors.

26. Derivatives and hedge relationships

As at the 27 September 2015 the group had entered into the following derivative contracts.

	2015 £m	2014 £m
Consolidated balance sheet		
Non-current assets: derivative financial instruments		
Fair value of the USD GBP cross-currency fixed interest rate swaps[1]	**44.8**	34.4
Fair value of the USD GBP cross-currency floating interest rate swaps [3]	**21.5**	15.1
Fair value of the GBP euro cross-currency floating interest rate swaps [2]	**24.1**	15.1
	90.4	64.6
Current assets: derivative financial instruments		
Fair value of the USD GBP cross-currency fixed interest rate swaps[1]	**3.4**	-
Fair value of the USD GBP cross-currency floating interest rate swaps [3]	**4.6**	0.7
Fair value of the GBP euro cross-currency floating interest rate swaps [2]	**1.1**	-
Fair value of forward currency contracts [1]	**1.8**	1.2
Fair value of share swaps	**-**	2.6
	10.9	4.5
Current liabilities: derivative financial instruments		
Fair value of forward currency contracts [1]	**(10.9)**	(1.5)
Fair value of forward currency contracts	**(1.3)**	-
Fair value of foreign exchange swaps	**(1.3)**	(0.1)
Fair value of interest rate swaps	**(0.3)**	-
	(13.8)	(1.6)
Non-current liabilities: derivative financial instruments		
Fair value of the USD GBP cross-currency fixed interest rate swaps[1]	**(0.3)**	(7.0)
Fair value of the GBP euro cross-currency fixed interest rate swaps [2]	**-**	(0.2)
Fair value of the USD GBP cross-currency floating interest rate swaps [3]	**-**	(0.9)
Fair value of equity forwards	**(1.0)**	-
Fair value of interest rate swaps	**-**	(1.8)
	(1.3)	(9.9)

[1] Instruments designated as part of a cash flow hedge relationship.
[2] Instruments designated as part of a net investment hedge relationship.
[3] Instruments designated as part of a fair value hedge relationship.

Derivatives not designated as part of hedge relationships

Interest rate swaps

The 2009 USPP cross-currency swaps converted an amount of US dollar borrowings into a floating rate euro liability. To mitigate exposure to changes in euro interest rates on this liability, €75.0m of interest rate swaps were transacted. These five-year fixed rate swaps had an effective start date of December 2010.

Equity derivatives – share swaps and equity forwards

The group operates several employee incentive share schemes. It has an exposure to the share price for the schemes in which shares are purchased in the market to satisfy the requirements of the plan. To hedge this risk the group entered into a number of total return share swaps against schemes that matured in 2014. During the current year the group entered into equity forwards against schemes that mature in 2016 and 2017.

FX swaps

As part of operational cash management €110.8m of euro/sterling FX swaps were in existence at 27 September 2015 (2014: €127.4m).

26. Derivatives and hedge relationships (continued)

Derivatives not designated as part of hedge relationships (continued)

Forward currency contracts – Ebba
As part of operational cash management for expected future payments BR$50.0m of BR$/sterling FX forwards were in existence at 27 September 2015 (2014: BR$nil).

Derivatives designated as part of hedge relationships
As at the 27 September 2015 these hedging relationships are categorised as follows:

Cash flow hedges

Forward currency contracts
The forward currency contracts hedge the expected future purchases in the period to September 2016 and have been assessed as part of effective cash flow hedge relationships as at 27 September 2015. All cash flows under forward currency contracts fall due within one year.

Forward currency contracts – Ebba
As part of the transaction to purchase Ebba on 30 September 2015, the group purchased forward currency contracts to hedge the FX movement on the purchase of the company in Brazilian Real.

Cross-currency interest rate swaps
USD GBP cross-currency interest rate swaps
The group has a number of cross-currency interest rate swaps relating to the 2007, 2010 and 2014 USPP Notes. These cross-currency interest rate swaps have the effect of fixing both the value of the USD borrowings into sterling and the rate of interest payable. The cross-currency interest rate swaps are designated as part of a cash flow hedge relationship with the Notes.

Cash flows due under these cross-currency interest rate swaps match the interest payment dates and maturity profile of the USPP Notes. The maturity profile of the USPP Notes can be seen in note 22.

During the year the cash flow hedge has been tested for effectiveness and as a result a £2.1m gain (2014: £nil) has been recognised in the income statement in respect of ineffectiveness.

Cash flow hedge net unrealised gains/(losses) and related deferred tax assets/(liabilities):

2015	**Net unrealised gain/(loss) within equity £m**	**Related deferred tax asset/(liability) £m**
Forward currency contracts	**(9.2)**	**1.7**
2007 cross-currency swaps	**3.9**	**(0.8)**
2010 cross-currency swaps	**(2.7)**	**0.5**
2014 cross-currency swaps	**(2.1)**	**0.4**

2014	Net unrealised gain/(loss) within equity £m	Related deferred tax asset/(liability) £m
Forward currency contracts	(0.3)	(0.1)
2007 cross-currency swaps	5.1	(1.0)
2010 cross-currency swaps	(1.4)	0.3
2014 cross-currency swaps	(1.4)	0.3

Fair value hedges

Cross-currency interest rate swaps
The group has a number of cross-currency interest rate swaps in respect of the 2009 and 2010 USPP Notes. These instruments swap the principal and interest from fixed rate US dollar into floating rate sterling (the '2009 and 2010 USD GBP cross-currency interest rate swaps'). The cross-currency interest rate swaps are designated as part of a fair value hedge relationship with the Notes.

The fair value movements on the 2009 and 2010 USD GBP cross-currency interest rate instruments are recorded in the consolidated income statement, with a corresponding adjustment to the carrying value of the Notes where the hedge is deemed effective.

The increase in fair value of the cross-currency interest rate swaps, excluding maturities, of £11.9m (2014: £4.5m decrease) has been recognised in finance costs and offset with a similar loss on the borrowings of £12.5m (2014: £4.5m gain). The net loss of £0.6m (2014: £nil) represents the ineffective portion on the hedges of the debt.

26. Derivatives and hedge relationships (continued)

Net investment hedges

2009 and 2010 GBP EUR cross-currency interest rate swaps

These instruments swap sterling liabilities arising from the 2009 and 2010 USD GBP cross-currency interest rate swaps into euro liabilities and have been designated as part of effective hedges of the net investments in Britvic France and Britvic Ireland.

The GBP EUR cross-currency interest rate swaps, along with the underlying loan instruments, are being used to hedge the group's exposure to foreign exchange risk on these euro investments. Movements in the fair value of the GBP EUR cross-currency interest rate swaps are taken to equity where they offset foreign exchange movements on the translation of the net investments in Britvic France and Britvic Ireland.

No ineffectiveness has been recognised in the consolidated income statement (2014: £nil).

Impact of derivatives and hedge relationships on the consolidated statement of comprehensive income

	2015 £m	2014 £m
Consolidated statement of comprehensive income		
Amounts recycled to the income statement in respect of cash flow hedges		
Forward currency contracts*	**(0.7)**	(3.2)
2007 cross-currency interest rate swaps**	**(11.8)**	12.5
2010 cross-currency interest rate swaps**	**(4.7)**	0.5
2014 cross-currency interest rate swaps**	**(4.9)**	0.7
	(22.1)	10.5
Ineffectiveness recognised in the income statement in respect of cash flow hedges		
2010 cross-currency interest rate swaps**	**1.5**	-
2014 cross-currency interest rate swaps**	**0.6**	-
	2.1	-
Gains/(losses) in the period in respect of cash flow hedges		
Forward currency contracts	**(8.2)**	4.1
2007 cross-currency interest rate swaps	**10.7**	(14.0)
2010 cross-currency interest rate swaps	**3.4**	-
2014 cross-currency interest rate swaps	**4.2**	(2.0)
	10.1	(11.9)
Exchange differences on translation of foreign operations		
Movement on 2009 GBP euro cross-currency interest rate swaps	**6.3**	9.7
Movement on 2010 GBP euro cross-currency interest rate swaps	**3.9**	1.4
Exchange movements on translation of foreign operations	**(11.7)**	(15.0)
	(1.5)	(3.9)

* Offsetting amounts recorded in cost of sales.

** Offsetting amounts recorded in finance costs.

27. Other liabilities

	2015 £m	2014 £m
Current	**-**	0.4
Non-current	**1.5**	1.5
Firm commitment	**1.5**	1.9

Other liabilities comprise of a firm commitment that arose on the receipt of the 2009 and 2010 Notes.

28. Provisions

	Restructuring £m	Other £m	Total £m
At 29 September 2013	8.4	2.1	10.5
Provisions made during the year	6.7	-	6.7
Provisions utilised during the year	(10.8)	(0.2)	(11.0)
Unused amounts reversed	(0.5)	-	(0.5)
Unwinding of discount	-	0.1	0.1
Exchange differences	-	(0.1)	(0.1)
At 28 September 2014	3.8	1.9	5.7
Provisions made during the year	0.6	-	0.6
Provisions utilised during the year	(1.9)	(0.3)	(2.2)
Unused amounts reversed	(1.4)	(0.1)	(1.5)
Unwinding of discount	-	0.1	0.1
Exchange differences	-	(0.2)	(0.2)
At 27 September 2015	**1.1**	**1.4**	**2.5**
Current	**1.1**	**0.2**	**1.3**
Non-current	**-**	**1.2**	**1.2**
Total	**1.1**	**1.4**	**2.5**

Restructuring provisions

Restructuring provisions at 27 September 2015 and 28 September 2014, primarily relate to contract termination costs, consultation fees and employee termination benefits, recognised by the group following the implementation of cost initiatives announced in May 2013.

Other provisions

Other provisions at 27 September 2015 and 28 September 2014, primarily relate to onerous lease provisions that have arisen due to the exit of certain group premises, and the period over which these will be settled ranges from one to eight years.

29. Share-based payments

Britvic operates a broad base of employee plans as well as executive plans. In GB Britvic operates SIP plans for all employees, whereas outside of GB Britvic operates both share-settled and cash-settled plans. Executives participate in ESOP and PSP plans and senior leadership team participates in PSP plans.

The expense recognised for share-based payments in respect of employee services received during the 52 weeks ended 27 September 2015, including national insurance of £2.4m (2014: £1.8m) is £10.6m (2014: £9.1m). This expense arises from transactions which are expected to be equity-settled share-based payment transactions.

The Britvic Share Incentive Plan ('SIP')

The SIP is an all-employee HMRC approved share plan open to employees based in GB. Employees are entitled to receive the annual free share award, where granted by the group, provided they are employed by the company on the last day of each financial year and on the award date. Employees cannot sell these shares for three years from their date of award. There are no cash settlement alternatives. Employees also have the opportunity to invest up to £138 every four weeks (£1,800 per year) through the partnership share scheme. This is deducted from their gross salary. Matching shares are offered on the basis of one free matching share for each ordinary share purchased with a participant's savings, up to a maximum of £50 (2014: £50) per four weeks pay period.

Awards made during the period are shown in the table below. The fair value of these awards is equivalent to the intrinsic value of the shares.

	2015 No. of shares	2015 Weighted average fair value	2014 No. of shares	2014 Weighted average fair value
Annual free shares award	**316,288**	**655.1p**	290,882	692.1p
Matching shares award – 1 free share for every ordinary share purchased	**108,421**	**700.1p**	115,377	689.0p

29. Share-based payments (continued)

The Britvic Executive Share Option Plan ('ESOP')

The ESOP allows for options to buy ordinary shares to be granted to executives. The option price is the average market price of Britvic plc's shares on the three business days before the date of grant. Options become exercisable on the satisfaction of the performance condition and remain exercisable until ten years after the date of grant.

Options granted in 2015

The performance condition requires the increase in EPS of 6%-12% pa compound over a three-year performance period for the options to vest. If the EPS growth is 6%, 20% of the options will vest, with full vesting at 12% EPS growth. Straight-line apportionment will be applied between these two levels to determine the number of options that vest and no options will vest if the EPS growth is below the lower threshold.

Options granted in 2014 and 2013

The performance condition requires the growth in EPS of 3%-7% pa compound over a three-year performance period in excess of the average growth in RPI over the same period for the options to vest. If EPS growth is 3% per annum in excess of RPI growth, 25% of the options will vest, with full vesting at 7% EPS growth. Straight-line apportionment will be applied between these two levels to determine the number of options that vest, and no options will vest if the EPS growth is below the lower threshold.

In some circumstances, at the discretion of the company, an option holder who exercises his/her option may receive a cash payment rather than the ordinary shares under option. The cash payment would be equal to the amount by which the market value of the ordinary shares under option exceeds the option price. However, it is expected that this plan will be equity-settled and as a consequence has been accounted for as such.

The following table illustrates the movements in the number of share options during the period:

	Number of share options	Weighted average exercise price (pence)
Outstanding at 29 September 2013	7,235,772	347.1
Granted	858,126	664.5
Exercised	(1,249,325)	281.9
Forfeited	(195,906)	400.2
Lapsed	(1,306,732)	464.6
Outstanding at 28 September 2014	5,341,935	383.9
Granted	1,007,632	671.0
Exercised	(1,232,994)	303.2
Forfeited	(31,844)	639.1
Lapsed	(466,483)	331.6
Outstanding at 27 September 2015	**4,618,246**	**471.5**
Exercisable at 27 September 2015	**1,506,121**	**268.9**

The weighted average share price for share options exercised during the period was 711.8p (2014: 656.2p).

The share options outstanding as at 27 September 2015 had a weighted average remaining contractual life of 6.9 years (2014: 6.9 years) and the range of exercise prices was 221.0p – 671.0p (2014: 221.0p – 664.5p).

The weighted average fair value of options granted during the period was 101.3p (2014: 127.6p).

The fair value of equity-settled share options granted is estimated as at the date of grant using a binomial model, taking account of the terms and conditions upon which the options were granted.

The Britvic Performance Share Plan ('PSP')

The PSP allows for awards of ordinary shares or nil cost options to be made to selected employees with vesting subject to the satisfaction of performance conditions, where different performance conditions apply to different groups of employees. Awards up to and including 2008, and 2013 and later were made in respect of ordinary shares. Awards granted between 2009 and 2011 were nil cost options. Nil cost options remain exercisable until seven or ten years after the date of grant for employees based in Ireland and UK respectively, whereas awards of ordinary shares are exercised when vested.

Awards granted in 2015

The performance condition applied to awards granted to members of the senior leadership team is divided 75% and 25% between EPS and the total shareholder return (TSR) performance conditions respectively. EPS is the only condition applied to awards granted to senior management team. The EPS condition is the same as described in the ESOP section for options granted in 2015.

The TSR condition measures the company's TSR relative to a comparator group (consisting of 18 companies) over a three-year performance period. The awards will not vest unless the company's position in the comparator group is at least median. At median 20% will vest, rising on a straight-line basis to 100% vesting at upper quartile.

29. Share-based payments (continued)

The Britvic Performance Share Plan ('PSP') (continued)

Awards granted in 2014

The performance condition applied to awards granted to members of the senior leadership team is divided equally between return on invested capital (ROIC) and TSR performance conditions. EPS is the only condition applied to awards granted to senior management team. The EPS condition is the same as described in the ESOP section for options granted in 2014.

The ROIC performance condition requires the company's three-year average ROIC to be at least 23.8% for the award to vest in full. If ROIC is 23.4% over the performance period, 25% of the award will vest. Straight-line apportionment will be applied between these two levels to determine the percentage of awards that vest and no awards will vest if ROIC is below the lower threshold.

In some circumstances, at the discretion of the company, vested awards may be satisfied by a cash payment rather than a transfer of ordinary shares. However, it is expected that this plan will be equity-settled and as a consequence has been accounted for as such.

The following tables illustrate the movements in the number of PSP shares and nil cost options during the period.

Number of shares and nil cost options subject to specific conditions	TSR condition	EPS condition	ROIC condition
Outstanding at 29 September 2013	1,073,682	2,148,089	1,073,679
Granted	191,610	516,014	191,610
Forfeited	(49,450)	(148,530)	(49,450)
Lapsed	(299,594)	(479,426)	(299,594)
Outstanding at 28 September 2014	916,248	2,036,147	916,245
Granted	174,142	861,161	10,365
Exercised	(292,376)	(337,124)	(22,455)
Forfeited	(7,086)	(55,990)	(4,376)
Lapsed	-	(263,209)	(398,169)
Outstanding at 27 September 2015	**790,928**	**2,240,985**	**501,610**

Weighted average remaining contracted life in years for nil cost options outstanding at:

27 September 2015	**6.2**	**5.7**	**-**
28 September 2014	8.0	7.8	8.0

Weighted average fair value of nil cost options granted during the period:

2015	**361.3p**	**648.0p**	**-**
2014	355.9p	624.2p	624.2p

Key assumptions used to determine the fair value of ESOP and PSP

The fair value of options and awards granted is estimated as at the date of grant, taking account of the terms and conditions upon which shares options were granted. The fair value of the award subject to the TSR condition is determined using a Monte Carlo simulation. The fair value of all other awards is calculated using the share price at the date of grant, adjusted for dividends not received during the vesting period.

The following table lists the inputs to the model used in respect of the PSP awards and ESOP options granted during the financial year:

	2015	2014
Dividend yield (%)	**3.84**	4.15
Expected volatility (%)	**26.5**	29.8
Risk-free interest rate (%)	**0.7 – 1.2**	0.8
Expected life of option (years)	**3 - 5**	3 - 5
Share price at date of grant (pence)	**648.0**	664.0
Exercise price (pence)	**671.0**	664.5

The expected volatility reflects the assumption that the historical volatility is indicative of future trends, which may also not necessarily be the actual outcome.

30. Notes to the consolidated cash flow statement

Analysis of net debt

	2014 £m	Cash flows £m	Exchange differences £m	Other movement £m	**2015 £m**
Cash and cash equivalents	144.0	96.0	(0.4)	-	**239.6**
Bank overdrafts	(0.7)	0.6	0.1	-	**-**
Debt due within one year	(22.4)	19.0	0.3	0.2	**(2.9)**
Debt due after more than one year	(539.9)	-	(34.0)	1.5	**(572.4)**
	(419.0)	115.6	(34.0)	1.7	**(335.7)**
Derivatives hedging the balance sheet debt *	38.1	-	33.7	-	**71.8**
Adjusted net debt	(380.9)	115.6	(0.3)	1.7	**(263.9)**

	2013 £m	Cash flows £m	Exchange differences £m	Other movement £m	2014 £m
Cash and cash equivalents	94.0	50.4	(0.4)	-	144.0
Bank overdrafts	(2.5)	1.6	0.2	-	(0.7)
Debt due within one year	(91.6)	76.6	11.4	(18.8)	(22.4)
Debt due after more than one year	(458.3)	(105.8)	6.6	17.6	(539.9)
	(458.4)	22.8	17.8	(1.2)	(419.0)
Derivatives hedging the balance sheet debt *	56.1	-	(18.0)	-	38.1
Adjusted net debt	(402.3)	22.8	(0.2)	(1.2)	(380.9)

* Represents the element of the fair value of interest rate currency swaps hedging the balance sheet value of the Notes. This amount has been disclosed separately to demonstrate the impact of foreign exchange movements which are included in debt due after more than one year.

31. Commitments and contingencies

Operating lease commitments

Future minimum lease payments under non-cancellable operating leases are as follows:

			2015
	Land and buildings £m	**Other £m**	**Total £m**
Within one year	**2.4**	**8.2**	**10.6**
After one year but not more than five years	**11.0**	**6.9**	**17.9**
After more than five years	**29.5**	**0.1**	**29.6**
	42.9	**15.2**	**58.1**

			2014
	Land and buildings £m	Other £m	Total £m
Within one year	2.3	8.6	10.9
After one year but not more than five years	10.0	14.6	24.6
After more than five years	39.0	-	39.0
	51.3	23.2	74.5

31. Commitments and contingencies (continued)

Finance lease commitments

Future minimum lease payments under finance leases are as follows:

	2015 £m	2014 £m
Within one year	**0.1**	0.1
After one year but not more than five years	**0.2**	0.2
	0.3	0.3

Due to the timing of the expiry of the finance lease commitments, there is no material difference between the total future minimum lease payments and their fair value.

Capital commitments

At 27 September 2015, the group had commitments of £8.9m (2014: £3.6m) relating to the acquisition of new plant and machinery.

Contingent liabilities

The group had no material contingent liabilities at 27 September 2015 (2014: none).

32. Related party disclosures

The consolidated financial statements include the financial statements of Britvic plc and the subsidiaries listed in the table below.

Name	Principal activity	Country of incorporation	% equity interest
Directly held			
Britannia Soft Drinks Limited	Holding company	England and Wales	100
Britvic Finance No 2 Limited	Financing company	Jersey	100
Indirectly held			
Britvic EMEA Limited	Marketing and distribution of soft drinks	England and Wales	100
Britvic Soft Drinks Limited	Manufacture and sale of soft drinks	England and Wales	100
Robinsons Soft Drinks Limited	Holding company	England and Wales	100
Orchid Drinks Limited	Brand licence holder	England and Wales	100
Red Devil Energy Drinks Limited	Brand licence holder	England and Wales	100
Britvic International Investments Limited	Holding company	England and Wales	100
Britvic Overseas Limited	Holding company	England and Wales	100
Britvic Pensions Limited	Dormant	England and Wales	100
Britvic Property Partnership	Pension funding vehicle	England and Wales	100
Britvic Brands LLP	Pension funding vehicle	England and Wales	100
Britvic Asset Company No.1 Limited	Pension funding vehicle	England and Wales	100
Britvic Asset Company No.2 Limited	Pension funding vehicle	England and Wales	100
Britvic Asset Company No.3 Limited	Pension funding vehicle	England and Wales	100
Britvic Asset Company No.4 Limited	Pension funding vehicle	England and Wales	100
Britvic Finance Partnership LLP	Financing company	England and Wales	100
Robinsons (Finance) No.2 Limited	Financing company	England and Wales	100
Britvic Scottish Limited Partnership	Pension funding vehicle	Scotland	100
Britvic Finance Limited	Financing company	Jersey	100
Britvic Irish Holdings Limited	Holding company	Republic of Ireland	100
Britvic Ireland Limited	Manufacture and marketing of soft drinks	Republic of Ireland	100
Britvic Northern Ireland Limited	Marketing and distribution of soft drinks	Republic of Ireland	100
Aquaporte Limited	Supply of water-coolers and bottled water	Republic of Ireland	100
Britvic Americas Limited	Marketing and distribution of soft drinks	Republic of Ireland	100
Britvic Ireland Pension Trust Limited	Pension trust company	Republic of Ireland	100
Robinsons (Finance) Limited	Financing company	Republic of Ireland	100
Counterpoint Wholesale (Ireland) Limited	Wholesale of soft drinks to the licensed trade	Republic of Ireland	100
Counterpoint Wholesale (NI) Limited	Wholesale of soft drinks to the licensed trade	Northern Ireland	100
Britvic Northern Ireland Pensions Trust Ltd	Pension trust company	Northern Ireland	100
Britvic North America LLC	Marketing and distribution of soft drinks	USA	100
Britvic France SNC	Holding partnership	France	100
Fruité Entreprises SAS	Holding company	France	100
Fruité SAS	Manufacture and sale of soft drinks	France	100
Bricfruit SAS	Manufacture and sale of soft drinks	France	100
Unisource SAS	Manufacture and sale of soft drinks	France	100
Teisseire SAS	Manufacture and sale of soft drinks	France	100
Teisseire Benelux SA	Marketing and distribution of soft drinks	France	100
Britvic Asia PTE. Ltd	Holding company	Singapore	100
Britvic India Manufacturing Private Ltd.	Manufacture and sale of soft drinks	India	100
Britvic International Support Services Ltd	Dormant	England and Wales	100
Greenbank Drinks Company Limited	Dormant	England and Wales	100
The Really Wild Drinks Company Limited	Dormant	England and Wales	100
H. D. Rawlings Limited	Dormant	England and Wales	100
R. White & Sons Limited	Dormant	England and Wales	100
Idris Limited	Dormant	England and Wales	100
The Southern Table Water Company Ltd	Dormant	England and Wales	100
Britvic Corona Limited	Dormant	England and Wales	100
Britvic Beverages Limited	Dormant	England and Wales	100
Sunfresh Soft Drinks Limited	Dormant	England and Wales	100
The London Essence Company Limited	Dormant	England and Wales	100
Hooper, Struve & Company Limited	Dormant	England and Wales	100
British Vitamin Products Limited	Dormant	England and Wales	100
Britvic Healthcare Trustee Limited	Dormant	England and Wales	100
Britvic Licensed Wholesale Limited	Dormant	Republic of Ireland	100
Britvic Munster Limited	Dormant	Republic of Ireland	100
Britannia Brasil Holdings Limitada	Holding company	Brazil	100

32. Related party disclosures (continued)

Key management personnel are deemed to be the executive and non-executive directors of the company and members of the Executive Committee. The compensation payable to key management in the period is detailed below.

	2015 £m	2014 £m
Short-term employee benefits	**6.1**	6.7
Post-employment benefits	**0.1**	0.2
Share-based payments	**2.0**	1.5
	8.2	8.4

See note 8 for details of directors' emoluments.

There were no other related party transactions requiring disclosure in these financial statements.

33. Acquisition of subsidiary

Subsequent to the period end, on 30 September 2015, the group acquired 100% of the issued share capital of the company detailed below. The acquisition is in line with the strategic direction of the group, specifically to pursue international expansion by capitalising on global opportunities in the kids, family and adult categories, where Britvic has the leading brands in its core markets.

Name	Status	Principal activity
Empresa Brasileira de Bebidas e Alimentos SA (Ebba)	Trading	Manufacture and sale of soft drinks

The consideration for the acquisition comprises an initial cash consideration of BR$193.8m (£32.4m) and a deferred consideration of BR$193.8m (£32.4m) due on 30 September 2017. In addition there was a repayment of Ebba debt of BR$192.5m (£32.1m) subsequent to acquisition.

Due to the recent nature of the acquisition, control of Ebba only passed to Britvic after the year end and therefore the exercise to determine the initial fair value/acquisition accounting has not yet been completed.

In addition to the cost of investment outlined above, acquisition costs of £6.5m have been incurred in the current period. These have been included within exceptional and other items (see note 5).

company balance sheet

For the 52 weeks ended 28 September 2014

	Note	2015 £m	2014 £m
Non-current assets			
Investments in group undertakings	6	**768.4**	757.8
Derivative financial instruments	11	**90.4**	64.6
		858.8	822.4
Current assets			
Trade and other receivables	8	**163.9**	160.1
Derivative financial instruments	11	**9.2**	0.7
Cash and cash equivalents		**87.8**	-
		260.9	160.8
Current liabilities			
Trade and other payables	9	**(81.1)**	(65.3)
Interest bearing loans and borrowings	10	**(37.2)**	(26.1)
Derivative financial instruments	11	**(11.8)**	(0.1)
Other current liabilities	12	**-**	(0.4)
		(130.1)	(91.9)
Net current assets		**130.8**	68.9
Total assets less current liabilities		**989.6**	891.3
Non-current liabilities			
Interest bearing loans and borrowings	10	**(571.9)**	(539.1)
Derivative financial instruments	11	**(0.3)**	(9.9)
Other non-current liabilities	12	**(1.5)**	(1.5)
		(573.7)	(550.5)
Net assets		**415.9**	340.8
Capital and reserves			
Issued share capital	13,14	**52.2**	49.4
Share premium account	14	**123.2**	33.5
Own shares reserve	14	**(11.4)**	(2.9)
Hedging reserve	14	**(0.8)**	2.2
Merger reserve	14	**87.3**	87.3
Retained earnings	14	**165.4**	171.3
Equity shareholders' funds		**415.9**	340.8

The financial statements were approved by the board of directors and authorised for issue on 24 November 2015. They were signed on its behalf by:

Simon Litherland John Gibney

notes to the company financial statements

1. Parent undertaking

The financial statements are prepared under the historical cost convention except for the measurement of derivative instruments at fair value. They have been drawn up to comply with applicable accounting standards in accordance with the Companies Act 2006.

These accounts have been prepared under UK Generally Accepted Accounting Principles and present information about the company as an individual undertaking, and not about its group.

The company has taken advantage of the exemption permitted by section 408 of the Companies Act 2006 not to publish its individual profit and loss account and related notes.

The company is exempt from the requirements of Financial Reporting Standard No.1 (Revised) 'Cash Flow Statements'.

2. Accounting policies

Investments

The company recognises its investments in subsidiaries at cost less any provisions made for impairment.

In respect of FRS 20 'Share-based payment', the company records an increase in its investment in subsidiaries to reflect the share-based compensation expense recorded by its subsidiaries.

Interest bearing loans and borrowings

Interest bearing loans and borrowings are initially recognised at fair value less directly attributable transaction costs and are subsequently measured at amortised cost using the effective interest rate method or at fair value.

Finance costs arising from the outstanding loan balance and finance charges are charged to the profit and loss account using an effective interest rate method.

Foreign currencies

Transactions in foreign currencies are recorded at the rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the balance sheet date. All differences are taken to the profit and loss account.

Issued share capital

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Dividends

Dividend income is recognised when the company's right to receive payment is established. Final dividends are recorded in the financial statements in the period in which they are approved by the company's shareholders. Interim dividends are recorded in the period in which they are declared.

Deferred taxation

Deferred tax assets and liabilities are recognised, subject to certain exceptions, in respect of all material timing differences between the recognition of gains and losses in the financial statements and for tax purposes. Those timing differences recognised include accelerated capital allowances, unrelieved tax losses and short-term timing differences. Timing differences not recognised include those relating to the revaluation of fixed assets in the absence of a commitment to sell the assets, the gain on sale of assets rolled into replacement assets and the distribution of profits from overseas subsidiaries in the absence of any commitment by the subsidiary to make the distribution.

Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered and to the extent that it is regarded as probable that future taxable profits will be available against which temporary differences can be utilised.

Deferred tax is measured on a non-discounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

2. Accounting policies (continued)

Derivative financial instruments and hedging

The company uses cross-currency interest rate swaps to hedge its risks associated with foreign currency and interest rate fluctuations classified as cash flow hedges (when hedging exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction). All derivative financial instruments are initially recognised and subsequently remeasured at fair value. Derivatives are carried as assets when the fair value is positive and as liabilities when the fair value is negative.

For those derivatives designated as hedges and for which hedge accounting is desired, the hedging relationship is documented at its inception. This documentation identifies the hedging instrument, the hedged item or transaction, the nature of the risk being hedged and how effectiveness will be measured throughout its duration. Such hedges are expected at inception to be highly effective.

Any gains or losses arising from changes in the fair value of derivatives that do not qualify for hedge accounting are taken to the profit and loss account. The treatment of gains and losses arising from revaluing interest rate swaps designated as hedging instruments is as follows:

For cash flow hedges, the effective portion of the gain or loss on the hedging instrument is recognised directly in equity, while the ineffective portion is recognised in the profit and loss account. Amounts taken to equity are transferred to the profit and loss account when the hedged transaction affects profit or loss, such as when a forecast sale or purchase occurs.

If a forecast transaction is no longer expected to occur, amounts previously recognised in equity are transferred to the profit and loss account. If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover, or if its designation as a hedge is revoked, amounts previously recognised in equity remain in equity until the forecast transaction occurs and are transferred to the profit and loss account. If the related transaction is not expected to occur, the amount is taken to the profit and loss account.

For fair value hedges, the gain or loss on the fair value of the hedging instrument is recognised in the profit and loss account. The gain or loss on the hedged item attributable to the hedged risk shall adjust the carrying amount of the hedged item and be recognised in the profit and loss account. If the hedge relationship was ineffective the hedged item would no longer be adjusted and the fair value gain or loss on the hedging instrument would continue to be recorded in the profit and loss account.

3. Auditor's remuneration

Auditor's remuneration has been borne by another group undertaking. For further details, refer to note 7 of the consolidated financial statements.

4. Profit of the company

The company made a profit of £44.4m in the period (2014: profit £152.3m).

5. Directors' remuneration

The remuneration of the directors of the company is borne by another group company.

	2015 £m	2014 £m
Directors' emoluments	**2.4**	2.5
Aggregate gains made by directors on exercise of options	**-**	1.5

	2015 No.	2014 No.
Number of directors accruing benefits under defined benefit schemes	**-**	-

6. Investments in group undertakings

	2015 £m	2014 £m
Cost and net book value at the beginning of the period	**757.8**	748.7
Capital contribution	**10.6**	9.1
Cost and net book value at the end of the period	**768.4**	757.8

The list of the subsidiary undertakings of which Britvic plc is, either directly or through subsidiary companies, the beneficial owner of the whole of the equity share capital is given in note 32 of the consolidated financial statements.

7. Deferred tax

	2015 £m	2014 £m
Opening balance	-	0.7
Profit and loss account	-	(0.7)
Closing balance	-	-

8. Trade and other receivables

	2015 £m	2014 £m
Amounts due from subsidiary undertakings	163.9	160.1

9. Trade and other payables

	2015 £m	2014 £m
Amounts due to subsidiary undertakings	75.2	62.9
Accruals and deferred income	5.9	2.4
	81.1	65.3

10. Interest bearing loans and borrowings

	2015 £m	2014 £m
Current		
Bank overdrafts	(34.5)	(4.6)
Private placement notes	(3.4)	(21.8)
Un-amortised issue costs	0.7	0.3
Total current	(37.2)	(26.1)
Non-current		
Private placement notes	(574.0)	(540.1)
Un-amortised issue costs	2.1	1.0
Total non-current	(571.9)	(539.1)

Private placement notes

The group holds loan notes with coupons and maturities as shown in the following table:

Year issued	Maturity date	Amount	Interest terms
2007	February 2019	£13m	UK£ fixed at 5.94%
2007	February 2017 – February 2019	$273m	US$ fixed at 5.90% - 6.00%
2009	December 2016 – December 2019	$220m	US$ fixed at 4.77% - 5.24%
2010	December 2017	£7.5m	UK£ fixed at 3.74%
2010	December 2017 – December 2022	$163m	US$ fixed at 3.45% - 4.14%
2014	February 2021 – February 2024	£35m	UK£ fixed at 3.40% - 3.92%
2014	February 2024 – February 2026	$114m	US$ fixed at 4.09% - 4.24%

The group entered into a number of cross-currency swap agreements in relation to the loan notes to manage any foreign exchange risk on interest rates or on the repayment of the principal borrowed. These swaps expire in line with the loan notes and are discussed in note 26 of the consolidated financial statements.

See note 25 of the consolidated financial statements for an analysis of the interest rate profile and the maturity of the borrowings and related interest rate swaps.

Partial repayment of 2009 Notes

On 17 December 2014, in line with the maturity profile of the 2009 Notes, Britvic plc repaid US$30m (equivalent to £18.0m) in the United States private placement market (USPP).

11. Derivative financial instruments

	2015 £m	2014 £m
Derivative financial instruments: non-current		
USD GBP cross-currency fixed interest rate swaps	**44.8**	34.4
USD GBP cross-currency floating interest rate swaps	**21.5**	15.1
GBP euro cross-currency floating interest rate swaps	**24.1**	15.1
	90.4	64.6
Derivative financial instruments: current		
USD GBP cross-currency fixed interest rate swaps	**3.4**	-
USD GBP cross-currency floating interest rate swaps	**4.6**	0.7
GBP euro cross-currency floating interest rate swaps	**1.1**	-
Forward currency contracts	**0.1**	-
	9.2	0.7
Derivative financial instruments: current		
Foreign exchange swaps	**(0.1)**	(0.1)
Forward currency contracts	**(11.4)**	-
Interest rate swaps	**(0.3)**	-
	(11.8)	(0.1)
Derivative financial instruments: non-current		
USD GBP cross-currency fixed interest rate swaps	**(0.3)**	(7.0)
GBP euro cross-currency fixed interest rate swaps	**-**	(0.2)
USD GBP cross-currency floating interest rate swaps	**-**	(0.9)
Interest rate swaps	**-**	(1.8)
	(0.3)	(9.9)

12. Other non-current liabilities

	2015 £m	2014 £m
Current	**-**	0.4
Non-current	**1.5**	1.5
Firm commitment	**1.5**	1.9

A firm commitment exists in respect of the receipt of the 2009 and 2010 Notes.

13. Issued share capital

The issued share capital is wholly comprised of ordinary shares carrying one voting right each. The nominal value of each ordinary share is £0.20. There are no restrictions placed on the distribution of dividends, or the return of capital on a winding up or otherwise.

Issued, called up and fully paid ordinary shares	No. of shares	Value £
At 29 September 2013	245,091,028	49,018,205
Shares issued	2,138,087	427,618
At 28 September 2014	247,229,115	49,445,823
Shares issued	13,910,737	2,782,147
At 27 September 2015	**261,139,852**	**52,227,970**

Of the issued and fully paid ordinary shares, 1,678,637 shares (2014: 409,725 shares) are own shares held by an employee benefit trust. This equates to £335,727 (2014: £81,945) at £0.20 par value of each ordinary share. These shares are held for the purpose of satisfying the share schemes detailed in note 29 of the consolidated financial statements.

An explanation of the group's capital management process and objectives is set out in note 25 of the consolidated financial statements.

14. Reconciliation of movement in equity shareholders' funds

	Issued share capital £m	Share premium account £m	Own shares reserve £m	Hedging reserve £m	Merger reserve £m	Retained earnings* £m	Total £m
At 28 September 2014	49.4	33.5	(2.9)	2.2	87.3	171.3	340.8
Profit for the year	-	-	-	-	-	44.4	44.4
Issue of shares	2.8	89.7	(2.1)	-	-	-	90.4
Own shares purchased for share schemes	-	-	(13.4)	-	-	-	(13.4)
Own shares utilised for share schemes	-	-	7.0	-	-	(5.6)	1.4
Movement in share based schemes	-	-	-	-	-	8.2	8.2
Movement in cash flow hedges	-	-	-	(3.0)	-	-	(3.0)
Payment of dividend	-	-	-	-	-	(52.9)	(52.9)
At 27 September 2015	**52.2**	**123.2**	**(11.4)**	**(0.8)**	**87.3**	**165.4**	**415.9**

* The retained earnings balance has been amalgamated with the share scheme reserve.

15. Dividends paid and proposed

	2015 £m	2014 £m
Declared and paid during the period		
Equity dividends on ordinary shares		
Final dividend for 2014: 14.8p per share (2013: 13.0p per share)	**36.4**	31.8
Interim dividend for 2015: 6.7p per share (2014: 6.1p per share)	**16.5**	15.0
Dividends paid	**52.9**	46.8
Proposed		
Final dividend for 2015: 16.3p per share (2014: 14.8p per share)	**42.6**	36.3

16. Contingent liabilities

The company is co-guarantor of the group's bank loan and overdraft facilities.

17. Related party transactions

The company has taken advantage of the exemption under FRS 8 available to a parent company not to disclose transactions with its wholly owned subsidiaries within its financial statements.

other

information

shareholder information

Shareholder profile as at 27 September 2015

Range of holdings	Number of shareholders	Percentage of total shareholders	Ordinary shares (million)	Percentage of issued share capital
1-199	224	8.45%	14,972	0.01%
200-499	287	10.83%	94,708	0.04%
500-999	443	16.72%	308,632	0.12%
1,000-4,999	1,002	37.81%	2,118,858	0.81%
5,000-9,999	216	8.15%	1,424,848	0.54%
10,000-49,999	189	7.13%	4,330,781	1.66%
50,000-99,999	74	2.79%	5,271,650	2.02%
100,000-499,999	127	4.80%	29,271,351	11.21%
500,000-999,999	39	1.47%	28,241,148	10.81%
1,000,000 plus	49	1.85%	190,062,904	72.78%
	2,650	**100.00%**	**261,139,852**	**100.00%**

Category	Number of shareholders	Percentage of total shareholders	Ordinary shares (million)	Percentage of issued share capital
Private individuals	1,554	58.64%	4,492,269	1.72%
Nominee companies	546	20.61%	213,608,620	81.80%
Limited and public limited companies	503	18.98%	25,829,102	9.89%
Other corporate bodies	44	1.66%	17,160,987	6.57%
Pension funds, insurance companies and banks	3	0.11%	48,874	0.02%
	2,650	**100.00%**	**261,139,852**	**100.00%**

	Payment date	Amount per share
Interim	10 July 2015	6.7p
Final	5 February 2016	16.3p

Dividend mandates

Shareholders who wish dividends to be paid directly into a bank or building society account should contact the Registrar for a dividend mandate form or the form can be downloaded from the company's website: www.britvic.com/investors/shareholder-centre/dividends

This method of payment removes the risk of delay or loss of dividend cheques in the post and ensures that your account is credited on the due date.

Dividend reinvestment plan (DRIP)

Shareholders can choose to reinvest dividends received to purchase further shares in the company through the company's DRIP. A DRIP application form is available via the Registrar or for download from the company's website

Share dealing services

The company's Registrar, Equiniti Financial Services Limited, offer a telephone and internet dealing service, Shareview, which provides a simple and convenient way of buying and selling shares.
For telephone dealings call 03456 037 037 between 8.00am and 4.30pm, Monday to Friday, and for internet dealings log onto www.shareview.co.uk/dealing

Individual Savings Accounts (ISAs)

ISAs in Britvic plc ordinary shares are available through Equiniti Financial Services Limited. Further information may be obtained through their ISA helpline, telephone 0345 300 0430.

American Depository Receipts (ADRs)

Britvic American Depository Receipts are traded on the Over The Counter (OTC) market under the symbol BTVCY. One ADR represents two Britvic plc ordinary shares. This is a sponsored Level 1 ADR programme for which The Bank of New York Mellon acts as both Depositary Bank and Registrar. For the issuance and management of ADRs and any general ADR questions, please contact:

The Bank of New York Mellon
Investor Services
P.O. Box 11258
Church Street Station
New York, NY 10286-1258
USA

Investor helpline:	+1-888-BNY-ADRs (USA caller, toll free) +1 201 680 6825 (non-USA caller)
Email:	shrrelations@bnymellon.com
Website:	http://www.bnymellon.com/shareowner

Warning to shareholders – boiler room fraud and other investment scams

Share or investment scams are often run from 'boiler rooms' where fraudsters cold call investors offering them worthless, overpriced or even non-existent shares, or offer to buy their shares in a company at a higher price than the market value. Shareholders are advised to be very wary of any unsolicited advice, offers to buy shares at a discount, or offers of free reports about the company. Even seasoned investors have been caught out by such fraudsters and it is estimated that £200m is lost in this way in the UK each year.

The Financial Conduct Authority (FCA) have some helpful information about such scams on their website, including tips to protect your savings and how to report a suspected investment scam. Britvic encourages shareholders to read the information on the site which can be accessed at www.fca.org.uk/consumers/scams/investment-scams

Financial calendar

Ex-dividend date	3 December 2015
Record date	4 December 2015
Annual general meeting	27 January 2016
Payment of final dividend	5 February 2016
Interim results announcement	19 May 2016

Electronic communications

Shareholders can elect to receive shareholder documents electronically by registering with Shareview at www.shareview.co.uk This will save on printing and distribution costs, creating environmental benefits. When you register, you will be sent an email notification to say when shareholder documents are available on our website and you will be provided with a link to that information. When registering, you will need your shareholder reference number which can be found on your share certificate or proxy form. Please contact Equiniti if you require any assistance or further information.

Contacts

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Shareholder inquiries to the Company Secretary can also be submitted to company.secretariat@britvic.com

Investor Relations enquiries can be submitted to: investors@britvic.com

This report is available to download via the company's website http://www.britvic.com/investors/results-and-presentations/2015

The company's Registrar is:
Equiniti
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+44 121 415 7019 (non-UK callers)

** For those with hearing difficulties, a textphone is available on 0371 384 2255 for UK callers with compatible equipment.*

glossary

Key performance indicators

- Volume is defined as number of litres sold, excluding factored brands sold by Counterpoint in Ireland. No volume is recorded in respect of international concentrate sales.
- ARP is defined as average revenue per litre sold, excluding factored brands and concentrate sales.
- Revenue is defined as sales achieved by the group net of price promotional investment and retailer discounts.
- Brand contribution is defined as revenue less material costs and all other marginal costs that management considers to be directly attributable to the sale of a given product. Such costs include brand specific advertising and promotion costs, raw materials, and marginal production and distribution costs.
- Brand contribution margin is a percentage measure calculated as brand contribution, divided by revenue. Each business unit's performance is reported down to the brand contribution level.
- EBITA is defined as operating profit before exceptional and other items and amortisation. Only amortisation attributable to intangibles related to acquisitions is added back, in the period this is £2.6m (2014: £2.9m). EBITA margin is EBITA as a proportion of group revenues.
- EBIT is defined as operating profit before exceptional and other items. EBIT margin is EBIT as a proportion of group revenues.
- Adjusted earnings per share amounts are calculated by dividing adjusted earnings by the average number of shares during the period. Adjusted earnings is defined as the profit/(loss) attributable to ordinary equity shareholders before exceptional and other items adjusted for the adding back of acquisition related amortisation. Average number of shares during the period is defined as the weighted average number of ordinary shares outstanding during the period excluding any own shares held by Britvic that are used to satisfy various employee share-based incentive programmes. The weighted average number of ordinary shares in issue for adjusted earnings per share for the period was 248.6m (2014: 245.8m).
- Free cash flow is defined as net cash flow excluding movements in borrowings, dividend payments, exceptional and other items and proceeds from the share placement in July 2015.
- Adjusted net debt is defined as group net debt, adding back the impact of derivatives hedging the balance sheet debt.
- Underlying return on invested capital (ROIC) is defined as operating profit after applying the tax rate for the period, stated before exceptional and other items, as a percentage of invested capital. Invested capital is defined as non-current assets plus current assets less current liabilities, excluding all balances relating to interest bearing liabilities and all other assets or liabilities associated with the financing and capital structure of the group and excluding any deferred tax balances and effective hedges relating to interest-bearing liabilities.

Others

- Where appropriate, comparisons are quoted using constant exchange rates. Constant currency change removes the impact of exchange rate movements during the period by retranslating prior year foreign currency denominated results of the group at current period exchange rates to aid comparability.
- All numbers quoted are pre-exceptional and other items, unless otherwise stated.

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Designed by SG Design [sg-design.co.uk]

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