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COMPANIES HOUSE

ALIVINI (NORTH) LIMITED

FINANCIAL STATEMENTS

**For the year ended
31 December 2014**

Company no 02880642

ALIVINI (NORTH) LIMITED
FINANCIAL STATEMENTS

For the year ended 31 December 2014

Company registration number: 02880642

Registered office: New Penderel House
2nd Floor
283-288 High Holborn
London
WC1V 7HP

Directors: A Pirozzi
S D Bridgeman
J D N Pires
C J Dos Santos
G Segatta
M V Santos-Pires

Secretary: S D Bridgeman

Auditor: Grant Thornton UK LLP
Registered Auditor
Chartered Accountants
Grant Thornton House
Melton Street
Euston Square
London
NW1 2EP

ALIVINI (NORTH) LIMITED
FINANCIAL STATEMENTS

For the year ended 31 December 2014

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ALIVINI (NORTH) LIMITED
REPORT OF THE DIRECTORS

The directors present their report together with the audited financial statements for the year ended 31 December 2014.

Principal activity

The principal activity of the company in the year under review was that of the sale of wines and provisions.

Business review

There was a profit for the year after taxation amounting to £73,491 (2013 : £85,331). The directors do not recommend the payment of a dividend.

Directors

The present membership of the Board is set out below.

A Pirozzi
S D Bridgeman
J D N Pires
C J Dos Santos
G Segatta
M V Santos-Pires

Statement of directors' responsibilities

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable laws). 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 and profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

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

ALIVINI (NORTH) LIMITED
REPORT OF THE DIRECTORS

Statement of directors' responsibilities (continued)

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Disclosure of information to auditor

In so far as each of the directors is aware:

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

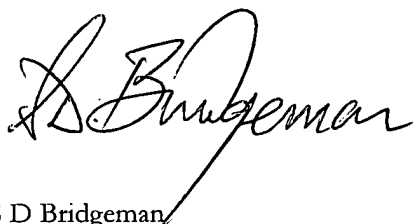
Auditor

Grant Thornton UK LLP, having expressed their willingness to continue in office, will be deemed reappointed for the next financial year in accordance with Section 487(2) of the Companies Act 2006 unless the company receives notice under Section 488(1) of the Act.

Small company exemptions

This report has been prepared in accordance with the special provisions of Part 15 of the Companies Act 2006 relating to small companies.

BY ORDER OF THE BOARD



S D Bridgeman
Secretary

Date: 20th July 2015

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ALIVINI (NORTH) LIMITED

We have audited the financial statements of Alivini (North) Limited for the year ended 31 December 2014 which comprise the principal accounting policies, the profit and loss account, the balance sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and the Financial Reporting Standard for Smaller Entities (effective April 2008) (United Kingdom Generally Accepted Accounting Practice) applicable to Smaller Entities.

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

Respective responsibilities of directors and auditor

As explained more fully in the Statement of Directors' Responsibilities set out on page 1 and page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2014 and of its profit for the year then ended;
 - have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

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

**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ALIVINI (NORTH) LIMITED
(continued)**

Matters on which we are required to report by exception

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

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



Harold C Wilson
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
London

Date:

20 July 2015

ALIVINI (NORTH) LIMITED**Profit and Loss for the year ended 31 December 2014**

For the year ended 31 December 2014

		Year ended 31 December 2014 £	Year ended 31 December 2013 £
	Note		
Turnover		4,047,772	3,458,044
Cost of sales		(3,255,787)	(2,710,956)
Gross profit		791,985	747,088
Administrative expenses		(703,582)	(641,781)
Operating profit	3	88,403	105,307
Interest payable and similar charges	4	(14,912)	(19,976)
Profit on ordinary activities before taxation		73,491	85,331
Tax on profit on ordinary activities	6	-	-
Profit on ordinary activities after taxation	13	73,491	85,331

All transactions arise from continuing operations.

There were no recognised gains and losses for 2014 and 2013 other than those disclosed in the Profit and loss account.

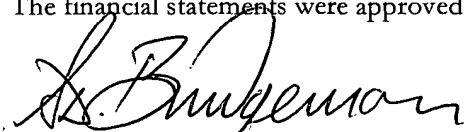
The accompanying accounting policies and notes form an integral part of these financial statements.

ALIVINI (NORTH) LIMITED**Balance Sheet at 31 December 2014**

	Note	At 31 December 2014 £	At 31 December 2013 £
Fixed assets			
Tangible assets	7	37,195	20,021
Current assets			
Stocks	8	184,335	143,716
Debtors	9	921,758	790,729
Cash at bank and in hand		5,417	2,933
		<u>1,111,510</u>	<u>937,378</u>
Creditors: amounts falling due within one year	10	<u>1,730,290</u>	<u>1,612,475</u>
Net current liabilities		<u>(618,780)</u>	<u>(675,097)</u>
Total assets less current liabilities		<u><u>(581,585)</u></u>	<u><u>(655,076)</u></u>
Capital and reserves			
Called up share capital	12	751	751
Profit and loss account	13	(582,336)	(655,827)
Shareholders' funds	14	<u><u>(581,585)</u></u>	<u><u>(655,076)</u></u>

These financial statements have been prepared in accordance with the special provisions for small companies under Part 15 of the Companies Act 2006.

The financial statements were approved by the Board of Directors on 20th July 2015



S D Bridgeman
Director

Company registration no: 02880642

The accompanying accounting policies and notes form an integral part of these financial statements.

ALIVINI (NORTH) LIMITED
NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2014

1 Accounting Policies

1.1. Basis of Preparation

The financial statements have been prepared under the historical cost convention and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008).

The principal accounting policies of the company have remained unchanged from the previous year and are set out below.

1.2. Going concern

The financial statements have been prepared under the going concern basis, which is dependent on the continuing financial and operational support of the parent company, Franciacorta Limited. Franciacorta Limited has indicated its intention to continue to provide such support for a period of not less than twelve months from the date of signing of the financial statements. Accordingly, the directors have concluded that it is appropriate to prepare the financial statements on a going concern basis. The financial statements do not include any adjustments which would result from a withdrawal of such support.

1.3. Turnover

Turnover represents net invoiced value of goods supplied, excluding Value Added Tax. Turnover arose wholly in the United Kingdom. Turnover arises from the company's principal activity, which is that of the sale of wines and provisions. Turnover is recognised at the point of sale, which is when the goods are supplied to the customer.

1.4. Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is calculated to write down the cost less estimated residual value of all tangible fixed assets other than freehold land by equal annual instalments over their expected useful lives. The rates generally applicable are:

Short leasehold	straight line over the life of the lease
Plant and machinery	20% straight line
Motor vehicles	25% straight line
Furniture and equipment	25% straight line

1.5. Stocks

Stocks are stated at the lower of cost and net realisable value, after making allowance for obsolete and slow moving items.

ALIVINI (NORTH) LIMITED
NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2014

1.6. Deferred taxation

Deferred tax is recognised on all timing differences where the transactions or events that give the company an obligation to pay more tax in the future, or a right to pay less tax in the future, have occurred by the balance sheet date. Deferred tax assets are recognised when it is more likely than not that they will be recovered. Deferred tax is measured using rates of tax that have been enacted or substantively enacted by the balance sheet date.

1.7. Foreign currency

Transactions in foreign currencies are translated at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date. Any gain or loss arising from a change in exchange rates subsequent to the date of the transaction is included as an exchange gain or loss in the profit and loss account.

1.8. Hire purchase and leasing commitments

Assets obtained under hire purchase contracts or finance leases are capitalised in the balance sheet. Those held under hire purchase contracts are depreciated over their estimated useful lives. Those held under finance leases are depreciated over their estimated useful lives or the lease term, whichever is the shorter. The interest element of these obligations is charged to the profit and loss account over the relevant period. The capital element of the future payments is treated as a liability.

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over lease term.

1.9. Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

Where the contractual obligations of financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classed as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

ALIVINI (NORTH) LIMITED
NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2014

1.10. Cash flow statement

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from including a cash flow statement in the financial statements on the grounds that the company is small and that a cash flow statement is included in the consolidated financial statements of the parent company, Franciacorta Limited, which are publicly available.

2 Company Voluntary Arrangement

The company entered into a Company Voluntary Arrangement ("CVA") on 23 February 2010. Under the terms of the arrangement, the company reached agreement with its creditors to pay at least 29 pence in the pound on all outstanding balances. In addition, the Company is a member of a VAT group with the parent company, Franciacorta Limited, and a fellow subsidiary of Franciacorta Limited, Alivini Company Limited. Under the terms of the CVA, HM Revenue and Customs are entitled to make a claim against each member of the VAT group for the VAT liabilities of each company, such that the total amount which will be paid to HM Revenue and Customs in respect of outstanding VAT liabilities is 94 pence in the pound.

The terms of the CVA set out the minimum amount which must be paid via the supervisor to settle all liabilities. The terms also stipulate that the company will be required to make additional payments should it exceed forecast profit after tax for each year for a five year period subsequent to the company entering into the CVA. For years one and two, the forecasts were agreed with the supervisor at the time of the CVA and management understand that similar forecasts will be set for years three to five. In the opinion of the directors, these forecasts are not likely to be exceeded and, accordingly, no provision has been made for any additional contributions which would become due if such forecasts were exceeded.

The CVA liability will be settled via payments to the supervisor of not less than £2,000 per month in months 1 to 12 and not less than £2,600 in months 13 to 60 and continuing thereafter on a similar basis until the liability is settled.

At 31 December 2014, the company has settled all of its own liabilities arising under the CVA however, under the terms of the CVA, it is obliged to make further payments of £2,600 per month on behalf of other group companies as the company is part of a VAT group and is therefore jointly liable for the VAT liabilities of other group companies which existed at the time of the CVA. As noted above, these liabilities are to be settled at a rate of 94 pence in the pound. These monthly payments will cease once all group VAT liabilities are settled.

ALIVINI (NORTH) LIMITED
NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2014

3 Operating profit

The operating profit is stated after charging / (crediting):

	Year ended 31 December 2014 £	Year ended 31 December 2013 £
Auditor's remuneration:		
- Audit services	6,000	5,500
Depreciation:		
- Tangible fixed assets owned	9,938	27,991
(Profit) on disposal of fixed assets	(970)	-
Other operating leases - land and buildings	63,000	63,000
Other operating leases - plant and machinery	242	1,139

4 Interest payable and similar charges

	Year ended 31 December 2014 £	Year ended 31 December 2013 £
On invoice discounting borrowings	14,912	15,535
Hire purchase interest	-	4,441
	<u>14,912</u>	<u>19,976</u>

ALIVINI (NORTH) LIMITED
NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2014

5 Directors and employees

Staff costs during the period were as follows:

	Year ended 31 December 2014 £	Year ended 31 December 2013 £
Wages and salaries	290,462	279,045
Social security costs	29,392	29,527
	<u>319,854</u>	<u>308,572</u>

The average number of employees of the company during the year was:

	Year ended 31 December 2014 Number	Year ended 31 December 2013 Number
Sales and distribution	10	10
Administration excluding directors	2	2
	<u>12</u>	<u>12</u>

The directors do not take compensation for their roles as directors of the company as they are remunerated by other group companies.

ALIVINI (NORTH) LIMITED
NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2014

6 Tax on profit on ordinary activities

There is no tax payable by reference to the current or preceding year.

	Year ended 31 December 2014 £	Year ended 31 December 2013 £
The tax assessed for the period is lower than the standard rate of corporation tax in the United Kingdom 21.5% (2013: 23.0%). The differences are explained as follows:		
Profit on ordinary activities before tax	<u>73,491</u>	<u>85,331</u>
Profit on ordinary activities multiplied by the standard rate of corporation tax of 21.5% (2013: 23.0%)	15,800	19,626
Effect of:		
Expenses not deductible for tax purposes	231	36
Other timing differences	-	(2,964)
Depreciation (less)/more than capital allowances	(4,213)	2,737
(Utilisation of) trading losses	<u>(11,818)</u>	<u>(19,435)</u>
Total tax charge / (credit) for the year	<u>-</u>	<u>-</u>

Losses for taxation purposes of £206,473 (2013: £261,446) are available to carry forward to reduce future years' corporation tax liabilities.

ALIVINI (NORTH) LIMITED
NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2014

7 Tangible fixed assets

	Short leasehold £	Plant and machinery £	Motor vehicles £	Furniture and equipment £	Total £
Cost					
At 1 January 2014	23,832	144,197	224,811	1,801	394,641
Additions	-	-	32,542	-	32,542
Disposals	-	-	(22,290)	-	(22,290)
At 31 December 2014	<u>23,832</u>	<u>144,197</u>	<u>235,063</u>	<u>1,801</u>	<u>404,893</u>
Depreciation					
At 1 January 2014	21,038	144,197	207,585	1,800	374,620
Provided in the year	931	-	9,007	-	9,938
Disposals	-	-	(16,860)	-	(16,860)
At 31 December 2014	<u>21,969</u>	<u>144,197</u>	<u>199,732</u>	<u>1,800</u>	<u>367,698</u>
Net book amount at 31 December 2014	<u>1,863</u>	<u>-</u>	<u>35,331</u>	<u>1</u>	<u>37,195</u>
Net book amount at 31 December 2013	<u>2,794</u>	<u>-</u>	<u>17,226</u>	<u>1</u>	<u>20,021</u>

8 Stocks

	At 31 December 2014 £	At 31 December 2013 £
Finished goods	<u>184,335</u>	<u>143,716</u>

ALIVINI (NORTH) LIMITED
NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2014

9 Debtors

	At 31 December 2014 £	At 31 December 2013 £
Trade debtors	911,543	782,604
Prepayments and accrued income	8,315	8,125
Other debtors	1,900	-
	<u>921,758</u>	<u>790,729</u>

Trade debtors include an amount of £911,543 (2013 : £782,604) which provides security in respect of an invoice discount facility.

10 Creditors: amounts falling due within one year

	At 31 December 2014 £	At 31 December 2013 £
Trade creditors	11,849	11,133
Amounts owed to group undertakings	1,126,664	1,063,466
Accruals and deferred income	27,650	24,500
Other taxation and social security	3,600	-
Invoice discount facility	560,527	513,376
	<u>1,730,290</u>	<u>1,612,475</u>

In addition to being secured against the company's trade debtors, as disclosed in note 9, the invoice discounting borrowings are secured by a cross company guarantee and debenture. The co-guarantors are the parent company, Franciacorta Limited, and fellow subsidiaries of Franciacorta Limited.

The invoice discounting borrowings were also secured by the personal guarantees of some of the directors, further details of which are provided in note 17 to these financial statements.

ALIVINI (NORTH) LIMITED
NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2014

11 Operating lease commitments

The following operating lease payments are committed to be paid within one year:

	At 31 December 2014		At 31 December 2013	
	Land and buildings £	Other operating leases £	Land and buildings £	Other operating leases £
Expiring:				
In five years or more	63,000	-	63,000	-
	<u>63,000</u>	<u>-</u>	<u>63,000</u>	<u>-</u>

12 Share capital

	At 31 December 2014 £	At 31 December 2013 £
Authorised		
1,000 ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>
Allotted, called up and fully paid		
751 ordinary shares of £1 each	<u>751</u>	<u>751</u>

13 Reserves

	Profit and loss account £
At 1 January 2014	(655,827)
Profit for the period	<u>73,491</u>
At 31 December 2014	<u>(582,336)</u>

ALIVINI (NORTH) LIMITED
NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2014

14 Reconciliation of movements in shareholders' funds

	Year ended 31 December 2014 £	Year ended 31 December 2013 £
Profit for the financial period	73,491	85,331
Shareholders' funds at 1 January 2014	(655,076)	(740,407)
Shareholders' funds at 31 December 2014	<u>(581,585)</u>	<u>(655,076)</u>

15 Capital commitments

The company had no capital commitments at 31 December 2014 or 31 December 2013.

16 Contingent liabilities

Company Voluntary Arrangement

As disclosed in Note 2 above, the company entered into a Company Voluntary Arrangement ("CVA") on 23 February 2010. The company has accrued the total amount expected to be payable under the terms of the CVA Arrangement. The terms of the CVA stipulate that the company will be required to make additional payments should it exceed forecast profit after tax for each year for a five year period subsequent to the company entering into the CVA. For years one and two, the forecasts were agreed with the supervisor at the time of the CVA and management understand that similar forecasts will be set for years three to five. In the opinion of the directors, these forecasts are not likely to be exceeded and, accordingly, no provision has been made for any additional contributions which would become due if such forecasts were achieved.

The company is a member of a VAT group with Franciacorta Limited, the parent company, and Alivini Company Limited, a fellow subsidiary of the parent company. Should Franciacorta Limited or Alivini Company Limited fail to meet its VAT obligations to HM Revenue and Customs, including those on the date that the companies entered a CVA, HM Revenue and Customs are entitled to make additional claims against Alivini North Limited.

Although the company has settled all of its own liabilities arising under the CVA, due to the existence of a VAT group at the time of the CVA, the company will continue to make monthly payments of £2,600 until all group VAT liabilities due to be paid under the terms of the CVA have been settled.

ALIVINI (NORTH) LIMITED
NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2014

16 Contingent liabilities (continued)

Cross Guarantee for Invoice Discount and Other Facility

The company has provided a cross guarantee in respect of an invoice discount facility as well as a loan granted to other subsidiary companies of the parent company, Franciacorta Limited.

17 Transactions with related parties

As a wholly-owned subsidiary of Franciacorta Limited, the company is exempt from the requirements of FRS 8 to disclose transactions with other members of the group headed by Franciacorta Limited on the grounds that accounts are publicly available from the Registered Office.

As disclosed in note 10 to the financial statements, the invoice discount facility is secured by the personal guarantees of some of the directors of the company. A Pirozzi has provided a guarantee limited to £50,000 and S D Bridgeman, G Segatta, C J Dos Santos and J D N Pires have provided guarantees limited to £25,000 each.

18 Ultimate parent undertaking and controlling party

The company's ultimate parent undertaking is Franciacorta Limited, a company incorporated in England and Wales. The largest and smallest group of undertakings for which group accounts have been drawn up, including the company, is that headed by Franciacorta Limited. Copies of the accounts of the parent company can be obtained from Munsloes, New Penderel House, 2nd Floor, 283-288 High Holborn, London WC1V 7HP.

In the opinion of the directors, there is no ultimate controlling party.