

British American Tobacco (Corby) Limited

Registered Number 08909757

Annual report and financial statements

For the year ended 31 December 2022

Contents

Strategic report	2
Directors' report	4
Independent auditor's report to the members of British American Tobacco (Corby) Limited	6
Profit and loss account for the year ended 31 December	9
Statement of changes in equity for the year ended 31 December	10
Balance sheet as at 31 December	11
Notes to the financial statements for the year ended 31 December 2022	12

Strategic report

The Directors present their strategic report on British American Tobacco (Corby) Limited (“the Company”) for the year ended 31 December 2022.

Principal activities

Until 20 August 2019 the Company's principal activity was production of dry ice expanded tobacco (“DIET”) under the toll manufacturing agreement with a fellow subsidiary of the British American Tobacco p.l.c. group of companies (the “Group”). On 21 August 2019, the Directors took the decision to cease operations following the receipt of formal notice that the DIET toll manufacturing volumes supplied by the Company would be reallocated to another DIET facility, not owned by the Company. During the year ended 31 December 2022 the Company has not traded in any material way. The sale of the site continues to remain pending.

On the basis that the Directors have decided to cease trading these financial statements are not prepared on a going concern basis.

Review of the year ended 31 December 2022

The profit for the financial year attributable to the Company's shareholder after deduction of all charges and the provision of taxation amounted to a loss of £30,000 (2021: loss of £41,000).

Non-Going Concern

As referenced in the principal activities, these financial statements have not been prepared on a going concern basis.

Key performance indicators

Given the nature of the Company's activities, the Company's Directors believe that key performance indicators are not necessary or appropriate for an understanding of the Company's specific development, performance or the position of its business. However, key performance indicators relevant to the Group, and which may be relevant to the Company, are disclosed in the Strategic Report in British American Tobacco p.l.c.'s 2022 Annual Report and Form 20-F (“BAT ARA & 20-F”) and do not form part of this report.

Principal risks and uncertainties

The principal risks and uncertainties of the Company, including financial risk management, are integrated with the principal risks of the Group and are monitored by audit committees to provide a framework for identifying, evaluating and managing risks faced by the Group. Accordingly, the key Group risk factors that may be relevant to the Company are disclosed in the BAT ARA & 20-F and do not form part of this report.

UK Companies Act 2006: Section 172(1) Statement

The Company is part of the Group and is ultimately owned by British American Tobacco p.l.c. As set out above in the Company's Strategic Report, the Company has not operated in any material way and as a consequence the financial statements are not prepared on a going concern basis.

Under Section 172(1) of the UK Companies Act 2006 (“the Act”) and as part of the Directors' duty to the Company's shareholder to act as they consider most likely to promote the success of the Company, the Directors must have regard for the likely long-term consequences of decisions and the desirability of maintaining a reputation for high standards of business conduct. The Directors must also have regard for business relationships with the Company's wider stakeholders and the impact of the Company's operations on the environment and communities in which it operates. Consideration of these factors and other relevant matters is embedded into all Board decision making and risk assessments throughout the year.

The Company's key stakeholders are Group undertakings, including its shareholder. The Company does not have any employees, or customers or suppliers outside of the Group.

Strategic Report (continued)

UK Companies Act 2006: Section 172(1) Statement (continued)

The Company engages with other Group undertakings, including its shareholder through regular meetings, intra-group management activities and ongoing dialogue. There is also regular engagement within the Group on finance-related matters which is taken into account in the Company's decision making.

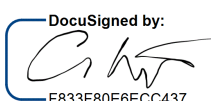
Where the Directors do not engage directly with the Company's stakeholders, they are kept updated on stakeholder perspectives, including through the use of management reporting and Board notes relating to matters presented to the Board during the year which set out stakeholder considerations as applicable to matters under consideration. This enables the Directors to maintain an effective understanding of what matters to those stakeholders and to draw on these perspectives in Board decision making.

In accordance with the Group's overall governance and internal controls framework and in support of the Company's purpose as part of the Group, the Company applies and the Directors have due regard to all applicable Group policies and procedures, including the Group Statement of Delegated Authorities ("SoDA"), and the Group Standards of Business Conduct, International Marketing Principles, Health and Safety Policy, and Environment Policy as set out on pages 45 and 91 of the BAT ARA & 20-F. As a Group company, the Company acts in accordance with the Group's policies in relation to the safeguarding of human rights and community relationships, which are set out on page 45 of the BAT ARA & 20-F.

Certain authorities for decision making are delegated to management under the SoDA, part of the Group's governance and internal controls framework through which robust corporate governance, risk management and internal control are promoted within the Group. Application of the SoDA does not derogate from any requirement for Board review, oversight or approval in relation to the Company's activities.

The Directors receive training in relation to their role and duties as a Director on a periodic basis.

All newly appointed Directors receive training in respect of their roles and duties on appointment, including on directors' duties under Section 172 of the Act. Director training is provided through the Company Secretary.

DocuSigned by:

F833F80E6ECC437...

Mr. Gary Kevin Wright
Director

29 June 2023

Directors' report

The Directors present their report together with the audited financial statements of the Company for the year ended 31 December 2022.

Dividends

The Directors do not recommend the payment of a dividend for the year (2021: £nil).

Board of Directors

The names of the persons who served as Directors of the Company during the period 1 January 2022 to the date of this report are as follows:

	<u>Appointments in the period</u>	<u>Resignations in the period</u>
Luciano Kirst	1 April 2023	
Volkan Oruk		1 April 2023
Gary Kevin Wright		

Research and development

No research and development expenditure has been incurred during the year (2021: £nil).

Political contributions

The Company made no political donations or incurred any political expenditure during the year (2021: £nil).

Employees

The average number of employees employed by the Company during the year was nil (2021: 1).

Auditor

Pursuant to Section 487 of the Act, the auditor will be deemed to be reappointed and KPMG LLP will therefore continue in office.

Statement of Directors' responsibilities

The Directors are responsible for preparing the Strategic Report, the Directors' Report and the financial statements in accordance with applicable law and regulations.

Applicable law requires the Directors to prepare financial statements for each financial year. Under applicable law they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including Financial Reporting Standard ("FRS") 101 *Reduced Disclosure Framework*.

Under applicable 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 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 whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and

Directors' report (continued)

Statement of Directors' responsibilities (continued)

- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so (refer to Strategic Report). As explained in note 1, the Directors do not believe that it is appropriate to prepare these financial statements on a going concern basis.

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 Act. They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.


Directors' declaration in relation to relevant audit information

Having made appropriate enquiries, each of the Directors who held office at the date of approval of this report confirms that:

- (a) to the best of their knowledge and belief, there is no relevant audit information of which the Company's auditor is unaware; and
- (b) they have taken all steps that a Director might reasonably be expected to have taken in order to make themselves aware of relevant audit information and to establish that the Company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of Section 418 of the Act.

By Order of the Board

DocuSigned by:

F833F80E6ECC437...

Mr Gary Kevin Wright
Director

29 June 2023

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BRITISH AMERICAN TOBACCO (CORBY) LIMITED

Opinion

We have audited the financial statements of British American Tobacco (Corby) Limited ("the Company") for the year ended 31 December 2022 which comprise the Profit and Loss Account, Statement of Changes in Equity, Balance sheet, and related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2022 and of its loss for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 101 *Reduced Disclosure Framework*; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We have fulfilled our ethical responsibilities under, and are independent of the Company in accordance with, UK ethical requirements including the FRC Ethical Standard. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion.

Emphasis of matter – non-going concern basis of preparation

We draw attention to the disclosure made in note 1 to the financial statements which explains that the financial statements have not been prepared on the going concern basis for the reason set out in that note. Our opinion is not modified in respect of this matter.

Fraud and breaches of laws and regulations – ability to detect

Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of Directors and inspection of policy documentation as to the Company's high-level policies and procedures to prevent and detect fraud, as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Board minutes.
- Using analytical procedures to identify any unusual or unexpected relationships.

As required by auditing standards, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition because there are no complex revenue transactions. We did not identify any additional fraud risks.

We also performed procedures including:

- Identifying journal entries and other adjustments to test based on risk criteria and comparing the identified entries to supporting documentation. These included those posted by individuals who typically do not post journal entries or are not authorised to do so and posted to unrelated, unusual, or seldom used accounts.

Identifying and responding to risks of material misstatement related to compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, through discussion with the directors (as required by auditing standards), and discussed with the directors the policies and procedures regarding compliance with laws and regulations.

The potential effect of these laws and regulations on the financial statements varies considerably.

The Company is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation, and taxation legislation and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Whilst the Company is subject to many other laws and regulations, we did not identify any others where the consequences of non-compliance alone could have a material effect on amounts or disclosures in the financial statements.

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

Strategic report and directors' report

The directors are responsible for the strategic report and the directors' report. Our opinion on the financial statements does not cover those reports and we do not express an audit opinion thereon.

Our responsibility is to read the strategic report and the directors' report and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work:

- we have not identified material misstatements in the strategic report and the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Matters on which we are required to report by exception

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement 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; such internal control as they determine is necessary to enable the preparation of financial statements that are

free from material misstatement, whether due to fraud or error; assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The purpose of our audit work and to whom we owe our responsibilities

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.

DocuSigned by:

Nicole Price.

42AB6E6232AB483...

**Nicole Price (Senior Statutory Auditor)
for and on behalf of KPMG LLP, Statutory Auditor**

Chartered Accountants
15 Canada Square
London, E14 5GL

29 June 2023

Profit and loss account for the year ended 31 December

		2022	2021
Continuing operations	Note	£'000	£'000
Income	2	594	355
Operating Expense	3	(763)	(395)
Gross (Loss)/Profit		(169)	(40)
Interest receivable and similar income		140	-
Exchange losses - Financing		(1)	(1)
(Loss)/Profit before taxation		(30)	(41)
Taxation	4	-	-
(Loss)/Profit for the financial year		(30)	(41)

There are no recognised gains or losses other than the loss for the financial year and therefore no Statement of other comprehensive income has been presented.

The notes on page 12 to 19 are an integral part of the financial statements.

Statement of changes in equity for the year ended 31 December

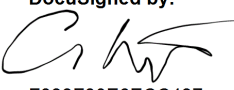
	Called up share capital	Profit and loss account	Total Equity
	£'000	£'000	£'000
31 December 2020	10,000	3,240	13,240
Loss for the financial year	-	(41)	(41)
31 December 2021	10,000	3,199	13,199
Loss for the financial year	-	(30)	(30)
31 December 2022	10,000	3,169	13,169

The notes on page 12 to 19 are an integral part of the financial statements.

Balance sheet as at 31 December

	Note	2022 £'000	2021 £'000
Fixed assets			
Tangible assets	5	1,026	1,026
Current assets			
Debtors: amounts falling due within one year	6	12,835	12,771
		12,835	12,771
Current Liabilities			
Creditors: amounts falling due within one year	7	(692)	(598)
Deferred Tax Liabilities	4	-	-
Net current assets		12,143	12,173
Net assets		13,169	13,199
Capital and reserves			
Called up share capital	8(a)	10,000	10,000
Profit and loss account	8(b)	3,169	3,199
Total shareholders' funds		13,169	13,199

The financial statements on pages 9 to 11 were approved by the Directors on 29 June 2023 and signed on behalf of the Board.

DocuSigned by:

 F833F80E6ECC437...

Mr. Gary Kevin Wright
 Director

Registered number: 08909757

The notes on page 12 to 19 are an integral part of the financial statements.

Notes to the Financial Statements for the year ended 31 December 2022

1 Accounting policies

Basis of accounting

British American Tobacco (Corby) Limited (the “Company”) is a private company incorporated, domiciled and registered in England and Wales in the UK. The registered number is 08909757 and the registered address is Globe House, 4 Temple Place, London, WC2R 2PG.

These financial statements are not prepared on a going concern basis as the Directors of the Company decided in 2019 to cease operations from 30 April 2020 following the receipt of formal notice that the DIET toll manufacturing volumes supplied by the Company would be reallocated to another DIET facility, not owned by the Company. The Company operated a warehousing service for the Group during 2020 to 2021 with warehousing operations ceasing in May 2021. The Directors therefore concluded that the Company’s assets and liabilities should be presented on the liquidation basis of accounting, under the historical cost convention, and in accordance with FRS 101 *Reduced Disclosure Framework*.

In preparing these financial statements, the Company applies the recognition, measurement and disclosure requirements of UK-adopted International Accounting Standards (“IAS”), but makes amendments where necessary in order to comply with the Act, and has taken advantage of certain disclosure exemptions available under FRS 101, including those relating to the preparation of a cash flow statement or disclosures regarding financial instruments and transactions with related parties

The preparation of the financial statements requires the Directors to make estimates and assumptions that affect the reported amounts of income, expenses, assets and liabilities, and the disclosure of contingent liabilities at the date of the financial statements. The key estimates and assumptions are set out in the accounting policies below, together with the related notes to the accounts.

The most significant items include the review of costs necessary in closing the whole DIET facility. These costs were accrued in 2019 and taken to the P&L. The ongoing closure costs incurred since then have been offset against this provision. The Company incurred further costs in the year relating to the warehousing services operating on site, but these costs were all recharged onto the Group.

The Company is included in the consolidated financial statements of British American Tobacco p.l.c. which is incorporated in the United Kingdom and registered in England and Wales. Consequently, the Company has taken advantage of the exemption from preparing consolidated financial statements under the terms of Section 400 of the Companies Act 2006.

The accounting policies set out below, have unless otherwise stated, been applied consistently to all periods presented in these financial statements

Non-going concern

As referenced in the principal activities, these financial statements have not been prepared on a going concern basis.

Functional and presentational currency

The functional currency of the Company is Sterling. Transactions arising in currencies other than Sterling are translated at the rate of exchange ruling on the date of the transaction. Monetary assets and liabilities expressed in currencies other than Sterling are translated at rates of exchange ruling at the end of the financial year. All exchange differences are taken to the profit and loss account in the year.

Income

Income comprises recharging of all costs for warehousing services to the Group.

Income is recognized in the profit and loss account when all contractual or other applicable conditions for recognition have been met.

Notes to the Financial Statements for the year ended 31 December 2022

1 Accounting policies (continued)

Operating expenses

Operating expenses are recorded in the period they relate to and are generated in the business operations of the Company relating to the warehousing activities.

Retirement Benefits

The Company participates in the British American Tobacco UK Pension Fund, which is a multi-employer funded scheme. Under FRS101, where more than one employer participates in a defined benefit scheme, if there is no contractual agreement or stated policy for charging the net defined benefit cost for the plan as a whole to individual Group entities, then the net defined benefit cost shall be recognised in the accounts of the Group entity that is legally the sponsoring employer. British American Tobacco (Investments) Limited is the sponsoring employer, with the other participating employers recognising costs equal to their contributions to those liabilities.

Details of the latest actuarial valuation of this defined benefit scheme are contained in the financial statements of British American Tobacco (Investments) Limited.

Provisions

Provisions are recognised when either a legal or constructive obligation as a result of a past event exists at the balance sheet date, it is probable that an outflow of economic resources will be required to settle the obligation and a reasonable estimate can be made of the amount of the obligation.

Taxation

Taxation is that chargeable on the profits for the period, together with deferred taxation.

The current income tax charge is calculated on the basis of tax laws enacted or substantively enacted at the balance sheet date.

Deferred taxation is provided in full using the liability method for temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the amount used for taxation purposes.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. As required under IAS 12 *Income Taxes*, deferred tax assets and liabilities are not discounted.

Deferred tax is determined using the tax rates that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the related deferred tax asset is realised or deferred tax liability is settled.

Tax is recognised in the profit and loss account except to the extent that it relates to items recognised in other comprehensive income or directly in equity, in which case it is recognised in other comprehensive income or changes in equity. As a UK resident wholly-owned subsidiary of the Group, the Company is eligible to surrender tax losses to, or claim tax losses from, fellow members of the same UK Group for the purposes of calculating corporation tax due in the UK ("Group Relief"). It is Group policy that tax losses are surrendered unless the entity generating the losses has a particular requirement to carry the losses forward. It is also Group policy not to reimburse entities for Group Relief surrendered unless, on a stand-alone basis and assuming the entity were not in the Group, those losses are judged to have value to the entity generating the loss.

Notes to the Financial Statements for the year ended 31 December 2022

1 Accounting policies (continued)

Tangible fixed assets

Tangible assets are stated at cost less accumulated depreciation. Cost includes the original purchase price of the asset and the costs attributable to bringing the asset to its working condition for its intended use. Depreciation is calculated on a straight-line basis to write off the cost of tangible assets over their useful lives. The estimated useful lives are as follows:

	years
Land and buildings	40
Plant and equipment	20
Computer equipment	5

Residual values are determined by IAS 16 *Property plant and equipment* and requires the following to be reviewed annually:

1. Determine if residual values need revision (where material). This should be at current prices rather than at historical cost;
2. Determine if useful economic lives need revision; and
3. Determine if new fixed assets represent materially different components to be depreciated separately.

Impairment of non-financial assets

Assets are reviewed for impairment whenever events indicate that the carrying amount of an asset may not be recoverable. In addition, assets that have indefinite useful lives are tested annually for impairment. An impairment loss is recognised to the extent that the carrying value exceeds the higher of the asset's fair value less costs to sell and its value in use.

Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the relevant instrument and derecognised when it ceases to be a party to such provisions. Such assets and liabilities are classified as current if they are expected to be realised or settled within 12 months after the balance sheet date. If not, they are classified as non-current.

Loans and receivables: These are non-derivative financial assets with fixed or determined payments that are solely payments of principal and interest on the principal amount outstanding, that are primarily held in order to collect contractual cash flows. These balances include trade and other receivables and are measured at amortised cost, using the effective rate method, and stated net of allowances for credit losses.

Financial Assets

Allowances for expected credit losses on financial assets which are held at amortised cost are recognised on the initial recognition of the underlying asset, if material. Allowances in respect of loans and other receivables (debtors) are initially recognised at an amount equal to 12-month expected credit losses, where applicable. Where the credit risk on the receivables has increased significantly since initial recognition, allowances are measured at an amount equal to the lifetime expected credit loss.

Notes to the Financial Statements for the year ended 31 December 2022

2 Income

	2022 £'000	2021 £'000
Rent	36	-
Recharges to Other Group entities	558	355
	594	355

Recharges to other group entities mainly relate to the ongoing costs for the closure of the site pending sale.

The Company operated a warehousing service for the Group during 2020 to 2021 with warehousing operations ceasing in May 2021

The income arises wholly within the United Kingdom.

3 Operating expenses

	2022 £'000	2021 £'000
Staff costs	1	23
Depreciation of tangible assets	-	-
Impairment of tangible assets	-	28
Utilities Costs	488	151
Maintenance Costs	17	1
Facilities Costs	108	119
Auditor's remuneration for the audit of these financial statements	32	30
Other operating expenses	117	43
	763	395

	2022 £'000	2021 £'000
Staff costs:		
Wages and salaries	1	10
Social security costs	-	9
Defined benefit scheme	-	-
Defined contribution pension costs	-	2
Share-based payments	-	2
	1	23

Other operating expense mainly relate to the ongoing costs for the closure of the site pending sale.

The average monthly number of persons (including Directors) employed by the Company during the year was nil (2021: 1).

None of the Directors received any remuneration in respect of their services during the year (2021: £nil).

Notes to the Financial Statements for the year ended 31 December 2022

4 Taxation

a) Recognised in the Profit and loss account

	2022 £'000	2021 £'000
<i>UK corporation tax</i>		
Current tax on income for the period	-	-
Total current tax	-	-
<i>Deferred tax</i>		
Origination and reversal of temporary differences	-	-
Effect of changes in tax rates	-	-
Total deferred tax	-	-
Total income tax expense/(credit)	-	-

b) Factors affecting the taxation charge

An increase in the UK corporation rate from 19% to 25% (effective 1 April 2023) was substantively enacted on 24 May 2021. This will increase the Company's future current tax charge accordingly. The deferred tax asset/liability at 31 December 2022 has been calculated based on these rates, reflecting the expected timing of reversal of the related temporary differences (2021: 19%).

The taxation charge for the year differs from the charge that would be expected based on the statutory 19% (2021: 19%) rate of corporation taxation in the UK. The major causes of this difference are listed below:

	2022 £'000	2021 £'000
Loss on ordinary activities	(30)	(41)
Total tax expense / (credit)	-	-
Loss before tax	(30)	(41)
Tax using the UK corporation tax rate of 19.00% (2021: 19%)	(6)	(8)
Adjustment in respect of prior years	-	-
Non-deductible expenses	-	7
Income not taxable	-	1
Tax rate changes	-	-
Tax losses not recognised	6	-
Group relief surrendered for nil consideration	-	-
Total tax charge for the period	-	-

Notes to the Financial Statements for the year ended 31 December 2022

4 Taxation (Continued)

(c) Recognised deferred tax assets and liabilities:

Deferred tax (assets)/liabilities are attributable to the following:

	2022 £'000	2021 £'000
At 1 January	-	-
(Credited)/Charged to profit and loss	-	-
At 31 December	-	-
	2022 £'000	2021 £'000
Represented by:		
PPE	-	-
Provisions	-	-
Deferred tax (asset)/liability	-	-

The company has gross timing differences of £33,000 (taxation amount £8,000) in respect of tax losses. A deferred tax asset has not been recognised at the balance sheet date because it is not sufficiently probable the losses will be utilised in the foreseeable future.

5 Tangible assets

	Land & Buildings £'000	Plant and equipment £'000	Computer equipment £'000	Total £'000
Cost				
31 December 2021	2,601	5,857	40	8,498
Additions	-	-	-	-
Disposal	-	-	-	-
Transfers	-	-	-	-
31 December 2022	2,601	5,857	40	8,498
Accumulated depreciation and impairment				
31 December 2021	1,575	5,857	40	7,472
Charge for the year	-	-	-	-
Transfers	-	-	-	-
Impairments	-	-	-	-
31 December 2022	1,575	5,857	40	7,472
Net book value				
31 December 2021	1,026	-	-	1,026
31 December 2022	1,026	-	-	1,026

Note to the Financial Statements for the year ended 31 December 2022

6 Debtors

Amounts falling due within one year

	2022 £'000	2021 £'000
Amounts owed by Group undertakings - gross	12,809	12,762
Trade debtors	26	9
	12,835	12,771

Amounts owed by Group undertakings are unsecured, interest bearing and repayable on demand. Prior to 1 August 2021 the applicable rate was based on the London InterBank Interest Rate (LIBOR) and with effect from this date it is based on the Sterling Overnight Index Average (SONIA). Management consider the replacement rates in the revised intercompany agreement to be economically equivalent to those used previously. The impact of the change in rates was not significant to the Company. Other amounts owed by Group undertakings are unsecured, interest free and repayable on demand.

7 Creditors

Amounts falling due within one year

	2022 £'000	2021 £'000
Trade creditors	115	6
Amounts owed to Group undertakings	-	-
Accruals and deferred income	577	592
	692	598

8 Called and Reserves

- a) **Called up share capital:** The called up share capital account records the nominal value of shares issued.

	2022	2021
Ordinary shares of £1 each		
Allotted, called up and fully paid		
- value	£10,000,001	£10,000,001
- number	10,000,001	10,000,001

- b) **Profit and loss account:** This includes all current and prior period retained profits and losses. All reserves in respect of profit and loss are distributable reserves.

9 Related party disclosures

As a wholly owned subsidiary the Company has taken advantage of the exemption under paragraph 8(k) of FRS 101 from disclosing transactions with other subsidiary undertakings of the British American Tobacco p.l.c. Group.

10 Parent undertakings

The Company's ultimate parent undertaking and ultimate controlling party is British American Tobacco p.l.c. being incorporated in the United Kingdom and registered in England and Wales. The Company's immediate

British American Tobacco (Corby) Limited

parent undertaking is Weston Investment Company Limited. Group financial statements are prepared only at the British American Tobacco p.l.c. level and may be obtained from:

The Company Secretary
Globe House
4 Temple Place
London
WC2R 2PG