COTT CORP /CN/
Form 11-K
June 29, 2005

Table of Contents

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 11-K

(Mark One)

þ **ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended December 31, 2004

OR

o **TRANSITION REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from __________ to __________

Commission File Number: 000-19914

A. Full title of the plan and the address of the plan, if different from that of the issuer named below:

THE RESTATED COTT USA 401(K) SAVINGS & RETIREMENT PLAN

Cott USA Corp.
4211 W. Boy Scout Blvd.
Suite # 290
Tampa, Florida 33607

B. Name of issuer of the securities held pursuant to the plan and the address of its principal executive office:

COTT CORPORATION

207 Queen s Quay West, Suite 340
Toronto, Ontario, Canada M5J 1A7

Table of Contents

Index to Financial Statements, Supplemental Schedules and Exhibits

Table of Contents

Report of Independent Registered Certified Public Accounting Firm

To the Participants and Administrator of
The Restated Cott USA 401(k) Savings & Retirement Plan

In our opinion, the accompanying statements of net assets available for benefits and the related statements of changes in net assets available for benefits present fairly, in all material respects, the net assets available for benefits of The Restated Cott USA 401(k) Savings & Retirement Plan (the Plan) at December 31, 2004 and 2003, and the changes in net assets available for benefits for the years then ended in conformity with accounting principles generally accepted in the United States of America. These financial statements are the responsibility of the Plan s management. Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits of these statements in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedules are presented for the purpose of additional analysis and are not a required part of the basic financial statements but are supplementary information required by the Department of Labor s Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. These supplemental schedules are the responsibility of the Plan s management. The supplemental schedules have been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole.

/s/ PricewaterhouseCoopers LLP

Tampa, Florida
June 3, 2005

Table of Contents

The Restated Cott USA 401(k) Savings & Retirement Plan

Statements of Net Assets Available for Benefits
December 31, 2004 and 2003

	2004	2003
Assets		
Noninterest bearing cash	$ 127	$
Investments, at fair value	26,630,304	21,272,180
Due from brokers		2,126
	26,630,431	21,274,306
Contributions receivable		
Participant	159,730	134,579
Employer	228,074	200,602
	387,804	335,181
Liabilities		
Due to broker	236	2,118
Net assets available for benefits	$ 27,017,999	$ 21,607,369

The accompanying notes are an integral part of these financial statements.

2

Table of Contents

The Restated Cott USA 401(k) Savings & Retirement Plan

Statements of Changes in Net Assets Available for Benefits
December 31, 2004 and 2003

	2004	2003
Additions to net assets attributed to		
Participant contributions	$ 2,579,517	$ 2,268,328
Employer contributions	1,710,361	1,570,534
Rollover contributions	446,809	231,781
Transfer of assets	1,326,824	
Interest and dividend income	344,855	140,502
Net appreciation in fair value of investments	988,755	4,157,351
Total additions	7,397,121	8,368,496
Deductions from net assets attributed to		
Benefits paid to participants	1,919,096	1,572,191
Administrative costs	67,395	54,727
Total deductions	1,986,491	1,626,918
Net increase	5,410,630	6,741,578
Net assets available for benefits		
Beginning of year	21,607,369	14,865,791
End of year	$ 27,017,999	$ 21,607,369

The accompanying notes are an integral part of these financial statements.

3

Table of Contents

The Restated Cott USA 401(k) Savings & Retirement Plan

Notes to Financial Statements
December 31, 2004 and 2003

1. Description of Plan

General

The following description of The Restated Cott USA 401(k) Savings & Retirement Plan (the Plan) is provided for general information purposes only. Participants should refer to the Plan document for a more complete description of the Plan s provisions. The Plan is a defined contribution savings and investment plan under Section 401(k) of the Internal Revenue Code (IRC) covering substantially all employees 18 years or older who have completed six months of service with Cott Beverages, Inc. (formerly Cott Beverages USA, Inc.) (the Company). The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA). For the years ended December 31, 2004 and 2003, Wachovia Retirement Services Company (Wachovia) served as the trustee and custodian.

Contributions

Participation in the plan is voluntary. Active participants can contribute up to 15% of earnings, to a maximum of $13,000 for 2004 and $12,000 for 2003, to the Plan in the form of basic contributions. The Company matches the employee contributions dollar for dollar up to 5% of the participant s earnings. Prior to September 1, 2003, the employer match was comprised of 75% cash and 25% Cott Corporation Common Stock. Beginning September 1, 2003, investment in Cott Corporation Common Stock became optional for Plan participants. Non-matching Company contributions may be made at the discretion of the Board of Directors of the Company.

Vesting

Participants are immediately vested in their contributions plus actual earnings thereon. Vesting in the Company s matching and discretionary contribution portion of their accounts, plus actual earnings thereon, is at a rate of 20% per year. A participant is 100% vested after 5 years of credited service.

Investment Options

Effective September 1, 2003, the Company approved an amendment to the Plan to include Cott Corporation Common Stock as an investment option subject to specified investment limitations. The Plan provides participants with nine diverse funds and a collective investment trust fund, in addition to the Cott Corporation Common Stock, as investment options in which to invest their contributions.

Participant Loans

Participants may borrow from their fund accounts up to a maximum of the lesser of $50,000 or 50% of their account balance. The term of the loan shall not exceed 5 years except for loans to purchase a primary residence, in which case the term of the loan shall not exceed 15 years. The loans are secured by the balance in the participant s account and bear interest at a rate of prime plus 1%. Principal and interest is paid ratably through payroll deductions.

Benefits Payments

Vested benefits of retired, disabled, or terminated employees are distributed as a single lump-sum payment and are recorded when paid.

Table of Contents

Transfer of Assets

Effective March 1, 2004, all participants in Premium Beverage Packers, Inc. 401(k) Plan (Premium 401(k)) had their balances transferred to the Plan. The value of the Premium 401(k) net assets at the time of the transfer was $1,326,824.

2. Summary of Significant Accounting Policies

Basis of Presentation

The accompanying financial statements have been prepared on the accrual basis of accounting, except for benefits paid to participants, which are recorded when paid.

Investment Valuation and Income Recognition

With the exception of the Cott Corporation Common Stock, the Plan invests in diverse mutual funds and a collective investment trust fund managed by Gartmore Trust Company (beginning June 13, 2003 and as of December 31, 2003 and 2004). From April 3, 2002 to June 13, 2003, the Plan invested in a common trust fund managed by Wachovia. Each account is valued at quoted market prices to determine a current fund value. Investments in securities for which exchange quotations are readily available are valued at the last sale price or, if not for sale, at the closing bid price. Participant loans are recorded at cost, which approximates fair value. The collective investment trust fund is stated at contract value which approximates market value quoted by Gartmore Trust Company.

Purchases and sales of securities are recorded on a trade date basis. Interest income is recorded on an accrual basis. Dividends are recorded on the ex-dividend basis. The Plan presents in the Statement of Changes in Net Assets Available for Benefits the net appreciation (depreciation) in the fair value of its investments which consists of the realized gains and losses and the unrealized appreciation (depreciation) on those investments.

Participant Accounts

Participant accounts are credited with units by investment fund for participant contributions, employer contributions and fund transfers and loan repayments. Unit values are calculated daily to reflect the gains or losses of the underlying fund investments and expenses. Each participant s account is credited with the participant s contribution and allocation of plan earnings. Allocations are based on account balances, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the units in the participant s fund multiplied by the appropriate unit values on the valuation date.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the dates of the financial statements and the reported amounts of increases and decreases in net assets during the reporting periods. Actual results could differ from those estimates.

Administrative Costs

Substantially all administrative expenses of the Plan are paid by the Company. Participants incur the cost of fees charged by the trustee/custodian to process payment requests and loan processing fees. Additionally, investment management fees are assessed to participants.

Table of Contents

3. Plan Termination

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue contributions and terminate the Plan. Upon a complete or partial termination of the Plan, the account of each affected participant will fully vest. The form and timing of payment will be determined under the Plan at the time of Plan termination.

4. Tax Status

The Internal Revenue Service has determined and informed the Company by a letter dated July 2, 2002, that the Plan is qualified, and that the trust established under the Plan is tax exempt, under the appropriate sections of the IRC. The Plan was amended and restated on September 9, 2004 and the Company has requested an IRS determination letter for the amended and restated Plan on September 15, 2004. The Plan administrator believes that the Plan is currently designed and being operated in compliance with the applicable requirements of the IRC. Therefore, no provision for income taxes has been included in the Plan financial statements.

5. Forfeitures

Forfeited nonvested amounts for 2004 and 2003 were $72,242 and $47,668 respectively. Cumulative forfeitures for Plan years ended December 31, 2004 and 2003 were $72,244 and $47,670, respectively. Cumulative forfeitures are included in the Plan s investments and are available to reduce future employer contributions and administrative expenses.

6. Non-Participant Directed Investments

Information about net assets and the significant components of the changes in net assets relating to the non-participant directed investments is as follows:

	2004	2003
Non-participant directed investment*		
Cott Corporation Common Stock	$ 3,300,243	$ 4,174,863
Changes in non-participant directed investment		
Contributions	$ 194,542	$ 333,599
Net (depreciation) appreciation	(707,461)	1,510,076
Benefits paid to participants	(361,701)	(284,913)
	$ (874,620)	$ 1,558,762

* Includes both non-participant directed and participant directed Cott Corporation Common Stock (Note 1)

7. Collective Investment Trust

The Gartmore Morley Stable Value Fund investment fund (the Fund), offered to participants of the Plan, is a collective investment trust fund with Gartmore Trust Company. The Fund consists of a diversified portfolio of high quality stable value investment contracts issued by life insurance companies, banks and other financial institutions. Income is accrued daily and reinvested in the Fund. The accrual of income is reflected in the Fund s unit price which is priced daily and is not held constant.

6

Table of Contents

8. Related Party Transactions

Fees paid by the Plan for trustee management services amounted to $67,395 and $54,727 for the years ended December 31, 2004 and 2003, respectively. These fees qualify as party-in-interest transactions.

The Plan investments include shares of Cott Corporation Common Stock and Participant Loans. These transactions qualify as party-in-interest transactions.

9. Investments

The following table presents the Plan s investments that represent 5% or more of the Plan s assets.

	2004	2003
Cott Corporation Common Stock	$ 3,300,243	$ 4,174,863
American Funds Balanced Fund	4,209,659	3,363,535
American Funds Growth Fund of America	8,407,311	6,768,907
Evergreen Core Bond Fund	1,940,931	1,552,920
Gartmore Morley Stable Value Fund	4,474,805	3,219,088

During 2004 and 2003, the Plan s investments (including gains and losses on investments bought and sold, as well as held during the year) appreciated in value by $988,755 and $4,157,351, respectively, as follows:

	2004	2003
Collective Investment Trust Fund	$ 1,572,679	$ 2,590,146
Common Stock	(707,461)	1,510,076
Mutual Funds	123,537	57,129
	$ 988,755	$ 4,157,351

7

Table of Contents

10. Reconciliation of Financial Statements to Form 5500

The following is a reconciliation of contributions in the financial statements and Form 5500 for the year ended December 31, 2004:

Participant contributions per the financial statements	$ 2,579,517
Plus: 2003 Participant contribution receivable	134,579
Less: 2004 Participant contribution receivable	(159,730)
Participant contributions per Form 5500	$ 2,554,366
Employer contributions per the financial statements	$ 1,710,361
Plus: 2003 Employer contribution receivable	200,602
Less: 2004 Employer contribution receivable	(228,074)
Employer contributions per Form 5500	$ 1,682,889
Participant contribution receivable per the financial statements	$ 159,730
Less: 2004 Participant contribution receivable	(159,730)
Participant contribution receivable per Form 5500	$
Employer contribution receivable per the financial statements	$ 228,074
Less: 2004 Employer contribution receivable	(228,074)
Employer contribution receivable per Form 5500	$

Table of Contents

The Restated Cott USA 401(k) Savings & Retirement Plan

Schedule H, Line 4(i) Schedule of Assets (Held at End of Year)

December 31, 2004 **Schedule I**

Identity of Issue, Borrower, Lessor or Similar Party	Description of Investment	Cost	Current Value
AIM Small Cap Growth Fund	Mutual Fund	$	$ 687,771
American Funds Balanced Fund	Mutual Fund		4,209,659
American Funds Growth Fund of America	Mutual Fund		8,407,311
Davis New York Venture Fund	Mutual Fund		618,240
Evergreen Core Bond Fund	Mutual Fund		1,940,931
Evergreen Equity Index Fund	Mutual Fund		198,366
Fidelity Advisor Mid Cap Fund	Mutual Fund		858,167
Franklin Mutual Series Beacon Fund	Mutual Fund		390,361
Templeton Foreign Fund	Mutual Fund		455,582
Gartmore Morley Stable Value Fund	Collective Investment Trust Fund		4,474,805
Cott Corporation*	Common Stock	2,597,976**	3,300,243
Participant Loans*	Interest rates of 5% to 10.5%		1,088,868
		$ 2,597,976	$ 26,630,304

* Party-in-interest defined by ERISA.

** Includes both non-participant and participant directed investments.

See accompanying Report of Independent Registered Certified Public Accounting Firm

9

Table of Contents

The Restated Cott USA 401 (k) Savings & Retirement Plan

Schedule H, Line 4(j) Schedule of Reportable Transactions
Year Ended December 31, 2004 **Schedule II**

The Plan executed no transactions as defined.

See accompanying Report of Independent Registered Certified Public Accounting Firm

10

Table of Contents

The Restated Cott USA 401 (k) Savings & Retirement Plan

Schedule H, Line 4(i) Schedule of Assets (Acquired and Disposed of Within the Plan Year)
Year Ended December 31, 2004 **Schedule III**

The Plan executed no transactions as defined.

See accompanying Report of Independent Registered Certified Public Accounting Firm

Table of Contents

The Restated Cott USA 401 (k) Savings & Retirement Plan

Schedule of Loans or Fixed Income Obligations in Default or Classified as Uncollectible
Year Ended December 31, 2004 **Schedule IV**

The Plan executed no transactions as defined.

See accompanying Report of Independent Registered Certified Public Accounting Firm

12

Table of Contents

The Restated Cott USA 401 (k) Savings & Retirement Plan

Schedule of Leases in Default or Classified as Uncollectible
Year Ended December 31, 2004 **Schedule V**

The Plan executed no transactions as defined.

See accompanying Report of Independent Registered Certified Public Accounting Firm

13

Table of Contents

The Restated Cott USA 401 (k) Savings & Retirement Plan

Schedule of Non-Exempt Transactions
Year Ended December 31, 2004 **Schedule VI**

The Plan executed no transactions as defined.

See accompanying Report of Independent Registered Certified Public Accounting Firm

Table of Contents

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Trustees (or other persons who administer the Plan) have duly caused this annual report to be signed on its behalf by the undersigned hereunto duly authorized.

The Restated Cott USA 401 (k)
Savings & Retirement Plan

By: /s/ Kimberly M. Helton

Kimberly M. Helton
Retirement Plan Manager,
Cott Beverages, Inc.

June 29, 2005