

Tata Global Beverages Overseas Holdings Limited

Registered number 03017857

Annual Report and Financial Statements

Year ended 31 March 2017

Tata Global Beverages Overseas Holdings Limited

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Tata Global Beverages Overseas Holdings Limited

Strategic report

Strategic report for the year ended 31 March 2017

The directors present their strategic report for the year ended 31 March 2017.

Principal activities

Tata Global Beverages Overseas Holdings Limited (the "company") acts as an intermediate holding company within the Tata Global Beverages Group Limited, the parent entity.

Review of the business

During the year, the company recognised the receipt of dividend income totalling £7,773k in respect of its investments in Canada and South Africa. Expenses were lower than the prior year due to a lower level of impairments in the current year. A non-cash impairment loss was taken against its investments in subsidiaries totalling £2,971k (2016: £37,022k) and loans given to subsidiaries totalling £1,597k (2016: £Nil) relating to its branded businesses in Australia and Eastern Europe. While the company is actively pursuing various growth opportunities, an impairment has been recognised due to underperformances as compared to plans mainly arising out of factors like decline in everyday black tea and competitive intensity.

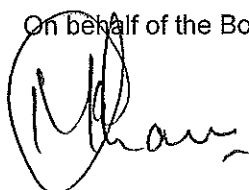
Principal risks and uncertainties

The directors of Tata Global Beverages Group Limited manage the company's risks at a group level, rather than at an individual business unit level. Please refer to the financial statements of Tata Global Beverages Group Limited for a discussion of the principal risks and uncertainties surrounding the business. The directors however note that there is a principal risk to the company relating to its ability to meet its obligations as they arise. This risk is mitigated by the financial support offered by Tata Global Beverages Group Limited as explained in the going concern section of the directors' report.

Key performance indicators

Due to the straightforward nature of the operations of the company, the directors consider that profitability is the key performance indicator of the company which has been discussed above.

On behalf of the Board



M Thakrar
Director
27 June 2017

Tata Global Beverages Overseas Holdings Limited

Directors' report

Directors' report for the year ended 31 March 2017

The directors present their annual report and the audited financial statements for the year ended 31 March 2017.

Future developments

The company is expected to continue to act in its capacity as an intermediate holding company in the future.

Dividends

The directors do not recommend the payment of a dividend (2016: nil).

Directors

The directors of the company who were in office during the year and up to the date of signing the financial statements were:

A Misra
J Jacob
L Krishna Kumar
M Thakrar

The company secretary, who is not a director is M Bailey.

Going Concern

Tata Global Beverages Group Limited has provided a letter of support to the company indicating it will provide such financial support as may be required to enable the company to meet its obligations as they fall due for a period of at least 12 months from the date of signing these financial statements. On this basis, the directors confirm that they have a reasonable expectation that the company has adequate resources to continue its operations as a going concern and have therefore adopted the going concern principle in preparing the financial statements.

Directors' indemnities

As permitted by the Articles of Association, the Directors have the benefit of an indemnity which is a qualifying third party indemnity provision as defined by Section 234 of the Companies Act 2006. The indemnity was in force throughout the last financial year and is currently in force. The Company also purchased and maintained throughout the financial year Directors' and Officers' liability insurance in respect of itself and its Directors.

Events subsequent to the end of the financial year

As at the date of this report, no matter or circumstance has arisen since 31 March 2017 that has significantly affected, or may significantly affect the company, its results or the state of affairs.

Statement of directors' responsibilities

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Tata Global Beverages Overseas Holdings Limited

Directors' report (continued)

Statement of directors' responsibilities (continued)

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 101, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006.

The directors are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Statement of disclosure of information to auditors

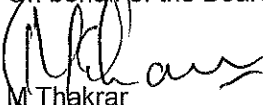
In the case of each director in office at the date the Directors' Report is approved:

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

Independent auditors

The auditors, PricewaterhouseCoopers LLP, will cease to hold office resulting from mandatory rotation requirement of the ultimate parent company, Tata Global Beverages Limited. Following a formal tender process the directors have agreed to appoint Deloitte LLP after PricewaterhouseCoopers LLP resign as auditors and the resolution concerning their appointment will be proposed at the Annual General Meeting.

On behalf of the Board



M Thakrar

Director

27 June 2017

Tata Global Beverages Overseas Holdings Limited

Independent auditors' report to the members of Tata Global Beverages Overseas Holdings Limited

Report on the financial statements

Our opinion

In our opinion, Tata Global Beverages Overseas Holdings Limited's financial statements (the "financial statements"):

- give a true and fair view of the state of the company's affairs as at 31 March 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

What we have audited

The financial statements, included within the Annual Report, comprise:

- the Statement of financial position as at 31 March 2017;
- the Statement of comprehensive income for the year then ended;
- the Statement of changes in equity for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is United Kingdom Accounting Standards, comprising FRS 101 "Reduced Disclosure Framework", and applicable law (United Kingdom Generally Accepted Accounting Practice).

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

Opinions on other matter prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

In addition, in light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we are required to report if we have identified any material misstatements in the Strategic Report and the Directors' Report. We have nothing to report in this respect.

Tata Global Beverages Overseas Holdings Limited

Independent auditors' report to the members of Tata Global Beverages Overseas Holdings Limited (continued)

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

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

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Directors' remuneration

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law are not made. We have no exceptions to report arising from this responsibility.

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the Statement of directors' responsibilities set out on pages 4 and 5, 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) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

What an audit of financial statements involves

We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the directors; and
- the overall presentation of the financial statements.

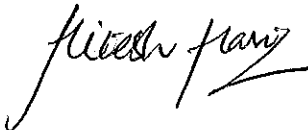
We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

Tata Global Beverages Overseas Holdings Limited

Independent auditors' report to the members of Tata Global Beverages Overseas Holdings Limited (continued)

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

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. With respect to the Strategic Report and Directors' Report, we consider whether those reports include the disclosures required by applicable legal requirements.



Hitesh Haria (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Uxbridge
27 June 2017

Tata Global Beverages Overseas Holdings Limited

Statement of comprehensive income

For the year ended 31 March 2017

		Year ended 31 March 2017 £'000	Year ended 31 March 2016 £'000
	Note		
Administrative expenses		(477)	(279)
Income from shares in group undertakings	6	7,773	114
Impairment of investments	10	(2,971)	(37,022)
Impairment of balances due from group undertakings		(1,597)	-
Operating profit / (loss)		2,728	(37,187)
Other operating (expense) / income		(2)	13
Finance income	7	298	207
Finance costs	8	(1,403)	(1,007)
Profit / (Loss) before tax		1,621	(37,974)
Income tax (charge) / credit	9	(69)	213
Profit / (Loss) for the financial year		1,552	(37,761)
Total comprehensive income / (expense) for the financial year		1,552	(37,761)

The notes on pages 12 to 21 are an integral part of these financial statements.

Tata Global Beverages Overseas Holdings Limited

Statement of financial position

As at 31 March 2017

	Note	31 March 2017 £'000	31 March 2016 £'000
Fixed assets			
Investments	10	31,192	34,163
		31,192	34,163
Current assets			
Receivables	11	15,123	14,068
		15,123	14,068
Creditors - amounts falling due within one year	12	(22,682)	(22,313)
Net current liabilities		(7,559)	(8,245)
Total assets less current liabilities		23,633	25,918
Creditors - amounts falling due after more than one year	13	(66,390)	(70,227)
Net liabilities		(42,757)	(44,309)
Equity			
Called up share capital	14	-	-
Share premium account	15	4,750	4,750
Accumulated losses		(47,507)	(49,059)
Total equity		(42,757)	(44,309)

The notes on pages 12 to 21 are an integral part of these financial statements.

The financial statements on pages 9 to 21 were approved by the Board of directors on 21 June 2017 and signed on its behalf by:



M Thakrar
Director
27 June 2017

Tata Global Beverages Overseas Holdings Limited
Registered number 03017857

Tata Global Beverages Overseas Holdings Limited

Statement of changes in equity

For the year ended 31 March 2017

	Called up share capital £'000	Share premium account £'000	Accumulated losses £'000	Total equity £'000
Balance as at 1 April 2015	-	4,750	(11,298)	(6,548)
Loss for the financial year	-	-	(37,761)	(37,761)
Total comprehensive loss for the financial year	-	-	(37,761)	(37,761)
Balance as at 31 March 2016	-	4,750	(49,059)	(44,309)
Balance as at 1 April 2016	-	4,750	(49,059)	(44,309)
Profit for the financial year	-	-	1,552	1,552
Total comprehensive income for the financial year	-	-	1,552	1,552
Balance as at 31 March 2017	-	4,750	(47,507)	(42,757)

The notes on pages 12 to 21 are an integral part of these financial statements.

Tata Global Beverages Overseas Holdings Limited

Notes to the financial statements for the year ended 31 March 2017

1. General Information

Tata Global Beverages Overseas Holdings Limited ("the company") acts as an intermediate holding entity with investments in subsidiaries within the Tata Global Beverages Group Limited. The company is a wholly owned subsidiary of Tata Global Beverages Group Limited ("the Group") which in turn is a subsidiary of the ultimate parent company Tata Global Beverages Limited incorporated in India.

The company is a private limited company and is incorporated and domiciled in the United Kingdom. The address of its registered office is 325 Oldfield Lane North, Greenford, Middlesex, UB6 0AZ.

2. Summary of significant accounting policies

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

(a) Basis of preparation

The financial statements of Tata Global Beverages Overseas Holdings Limited have been prepared in accordance with Financial Reporting Standard 101, 'Reduced Disclosure Framework' (FRS 101). The financial statements have been prepared under the historical cost convention, in accordance with the Companies Act 2006, as applicable to companies using FRS 101.

The preparation of financial statements in conformity with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 3.

The following exemptions from the requirements of IFRS have been applied in the preparation of these financial statements, in accordance with FRS 101:

- IFRS 7, 'Financial Instruments: Disclosures'
- Paragraphs 91 to 99 of IFRS 13, 'Fair value measurement' (disclosure of valuation techniques and inputs used for fair value measurement of assets and liabilities)
- The following paragraphs of IAS 1, 'Presentation of financial statements':
 - 10(d), (statement of cash flows),
 - 16 (statement of compliance with all IFRS),
 - 111 (cash flow statement information),
 - 134-136 (capital management disclosures),
- IAS 7, 'Statement of cash flows',
- Paragraph 17 of IAS 24, 'Related party disclosures' (key management compensation),
- The requirements in IAS 24, 'Related party disclosures' to disclose related party transactions entered into between two or more members of a group, and
- The requirements of paragraphs 30 and 31 of IAS 8, 'Accounting Policies, Changes in Accounting Estimates and Errors'

Tata Global Beverages Overseas Holdings Limited

Notes to the financial statements for the year ended 31 March 2017

2. Summary of significant accounting policies (continued)

(b) Going concern

In adopting the going concern basis for preparing the financial statements, the directors have considered the business activities and the company's principal risks and uncertainties as set out in the Directors Report. Tata Global Beverages Group Limited has provided a letter of support to the company indicating it will provide such financial support as may be required to enable the company to meet its obligations as they fall due for a period of at least 12 months from the date of signing these financial statements. On this basis, the directors confirm that they have a reasonable expectation that the company has adequate resources to continue its operations as a going concern and have therefore adopted the going concern principle in preparing the financial statements.

(c) New accounting standards and interpretations adopted by the company

There are no new FRSs or IFRIC interpretations that are effective for the first time for the financial year beginning on or after 1 April 2016 that would be expected to have a material impact on the company.

(d) Consolidated financial statements

The company has taken advantage of the exemption provided by Section 400 of the Companies Act 2006 not to prepare group financial statements as the results are included in the consolidated financial statements of Tata Global Beverages Group Limited. These financial statements are the company's separate financial statements.

(e) Functional and presentation currency financial statements

The company's functional and presentation currency is the pound sterling.

(f) Investments

Investments are shown at cost less provision for accumulated impairment losses. At each reporting date investments are reviewed to determine whether there is any indication of impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected investment is estimated and compared with its carrying amount. If estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in the income statement.

If an impairment loss subsequently reverses, the carrying amount of the investment is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the investment in prior years. A reversal of an impairment loss is recognised immediately in the profit and loss. The company has elected to use the deemed cost alternative available under FRS 101 where the aggregate deemed cost of the investments are deemed to be the cost as recorded under UK GAAP. Refer to note 10 for the net carrying amount of the investments and associated impairment.

Tata Global Beverages Overseas Holdings Limited

Notes to the financial statements for the year ended 31 March 2017

2. Summary of significant accounting policies (continued)

(g) Receivables

Receivables are loans due from group companies. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets. Receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

(h) Creditors

Creditors are obligations to pay for loans received and are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities. Creditors are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

(i) Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest method. Transaction costs generally include fees, commission, payment to advisors, levies by regulatory etc. incurred to avail the borrowing. For certain types of credit facilities the lender may charge a fee for an unused credit line for undischursed loan. A 'commitment fee' is generally specified as a fixed percentage of the undischursed loan amount. Such costs form a part of finance charges.

(j) Share capital

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

(k) Related party transactions

As the company is a wholly owned subsidiary of Tata Global Beverages Group Limited advantage has been taken of the exemption afforded by IAS 24 not to disclose any related party transactions with members of the Group or associates and joint ventures of Tata Global Beverages Group Limited.

(l) Dividend income

Dividend income is recognised when the right to receive payment is established.

(m) Taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in the income statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Tata Global Beverages Overseas Holdings Limited

Notes to the financial statements for the year ended 31 March 2017

2. Summary of significant accounting policies (continued)

(m) Taxation (continued)

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the countries where the company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill; deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

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

Deferred income tax assets are recognised on deductible temporary differences arising from investments in subsidiaries and joint arrangements only to the extent that it is probable the temporary difference will reverse in the future and there is sufficient taxable profit available against which the temporary difference can be utilised.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

(n) Finance income and costs

Interest income and costs are recognised using the effective interest method. When a loan and receivable is impaired, the group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest income. Interest income on impaired loan and receivables is recognised using the original effective interest rate.

Tata Global Beverages Overseas Holdings Limited

Notes to the financial statements for the year ended 31 March 2017

3. Critical accounting judgements and estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(a) Critical accounting estimates and assumptions

The company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below.

(i) Impairment of investments

The company conducts impairment reviews of its investments whenever circumstances indicate that their carrying amounts may not be recoverable. Determining whether an asset is impaired requires an estimation of the recoverable amount, which requires the company to estimate the value in use which is based on future cash flows and a suitable discount rate in order to calculate the present value. Where the actual future cash flows are less than expected, an impairment loss may arise.

(ii) Impairment of receivables

The company makes an estimate of the recoverable value of its trade and other receivables given. When assessing impairment of receivables, management considers the credit-worthiness of the borrower - the existing and future trading cashflows, the economic environment in which the business operates historical repayment experience.

4. Auditors' remuneration

The auditors' remuneration is paid by Tata Global Beverages Services Limited, a subsidiary of the Tata Global Beverages Group Limited. The audit fee of £425,000 (Period ended 31 March 2016: £408,000) was paid in aggregate for the audit of the UK based subsidiaries of Tata Global Beverages Group Limited and no split is separately available for the audit of the company.

5. Directors and employees

The directors did not receive any emoluments in the year in respect of their services as directors of the company (2016: £nil). Two of the directors are employees of Tata Global Beverages Services Limited, one director is an employee of Tata Global Beverages Limited (India) which is the ultimate parent company and one director is an employee of Tata Global Beverages GB Limited. All the directors are remunerated for their services to the Group as a whole. The company had no employees during the year (2016: nil).

6. Income from shares in group undertakings

During the year, the company received income of £7.8 million (2016: £0.1 million) from its shares in group undertakings.

Tata Global Beverages Overseas Holdings Limited

Notes to the financial statements for the year ended 31 March 2017

7. Finance income

	Year ended 31 March 2017 £'000	Year ended 31 March 2016 £'000
Interest income on intercompany loans	298	207
Total	298	207

8. Finance costs

	Year ended 31 March 2017 £'000	Year ended 31 March 2016 £'000
Interest expense on intercompany loans	1,377	1,007
Bank interest expense	26	-
Total	1,403	1,007

9. Income tax expense

The tax charge assessed on the loss on ordinary activities for the year is higher (2016: lower) than the standard rate of corporation tax in the UK of 20% (2016: 20%). The differences are explained below:

	Year ended 31 March 2017 £'000	Year ended 31 March 2016 £'000
Current tax:		
UK corporation tax credit on loss for the financial year	(317)	(213)
Adjustment in respect of prior years	(3)	-
	(320)	(213)
Foreign tax suffered in the financial year	389	-
Tax on profit before taxation	69	(213)

Tata Global Beverages Overseas Holdings Limited

Notes to the financial statements for the year ended 31 March 2017

9. Income tax credit (continued)

	Year ended 31 March 2017 £'000	Year ended 31 March 2016 £'000
Current Tax:		
Profit / (Loss) on before tax	1,621	(37,974)
Profit / (Loss) multiplied by the standard rate of corporation tax in the UK of 20% (2016: 20%)	324	(7,595)
Amounts not allowable for tax	914	7,404
Non taxable income	(1,555)	(22)
Adjustment in respect of prior years	(3)	-
Overseas withholding tax suffered on dividends	389	-
Tax charge / (credit) for the financial year	69	(213)

The company has surrendered the benefit of tax losses to another group company for consideration of £0.3 million (2016: £0.2 million). Accordingly, no tax losses are available for carry-forward.

Factors that may affect future tax:

Changes to the UK corporation tax rates were substantively enacted as part of Finance Bill 2015 (on 26 October 2015) and Finance Bill 2016 (on 7 September 2016). These include reductions to the main rate to reduce the rate to 19% from 1 April 2017 and to 17% from 1 April 2020. Deferred taxes at the balance sheet date have been measured using these enacted tax rates and reflected in these financial statements.

10. Investments

Cost	£'000
At 1 April 2015	70,771
Increase in investment in subsidiaries	12,998
Increase in investment in joint ventures	1,020
Additions	14,018
At 31 March 2016	84,789
Cost	£'000
At 1 April 2016 and as at 31 March 2017	84,789
Impairment	£'000
At 1 April 2015	13,604
Charge for the year	37,022
At 31 March 2016	50,626
Impairment	£'000
At 1 April 2016	50,626
Charge for the year	2,971
At 31 March 2017	53,597
Net book value	£'000
At 31 March 2017	31,192
At 31 March 2016	34,163

Tata Global Beverages Overseas Holdings Limited

Notes to the financial statements for the year ended 31 March 2017

10. Investments (continued)

As part of the annual impairment review the directors have assessed the future cash flows of the underlying investments and reduced the carrying values to their recoverable amounts.

In the current year this has resulted in a total impairment charge of £3.0 million, which relates to the company's investment in a business in Australia.

Please refer to the Tata Global Beverages Group Limited consolidated financial statements and the Intangible assets impairment note which provides further detail on the impairment process and assumptions followed for the cash generating units to which each investment belongs and where related intangible assets have been impaired in the year to 31 March 2017.

The Company's subsidiary and joint venture undertakings held are as follows:

	Country of incorporation	Sector	Proportion of equity and voting rights held
Tata Global Beverages US Holdings Inc.	USA	Holding company	100%
Tetley USA Inc. (indirect holding)	USA	Tea	100%
Empirical Group LLC (indirect holding)	USA	Tea	56%
Southern Tea LLC (indirect holding)	USA	Tea	50%
Good Earth Corporation Inc. (indirect holding)	USA	Holding company	100%
Good Earth Teas Inc. (indirect holding)	USA	Tea	100%
Tata Waters LLC	USA	Water	100%
Tata Global Beverages Overseas Limited	UK	Tea	100%
Tata Global Beverages Canada Inc	Canada	Tea	100%
Tata Global Beverages Australia Pty Limited	Australia	Tea	100%
Earth Rules Pty Limited	Australia	Coffee	100%
Stansand (Africa) Limited	Kenya	Tea	100%
Stansand (Central Africa) Limited	Malawi	Tea	100%
Tata Global Beverages Polska Sp. Z o.o	Poland	Tea	100%
Tetley Clover (Private) Limited	Pakistan	Tea	50%
Tetley ACI (Bangladesh) Limited	Bangladesh	Tea	50%
Tata Global Beverages Czech Republic a.s.	Czech Republic	Tea	100%
Joekels Tea Packers (Proprietary) Limited	South Africa	Tea	51.7%

None of the investments are quoted.

Tata Global Beverages Overseas Holdings Limited

Notes to the financial statements for the year ended 31 March 2017

11. Receivables

	31 March 2017 £'000	31 March 2016 £'000
Amounts owed by group undertakings	15,068	14,013
Prepayments and accrued income	55	55
Total	15,123	14,068

Amounts owed by group undertakings include loans to Tata Global Beverages Holdings Limited amounting to £3.0 million (2016: £3.0 million), a loan to Tata Global Beverages GB Limited amounting to £0.3 million (2016: £0.7 million) and a loan to Tata Global Beverages Polska Sp. Z o.o totalling £0.3 million (2016: £0.3 million) which are all interest free, unsecured and due within one year.

Amounts owed by group undertakings also include a loan to Tata Global Beverages US Holdings Inc. totalling £10.1 million (2016: £8.5 million), and a loan to Tata Global Beverages Czech Republic A.S. a balance of £1.4 million (2016: £1.5 million). Interest on these balances is charged at margins of 2% over LIBOR and the loans are repayable on demand by the company.

The amount receivable from Tata Global Beverages Czech Republic A.S. is stated after provisions for impairment of £1.6 million (2016: £nil).

12. Creditors - amounts falling due within one year

	31 March 2017 £'000	31 March 2016 £'000
Bank loans and overdraft	1,731	1,663
Accruals and deferred income	349	48
Amounts owed to group undertakings	20,602	20,602
Total	22,682	22,313

Amounts owed to group undertakings include a loan from Tata Global Beverages Group Limited of £16.35 million (2016: £16.35 million) and a loan from Tata Global Beverages Overseas Limited for £4.25 million (2016: £4.25 million). These loans are interest free and unsecured and the loan agreements provide for the principal to be repaid on demand by the lenders.

13. Creditors - amounts falling due after more than one year

	31 March 2017 £'000	31 March 2016 £'000
Amounts owed to group undertakings	66,390	70,227
Total	66,390	70,227

Tata Global Beverages Overseas Holdings Limited

Notes to the financial statements for the year ended 31 March 2017

13. Creditors - amounts falling due after more than one year (continued)

Loans totalling £66.4 million (2016: £70.2 million) from Tata Global Beverages Services Limited are charged at a margin over LIBOR of 2%. The loan agreements provide for the principal to be repaid on demand by the lenders.

Tata Global Beverages Services Limited has indicated to the company that they will not require repayment of the loan until at least twelve months from the date that these financial statements were approved. The borrowings have therefore been treated as payable after more than one year from the balance sheet date.

14. Called up share capital

		31 March 2017 £	31 March 2016 £
	Number		
Allotted, called up and fully paid			
Ordinary shares of £1 each	4 (2016: 4)	4	4

15. Share premium account

	Share Premium £'000
At April 2016 to 31 March 2017	4,750
Total	4,750

16. Parent company

The immediate parent undertaking is Tata Global Beverages Holdings Limited. The smallest parent company to include the company's financial statements in its consolidated financial statements is Tata Global Beverages Group Limited, a company incorporated in the United Kingdom. Copies of that company's financial statements may be obtained from 325 Oldfield Lane North, Greenford, Middlesex, UB6 0AZ. The largest company to consolidate the company's results and the company's ultimate parent undertaking is Tata Global Beverages Limited, a company registered in India. The consolidated financial statements of Tata Global Beverages Limited are available from 1 Bishop Lefroy Road, Kolkata, India.

17. Related party transactions

As the company is a wholly owned subsidiary of Tata Global Beverages Group Limited, advantage has been taken of the exemption afforded by IAS 24 not to disclose any related party transactions with members of the Group or associates and joint ventures of Tata Global Beverages Group Limited.

18. Events after the end of the reporting period

On 10th April 2017 the company made an additional £6,088k equity investment in Tata Global Beverages Polska Sp. Z o.o.