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Financial Statements

Key West (Holdings) Limited

For the period ended 31 December 2014

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COMPANIES HOUSE

Registered number: 08963631

Company Information

Directors	A Nisbet (appointed 27 March 2014) A M Nisbet (appointed 1 January 2015) J P Nisbet (appointed 1 January 2015) E R Nisbet (appointed 1 January 2015)
Company secretary	A Nisbet
Registered number	08963631
Registered office	22 Clifton Road Clifton Bristol BS8 1AQ
Independent auditor	Grant Thornton UK LLP Chartered Accountants & Statutory Auditor Hartwell House 55-61 Victoria Street Bristol BS1 6FT

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Group Strategic Report

For the period ended 31 December 2014

The company was incorporated on 27 March 2014. Key West (Holdings) Limited was set up to be a holding company for investment in subsidiaries.

Within Key West (Holdings) Limited, the group had Turnover for the year of £226.7 million (2013: £194.4 million). Profit before tax was £26.9 million (2013: £27.3 million), the fall relating to £1.6 million costs incurred on cost of investment in the year.

On 9 April 2014 Key West (Holdings) Limited acquired 94.4% of the equity share capital of Nisbets PLC by way of a share for share exchange. The transaction qualifies as a group reconstruction within the meaning of Financial Reporting Standard 6, and has been accounted for using the merger accounting method. Accordingly, the financial information for the current period and comparatives have been presented as if Nisbets PLC had been owned by Key West (Holdings) Limited throughout the current and prior periods.

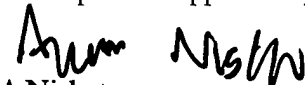
Nisbets plc was the only investment in the year. Nisbets plc is principally engaged in the sale and leasing of catering equipment. Its activities are carried out through the company's branches in the United Kingdom and the Republic of Ireland and subsidiaries in the UK, France, Spain, the Netherlands, China and Australia. Nisbets continues its record of turnover growth achieving a 17% growth in the year. Turnover for the year ended 31 December 2014 was in line with expectations at £226.7 million. Profit before tax was £28.4 million, an increase of 4% from the prior year (2013: £27.3 million).

After the period end, on 30 January 2015, Key West (Holdings) Limited acquired 60% of the shares in Jongor (Holdings) Limited. Jongor is a catering equipment hire company.

This report was approved by the board on

30/9/15

and signed on its behalf.


A Nisbet
Director

Directors' Report

For the period ended 31 December 2014

The directors present their report and the financial statements for the period ended 31 December 2014.

Directors' responsibilities statement

The directors are responsible for preparing the Group strategic report, 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 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 the group and of the profit or loss of the group 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 group 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 the group 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 the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Director

The director who served during the period was:

A Nisbet (appointed 27 March 2014)

As Nisbets plc was the only investment in the year by Key West (Holdings) Limited, the policies below relate directly to Nisbets plc.

Environmental policy

Management have continued to develop the group's environmental policy and control the group's environmental impact, recycling 96% of waste in 2014. The group's objective is to consistently develop and improve performance in this area by investment into improved waste stream segregation along with promoting staff awareness and training. In addition, the group works with suppliers to ensure that a minimalistic packaging approach and appropriate environmental policies and controls are adopted within their organisations.

Although not currently required to register as a large energy user under the CRC Energy Efficiency Scheme, the group monitors the energy use of its buildings and processes with the aim of continuing to reduce its carbon footprint. It is working to achieve this through a number of measures including the introduction of additional low energy lighting equipment and specialised motion control sensors in both warehouse and office areas.

Directors' Report

For the period ended 31 December 2014

Financial instruments

The group is exposed to transaction foreign exchange risk which it seeks to hedge using forward exchange rate contracts and put and call options. The fair value of these derivative financial instruments as at 31 December 2014 was £1,938,967 (2013: (£2,499,014)).

Colleague involvement

The group's policy is to keep colleagues informed about activities and developments across the business. Local managers are charged with communication and explaining matters affecting them as employees and the financial and economic factors affecting the performance of the group. Other communications and methods used for consulting colleagues and their representatives vary locally according to the country and the nature of colleague representation.

Disabled employees

Applications for employment by disabled persons are given full and fair consideration for all vacancies in accordance with their particular aptitudes and abilities. In the event of colleagues becoming disabled, every effort is made to retain them in order that their employment with the group may continue.

It is the policy of the group that training, career development and promotion opportunities should be available to all colleagues.

Nisbets in the community

As part of its Corporate Social Responsibility activities, the group runs its Nisbets in the Community programme. This is a dedicated long term charitable project which encourages colleagues to get involved in local community projects and make a difference by raising money and volunteering their skills and time. The group also recruits from the local area to tackle unemployment, particularly supporting young people seeking to develop their skills to become more employable.

Disclosure of information to auditor

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the company and the group's auditor is unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company and the group's auditor is aware of that information.

Auditor

The auditor, Grant Thornton UK LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

Key West (Holdings) Limited

Directors' Report

For the period ended 31 December 2014

This report was approved by the board on

30/9/15

and signed on its behalf.



A Nisbet
Director

Independent Auditor's Report to the Members of Key West (Holdings) Limited

We have audited the financial statements of Key West (Holdings) Limited for the period ended 31 December 2014, which comprise the consolidated Profit and loss account, the consolidated and company Balance sheets, the consolidated Cash flow statement and reconciliation of net cash flow to movement in net funds/debt, the consolidated Statement of total recognised gains and losses and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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

Respective responsibilities of directors and auditor

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

Scope of the audit of the financial statements

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 group's and of the parent company's affairs as at 31 December 2014 and of the group's profit for the period 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.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Group strategic report and the Directors' report for the financial period for which the financial statements are prepared is consistent with the financial statements.



Independent Auditor's Report to the Members of Key West (Holdings) Limited

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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements 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.

A handwritten signature in black ink, appearing to read "Tim Lincoln", written over a horizontal line.

Tim Lincoln (Senior statutory auditor)
for and on behalf of
Grant Thornton UK LLP
Statutory Auditor
Chartered Accountants
Bristol
Date:

30 September 2015.

Consolidated Profit and Loss Account

For the period ended 31 December 2014

	Note	2014 £	2013 £
Turnover	1,2	226,743,019	194,444,191
Cost of sales		<u>(139,886,023)</u>	<u>(116,747,431)</u>
Gross profit		86,856,996	77,696,760
Administrative expenses		<u>(58,683,470)</u>	<u>(50,680,253)</u>
Operating profit	3	28,173,526	27,016,507
Exceptional items			
Exceptional item	9	<u>(1,585,000)</u>	<u>-</u>
Profit on ordinary activities before interest		26,588,526	27,016,507
Interest receivable and similar income	7	399,632	444,454
Interest payable and similar charges	8	<u>(109,653)</u>	<u>(198,250)</u>
Profit on ordinary activities before taxation		26,878,505	27,262,711
Tax on profit on ordinary activities	10	<u>(6,353,167)</u>	<u>(6,388,156)</u>
Profit on ordinary activities after taxation		20,525,338	20,874,555
Minority interests		<u>(1,138,516)</u>	<u>(883,542)</u>
Profit for the financial year	20	<u><u>19,386,822</u></u>	<u><u>19,991,013</u></u>

All amounts relate to continuing operations.

The notes on pages 12 to 27 form part of these financial statements.

Consolidated Statement of Total Recognised Gains and Losses

For the period ended 31 December 2014

	Note	2014 £	2013 £
Profit for the financial period		19,386,822	19,991,013
Exchange differences		<u>76,120</u>	<u>87,313</u>
Total recognised gains and losses relating to the period		<u><u>19,462,942</u></u>	<u><u>20,078,326</u></u>

The notes on pages 12 to 27 form part of these financial statements.

Consolidated Balance Sheet

As at 31 December 2014

	Note	£	2014 £	£	2013 £
Fixed assets					
Intangible assets	11		3,983,458		4,274,044
Tangible assets	12		30,608,437		29,435,526
			<u>34,591,895</u>		<u>33,709,570</u>
Current assets					
Stocks	14	43,699,120		31,892,205	
Debtors	15	23,385,728		20,735,383	
Cash at bank		37,741,481		32,526,044	
		<u>104,826,329</u>		<u>85,153,632</u>	
Creditors: amounts falling due within one year	16	(26,607,592)		(25,132,772)	
Net current assets			<u>78,218,737</u>		<u>60,020,860</u>
Total assets less current liabilities			<u>112,810,632</u>		<u>93,730,430</u>
Creditors: amounts falling due after more than one year	17		(8,341,162)		(9,526,522)
Net assets			<u><u>104,469,470</u></u>		<u><u>84,203,908</u></u>
Capital and reserves					
Called up share capital	19		35,207		35,207
Other reserves	20		5,238,182		5,238,182
Profit and loss account	20		94,090,841		74,627,899
Shareholders' funds	21		<u>99,364,230</u>		<u>79,901,288</u>
Minority interests	22		<u>5,105,240</u>		<u>4,302,620</u>
			<u><u>104,469,470</u></u>		<u><u>84,203,908</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on

30/9/15.

A Nisbet

A Nisbet
Director


The notes on pages 12 to 27 form part of these financial statements.

Company Balance Sheet

As at 31 December 2014

	Note	£	2014 £
Fixed assets			
Investments	13		1,620,207
Current assets			
Debtors	15	50,739	
Cash at bank		4,091,144	
		<u>4,141,883</u>	
Creditors: amounts falling due within one year	16	(21,927)	
Net current assets			<u>4,119,956</u>
Total assets less current liabilities			<u><u>5,740,163</u></u>
Capital and reserves			
Called up share capital	19		35,207
Profit and loss account	20		<u>5,704,956</u>
Shareholders' funds	21		<u><u>5,740,163</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on


A Nisbet
 Director

30/12/15

The notes on pages 12 to 27 form part of these financial statements.

Consolidated Cash Flow Statement

For the period ended 31 December 2014

	Note	2014 £	2013 £
Net cash flow from operating activities	23	18,343,380	30,736,402
Returns on investments and servicing of finance	24	(155,460)	829,569
Taxation		(7,486,730)	(6,549,587)
Capital expenditure and financial investment	24	(4,300,393)	(8,279,559)
Cash inflow before financing		6,400,797	16,736,825
Financing	24	(1,185,360)	(24,685,360)
Increase/(decrease) in cash in the year		5,215,437	(7,948,535)

Reconciliation of Net Cash Flow to Movement in Net Funds

For the period ended 31 December 2014

	2014 £	2013 £
Increase/(decrease) in cash in the year	5,215,437	(7,948,535)
Cash outflow from decrease in debt and lease financing	1,185,360	24,685,360
Movement in net debt in the period	6,400,797	16,736,825
Net funds at 1 January 2014	21,814,162	5,077,337
Net funds at 31 December 2014	28,214,959	21,814,162

The notes on pages 12 to 27 form part of these financial statements.

Notes to the Financial Statements

For the period ended 31 December 2014

1. Accounting Policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared in accordance with applicable accounting standards under the historical cost convention.

The company is entitled to the merger relief offered by section 131 of the Companies Act 1985 in respect of the acquisition of Nisbets plc.

The group has substantial cash assets and access to further funding if required and the directors therefore consider that there is a reasonable expectation that the group and company have adequate resources to continue in operational existence for the foreseeable future. For this reason, the directors continue to adopt the going concern basis in preparing the financial statements.

1.2 Basis of consolidation

The financial statements consolidate the accounts of Key West (Holdings) Limited and all of its subsidiary undertakings ('subsidiaries').

On 9 April 2014 Key West (Holdings) Limited acquired 94.4% of share capital of Nisbets PLC by way of a share for share exchange. The transaction qualifies as a group reconstruction within the meaning of Financial Reporting Standard 6, and has been accounted for using the merger accounting method. Accordingly, the financial information for the current period and comparatives have been presented as if Nisbets PLC had been owned by Key West (Holdings) Limited throughout the current and prior periods.

1.3 Turnover

Turnover is the total amount receivable by the group for goods supplied and services provided and is recognised on the date of dispatch and provision of service. Turnover excludes VAT and trade discounts.

1.4 Intangible fixed assets and amortisation

Goodwill arising on consolidation, representing the excess of the fair value of the consideration given over the fair values of the identifiable net assets acquired, is capitalised and is amortised on a straight line basis over its estimated useful economic life.

1.5 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost less depreciation. Depreciation is not charged on freehold land. Depreciation on other tangible fixed assets is provided at rates calculated to write off the cost of those assets, less their estimated residual value, over their expected useful lives on the following bases:

Freehold property	-	2% - 5% straight line
Motor vehicles	-	25% reducing balance
Fixtures and fittings	-	25% reduced balance / 8% - 33.3% straight line
Computer equipment	-	20% - 33.3% straight line

1.6 Investments

Investments in subsidiaries are valued at cost less provision for impairment.

Notes to the Financial Statements

For the period ended 31 December 2014

1. Accounting Policies (continued)

1.7 Lessee accounting

Assets under finance leases and hire purchase contracts are capitalised in the balance sheet and depreciated over their expected useful lives. The interest element of the leasing payments represents a constant proportion of the capital balance outstanding and it charged to the profit and loss account over the period of the lease.

All other leases are regarded as operating leases and the payments made under them are charged to the profit and loss account on a straight-line basis over the lease term.

1.8 Stocks

Stocks is stated at the lower of cost and net realisable value. Cost comprises price plus and costs incurred in the normal course of business to bring the stock to its current location and is calculated on a FIFO basis. Provision is made for slow moving and obsolete stock.

1.9 Deferred taxation

Deferred taxation is recognised on all timing differences where the transactions or events that give the group an obligation to pay 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. Deferred tax assets and liabilities have not been discounted.

1.10 Foreign currencies

Transactions in foreign currencies are translated at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities in foreign currencies are translated at the rates of exchange ruling at the balance sheet date. The financial statements of foreign subsidiaries are translated at the rate of exchange ruling at the balance sheet date. The exchange differences arising from the retranslation of the opening net investment, at the rate of exchange ruling at the balance sheet date, and of the retained profit for the year, at an average rate for the year, of subsidiaries are taken directly to reserves. All other exchange differences are dealt with through the profit and loss account.

1.11 Contributions to pension scheme

Defined Contribution Scheme

The pension costs charged against profits represent the amount of the contributions payable to the schemes in respect of the accounting period.

Notes to the Financial Statements

For the period ended 31 December 2014

1. Accounting Policies (continued)

1.12 Finance lease contracts and income - Lessor accounting

Assets leased to customers under arrangements that transfer substantially all the risk and rewards of ownership of the assets, other than legal title, to the leasees are classified as financial leases.

The gross earnings from finance leases (including any items of income incidental to the leases) are allocated to accounting periods using a constant periodic rate of return on the group's net cash investment in the lease and are included in turnover. Initial direct costs, incremental to the group and directly associated with negotiating and consummating the lease transactions, are recognised in the profit and loss account when incurred.

Net investment in finance leases at the balance sheet date represents the minimum lease rentals accruing to the group less the gross earnings allocated to the future periods. There are no guaranteed residual values available to the group at the end of any leases. Unguaranteed residual values are not considered to be material to the group and are not, therefore, reflected in the net investment in finance leases.

Any gains or loss on disposal of assets arising at the end of the lease is included in turnover when all the risks and rewards have been transferred by the group.

Any gains or loss on early terminations of leases, calculated as the difference between the total net sums recovered and the book value of net investment in finance leases, is included in the profit and loss account on the date the lease terminates.

Secondary rentals are recognised in the profit and loss account as they accrue.

1.13 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 directly to equity.

1.14 Derivative financial instruments

Derivative financial instruments are used to manage exposure to currency risk from fluctuations in exchange rates on future transactions. The group uses a range of financial instruments to hedge its exposure including forward exchange contracts and options. The group does not hold or issue any derivative financial instruments for trading or speculative purposes. The fair value of derivative financial instruments is disclosed in the Directors' Report.

Notes to the Financial Statements

For the period ended 31 December 2014

2. Turnover

The whole of the turnover is attributable to the sale and leasing of catering equipment. An analysis of turnover by geographical market has not been provided as the directors view the group's operations in the United Kingdom, Europe, China, Australia and USA as part of a single market.

3. Operating profit

The operating profit is stated after charging:

	2014	2013
	£	£
Amortisation - intangible fixed assets	290,586	318,633
Depreciation of tangible fixed assets:		
- owned by the group	2,889,489	2,735,536
Operating lease rentals:		
- plant and machinery	9,998	28,271
- other operating leases	2,191,731	1,639,945
Foreign exchange loss	504,552	1,252,897
	<u> </u>	<u> </u>

4. Auditors' remuneration

	2014	2013
	£	£
Fees payable to the company's auditor and its associates for the audit of the company's annual accounts	5,000	-
Fees payable to the company's auditor and its associates in respect of:		
The auditing of accounts of subsidiaries of the company	59,750	59,750
Taxation compliance services	15,550	15,550
	<u> </u>	<u> </u>

5. Staff costs

Staff costs, including directors' remuneration, were as follows:

	2014	2013
	£	£
Wages and salaries	27,715,983	22,411,690
Social security costs	2,469,051	2,032,538
Other pension costs	1,315,989	819,328
	<u> </u>	<u> </u>
	31,501,023	25,263,556
	<u> </u>	<u> </u>

Notes to the Financial Statements

For the period ended 31 December 2014

5. Staff costs (continued)

The average monthly number of employees, including the directors, during the period was as follows:

	2014 No.	2013 No.
Employees	<u>1,049</u>	<u>888</u>

6. Directors' remuneration

	2014 £	2013 £
Remuneration	<u>271,973</u>	<u>386,114</u>
Company pension contributions to defined contribution pension schemes	<u>149,091</u>	<u>16,882</u>

During the period retirement benefits were accruing to 1 director (2013 - 1) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £271,973 (2013 - £386,114).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £149,091 (2013 - £16,882).

7. Interest receivable

	2014 £	2013 £
Bank interest receivable and similar income	<u>399,632</u>	<u>444,454</u>

8. Interest payable

	2014 £	2013 £
On bank loans and overdrafts	<u>109,653</u>	<u>198,250</u>

Notes to the Financial Statements

For the period ended 31 December 2014

9. Exceptional items

	2014	2013
	£	£
Restructuring expenses	1,585,000	-

Merger expenses of £1.585m have been included in the parent company's balance sheet as part of the carrying value of the investment in Nisbets plc. On consolidation in accordance with the requirements of FRS 6, these expenses have been charged to the consolidated profit and loss account. The difference in accounting treatment arises because such expenses may be included in the carrying value of the investment under the provisions of the Companies Act 2006, but must be written off to the profit and loss account on consolidation under the provisions of FRS 6.

10. Taxation

	2014	2013
	£	£
Analysis of tax charge in the period/year		
Current tax (see note below)		
UK corporation tax charge on profit for the period/year	6,725,086	7,124,653
Adjustments in respect of prior periods	(11,747)	(57,190)
	<u>6,713,339</u>	<u>7,067,463</u>
Foreign tax on income for the period/year	19,992	67,917
	<u>6,733,331</u>	<u>7,135,380</u>
Total current tax		
Deferred tax		
Origination and reversal of timing differences	(380,164)	(747,224)
	<u>6,353,167</u>	<u>6,388,156</u>

Notes to the Financial Statements

For the period ended 31 December 2014

10. Taxation (continued)

Factors affecting tax charge for the period/year

The tax assessed for the period/year is higher than (2013 - higher than) the standard rate of corporation tax in the UK of 21.50% (2013 - 23.25%). The differences are explained below:

	2014 £	2013 £
Profit on ordinary activities before tax	26,878,505	27,262,711
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 21.50% (2013 - 23.25%)	5,778,879	6,337,582
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	620,613	163,158
Capital allowances for year less than depreciation	24,034	73,232
Consolidation adjustment	(61,101)	109,453
Adjustments to tax charge in respect of prior periods	(12,015)	(57,190)
Other short timing differences	82,942	35,453
Land remediation	(4,650)	-
Unrelieved tax losses and other deductions in period	547,119	696,069
Differences between actual and standard rate	(242,490)	(222,377)
Current tax charge for the period/year (see note above)	6,733,331	7,135,380

Notes to the Financial Statements

For the period ended 31 December 2014

11. Intangible fixed assets

Group	Goodwill on consolidation £	Purchased goodwill £	Other intangibles £	Total £
Cost				
At 1 January 2014 and 31 December 2014	5,904,804	243,179	168,174	6,316,157
Amortisation				
At 1 January 2014	1,771,025	203,819	67,269	2,042,113
Charge for the period	234,409	39,360	16,817	290,586
At 31 December 2014	2,005,434	243,179	84,086	2,332,699
Net book value				
At 31 December 2014	3,899,370	-	84,088	3,983,458
At 31 December 2013	4,133,779	39,360	100,905	4,274,044

12. Tangible fixed assets

Group	Freehold property £	Motor vehicles £	Fixtures and fittings £	Computer equipment £	Total £
Cost					
At 1 January 2014	25,859,809	335,304	14,466,171	7,984,204	48,645,488
Additions	1,965,683	19,076	1,373,185	1,012,588	4,370,532
Disposals	(58,464)	(71,670)	(300,215)	(54,585)	(484,934)
Foreign exchange movement	(86,456)	(995)	(36,594)	(12,061)	(136,106)
At 31 December 2014	27,680,572	281,715	15,502,547	8,930,146	52,394,980
Depreciation					
At 1 January 2014	2,932,679	183,265	9,709,386	6,384,632	19,209,962
Charge for the period	676,353	39,388	1,485,143	688,605	2,889,489
On disposals	(58,464)	(52,558)	(117,705)	(10,789)	(239,516)
Foreign exchange movement	(7,185)	(910)	(51,219)	(14,078)	(73,392)
At 31 December 2014	3,543,383	169,185	11,025,605	7,048,370	21,786,543
Net book value					
At 31 December 2014	24,137,189	112,530	4,476,942	1,881,776	30,608,437
At 31 December 2013	22,927,130	152,039	4,756,785	1,599,572	29,435,526

Included in freehold property is £4,814,000 (2013 - £4,814,000) relating to land which is not depreciated.

Notes to the Financial Statements

For the period ended 31 December 2014

13. Fixed asset investments

Company	Investments in subsidiary companies £
Cost or valuation	
At 1 January 2014	-
Additions	1,620,207
At 31 December 2014	1,620,207
Net book value	
At 31 December 2014	1,620,207

Details of the principal subsidiaries can be found under note number 31.

The investment has been recognised within Key West (Holdings) Limited taking advantage of merger relief. The investment is recognised at the nominal value of the share for share exchange plus the Stamp duty cost. Merger expenses of £1.585m have been included in the parent company's financial statements as part of the carrying value of the investment in Nisbets plc. On consolidation in accordance with the requirements of FRS 6, these expenses have been charged to the consolidated profit and loss account. The difference in accounting treatment arises because such expenses may be included in the value of the investment under the provisions of the Companies Act 2006, but must be written off to the profit and loss account on consolidation under the provisions of FRS 6.

14. Stocks

	Group		Company	
	2014	2013	2014	2013
	£	£	£	£
Finished goods and goods for resale	43,699,120	31,892,205	-	-

Notes to the Financial Statements

For the period ended 31 December 2014

15. Debtors

	Group		Company	
	2014	2013	2014	2013
	£	£	£	£
Due after more than one year				
Net investment in finance leases	198,075	224,176	-	-
Other debtors	-	403,562	-	-
Due within one year				
Trade debtors	16,764,515	16,081,828	-	-
Net investment in finance leases	283,188	140,646	-	-
Other debtors	3,405,303	1,734,343	-	-
Prepayments and accrued income	1,733,125	1,506,554	50,739	-
Deferred tax asset (see note 18)	1,001,522	644,274	-	-
	23,385,728	20,735,383	50,739	-

Further details on assets included in the net investment in finance leases are given below:

	Group		Company	
	2014	2013	2014	2013
	£	£	£	£
Total amounts receivable	624,718	500,869	-	-
Less: interest in contracts accounted for as finance leases	(143,455)	(136,047)	-	-
Total	481,263	364,822	-	-

Rentals receivable during the year from contracts accounted for as finance leases	457,348	168,631	-	-
Cost of assets acquired for the purpose of letting under contracts accounted for as finance leases during the year	366,119	367,212	-	-

Notes to the Financial Statements

For the period ended 31 December 2014

16. Creditors:**Amounts falling due within one year**

	Group		Company	
	2014	2013	2014	2013
	£	£	£	£
Bank loans and overdrafts	1,185,360	1,185,360	-	-
Trade creditors	10,444,329	11,451,953	-	-
Corporation tax	3,081,132	3,834,531	15,928	-
Other taxation and social security	2,975,572	2,158,521	-	-
Other creditors	7,069,878	4,385,773	-	-
Accruals and deferred income	1,851,321	2,116,634	5,999	-
	<u>26,607,592</u>	<u>25,132,772</u>	<u>21,927</u>	<u>-</u>

17. Creditors:**Amounts falling due after more than one year**

	Group		Company	
	2014	2013	2014	2013
	£	£	£	£
Bank loans	<u>8,341,162</u>	<u>9,526,522</u>	<u>-</u>	<u>-</u>

Included within the above are amounts falling due as follows:

	Group		Company	
	2014	2013	2014	2013
	£	£	£	£
Between one and two years				
Bank loans	<u>1,185,360</u>	<u>1,185,360</u>	<u>-</u>	<u>-</u>
Between two and five years				
Bank loans	<u>3,556,080</u>	<u>3,556,080</u>	<u>-</u>	<u>-</u>
Over five years				
Bank loans	<u>3,599,722</u>	<u>4,785,082</u>	<u>-</u>	<u>-</u>

Creditors include amounts not wholly repayable within 5 years as follows:

	Group		Company	
	2014	2013	2014	2013
	£	£	£	£
Repayable by instalments	<u>3,599,722</u>	<u>4,785,082</u>	<u>-</u>	<u>-</u>

The group has one bank loan of £9.5 million (2013: £10.7 million). The loan was taken out on 4th March 2008. Repayments of £1.2 million were made during the year. The loan is secured by a charge over certain of the group's properties and carries interest at 0.6% above base rate.

Notes to the Financial Statements

For the period ended 31 December 2014

18. Deferred taxation

	Group		Company	
	2014	2013	2014	2013
	£	£	£	£
At beginning of period/year	644,274	(5,379)	-	-
Released during the period (P&L)	357,248	649,653	-	-
At end of period/year	<u>1,001,522</u>	<u>644,274</u>	<u>-</u>	<u>-</u>

The deferred taxation balance is made up as follows:

	Group		Company	
	2014	2013	2014	2013
	£	£	£	£
Accelerated capital allowances	(42,426)	(25,895)	-	-
Tax losses brought forward	(150,442)	(52,424)	-	-
Advance corporation tax	(808,654)	(565,955)	-	-
	<u>(1,001,522)</u>	<u>(644,274)</u>	<u>-</u>	<u>-</u>

19. Share capital

	2014	2013
	£	£
Allotted, called up and fully paid 35,207 Ordinary shares of £1 each	<u>35,207</u>	<u>-</u>

These shares were issued in a share for share exchange for shares in Nisbets plc on 9 April 2014.

20. Reserves

Group	Merger reserves	Profit and loss account
	£	£
At 1 January 2014	5,238,182	74,627,899
Profit for the period		19,386,822
Other movements		76,120
At 31 December 2014	<u>5,238,182</u>	<u>94,090,841</u>

Notes to the Financial Statements

For the period ended 31 December 2014

20. Reserves (continued)

Company	Profit and loss account £
Profit for the period	5,704,956
At 31 December 2014	<u>5,704,956</u>

21. Reconciliation of movement in shareholders' funds

Group	2014 £	2013 £
Opening shareholders' funds	79,901,288	59,822,962
Profit for the financial period/year	19,386,822	19,991,013
Other recognised gains and losses during the period/year	76,120	87,313
Closing shareholders' funds	<u>99,364,230</u>	<u>79,901,288</u>

Company	2014 £	2013 £
Opening shareholders' funds	-	-
Profit for the financial period/year	5,704,956	-
Shares issued during the period/year	35,207	-
Closing shareholders' funds	<u>5,740,163</u>	<u>-</u>

The company has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own Profit and loss account.

The profit for the period/year dealt with in the accounts of the company was £5,704,956.

22. Minority interests

Equity	£
At 1 January 2014	4,302,620
Proportion of profit/(loss) after taxation for the period	1,138,516
Dividends	(335,303)
Purchase of minority interests	(593)
At 31 December 2014	<u>5,105,240</u>

Notes to the Financial Statements

For the period ended 31 December 2014

23. Net cash flow from operating activities

	2014 £	2013 £
Operating profit	28,173,526	27,016,507
Exceptional items	(1,585,000)	-
Amortisation of intangible fixed assets	290,586	318,633
Depreciation of tangible fixed assets	2,889,489	2,735,536
Loss on disposal of tangible fixed assets	175,279	69,890
(Increase)/decrease in stocks	(11,806,915)	1,189,005
Increase in debtors	(2,242,357)	(5,375,114)
Increase in creditors	2,448,772	4,781,945
Net cash inflow from operating activities	18,343,380	30,736,402

24. Analysis of cash flows for headings netted in cash flow statement

	2014 £	2013 £
Returns on investments and servicing of finance		
Interest received	292,712	1,029,543
Interest paid	(112,869)	(199,974)
Dividends paid to minority interests	(335,303)	-
Net cash (outflow)/inflow from returns on investments and servicing of finance	(155,460)	829,569

	2014 £	2013 £
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(4,370,532)	(8,297,438)
Sale of tangible fixed assets	70,139	17,879
Net cash outflow from capital expenditure	(4,300,393)	(8,279,559)

	2014 £	2013 £
Financing		
Repayment of loans	(1,185,360)	(24,685,360)

Notes to the Financial Statements

For the period ended 31 December 2014

25. Analysis of changes in net funds

	1 January 2014	Cash flow	Other non-cash changes	31 December 2014
	£	£	£	£
Cash at bank and in hand	32,526,044	5,215,437	-	37,741,481
Debt:				
Debts due within one year	(1,185,360)	1,185,360	(1,185,360)	(1,185,360)
Debts falling due after more than one year	(9,526,522)	-	1,185,360	(8,341,162)
Net funds	21,814,162	6,400,797	-	28,214,959

26. Contingent liabilities

Nisbets plc has given the bank a £600,000 indemnity covering a guarantee in favour of a third party (2013: £400,000). The company and group have no other contingent liabilities.

27. Capital commitments

At 31 December 2014 the group and company had capital commitments as follows:

	Group		Company	
	2014	2013	2014	2013
	£	£	£	£
Contracted for but not provided in these financial statements	234,649	1,065,387	-	-

28. Pension commitments

The group operates defined contribution schemes for the benefit of the directors and employees. The assets of the schemes are administered by trustees in funds independent from those of the group.

29. Operating lease commitments

At 31 December 2014 the group had annual commitments under non-cancellable operating leases as follows:

	Land and buildings		Other	
	2014	2013	2014	2013
	£	£	£	£
Group				
Expiry date:				
Within 1 year	195,021	176,608	68,076	68,783
Between 1 and 5 years	781,826	1,115,234	297,542	164,933
After more than 5 years	830,031	397,119	-	-

Notes to the Financial Statements

For the period ended 31 December 2014

30. Derivative financial instruments

The group uses forward exchange rate contracts and put and call options to control its transaction foreign exchange risk. At 31 December 2014 the group was committed to forward contracts of £20,764,263 (2013: £7,631,165) to purchase foreign currency and had entered into options contracts under which the group has the option to purchase foreign currency for £10,901,731 (2013: £27,392,754) and the bank has the option to sell foreign currency to the group for £17,115,989 (2013: £48,305,754).

The fair value of these derivative financial instruments as at 31 December 2014 was £1,938,968 (2013: (£2,499,014)).

	Commitment/contingency		Fair value	
	2014	2013	2014	2013
	£	£	£	£
Commitments				
Forward contracts	(20,764,263)	(7,631,165)	1,592,971	(240,826)
Contingencies				
Options held by group	10,901,731	27,392,754	419,325	297,896
Options held by bank	17,115,989	48,305,754	(73,328)	(2,556,084)
			<u>1,938,968</u>	<u>(2,499,014)</u>

31. Principal subsidiaries

Company name	Country	Percentage Shareholding	Description
Nisbets PLC	United Kingdom	94.4	Catering equipment

32. Controlling party

The controlling interest related party is A Nisbet by virtue of his shareholding in Key West (Holdings) Limited.

33. Post balance sheet events

On 30 January 2015, Key West (Holdings) Limited acquired 60% of the shares in Jongor (Holdings) Limited. Jongor deals in catering equipment hire.