

BRUICHLADDICH

PROGRESSIVE HEBRIDEAN DISTILLERS

Bruichladdich Distillery Company Limited

Financial statements for the year ended 31 March 2015

Registered number: SC 209196

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Strategic Report

For the year ended 31 March 2015

The directors present their strategic report for the year ended 31 March 2015.

Principal activity

The group's principal activity is the distillation, warehousing, marketing and sale of single malt whisky.

Business review

The audited financial statements for the year ended 31 March 2015 are set out on pages 6 to 23. The group profit for the year before taxation was £1,897,932 (2014 - £162,052) and after taxation it was £1,460,244 (2014 - £100,283). Turnover increased from £11,125,880 to £14,183,018. During the year the investment in distilled bulk whisky stocks increased from £18,086,063 to £21,620,015.

Key Performance Indicators

	Year ended 31 March 2015	Year ended 31 March 2014
Turnover	£14,183,018	£11,125,880
Turnover (decrease)/increase	27.5%	(14.4%)
Turnover per employee	£211,687	£185,431
Gross profit margin	45.4%	42.9%
Pre-tax profit margin	13.4%	1.5%
Earnings before interest, tax and depreciation	£2,444,264	£715,125
Earnings before interest, tax and depreciation before exceptional items	£2,369,264	£795,313

Future developments

The continued support of Remy Cointreau gives the company the ongoing ability to continue to expand its investment program into bulk whisky stocks. With the global route to market fully integrated, the company will focus on building breadth and depth of distribution and increased rate of sale, in key markets.

Strategic Report (Continued)

For the year ended 31 March 2015

Financial risk management objectives and policies

The group uses various financial instruments such as loans, cash and overdraft facilities, equity instruments, trade debtors and trade creditors to raise finance for the group's operations. The existence of these financial instruments exposes the group to a number of financial risks, currency risk, liquidity risk, cash flow interest rate risk and credit risk. The directors review and agree policies for managing each of these risks and they are summarised below. These policies have remained unchanged from previous years.

Currency risk

The group is exposed to transaction foreign currency risk. Transaction exposures are not currently hedged but will be kept under continuing review.

Liquidity risk

The group seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable needs. The short and long term needs are achieved through intercompany loans from its holding company Remy Cointreau UK Limited.

Interest rate risk

The group finances its operations through a mixture of retained profits, intercompany and other borrowings. The directors are continually assessing this position with a view to implementing appropriate hedging in the future.

Credit risk

The group's principal financial asset is trade debtors which carries the principal credit risk. In order to manage credit risk the directors set limits for customers based upon a combination of payment history and credit references. Credit limits are reviewed on a regular basis in conjunction with debt aging and collection history.

Signed on behalf of the Board



S.P.Coughlin
Director

10th July 2015

Directors' report

Registered number: SC 209196

For the year ended 31 March 2015

The directors present their annual report on the affairs of the group, together with the financial statements and auditors' report for the year ended 31 March 2015.

Directors

The directors who held office during the year were as follows:

V.Chapoulaud-Floquet

S.P.Coughlin

F.P.M.Heriard Dubreuil

J.M.Laborde (resigned 5.12.2014)

C.Liabastre (resigned 23.2.2015)

J.McEwan

Directors' responsibilities statement

The directors are responsible for preparing the Report of the Directors 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 of the profit or loss of the company for that year. 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 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.

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.

Statement as to disclosure of information to auditors

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the group's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the group's auditors are aware of that information.

Directors' report (Continued)

Registered number: SC 209196

For the year ended 31 March 2015

Dividends proposed and transfers to reserves

Payment of a dividend is not recommended. The retained profit for the year of £1,460,244 (2014 - £100,283) has been transferred to reserves.

Auditors

The auditors, Ernst & Young LLP, will be proposed for reappointment in accordance with S485 of the Companies Act 2006.

Bruichladdich Distillery
Isle of Islay
Argyll
PA49 7UN

10th July 2015

By order of the board



S.P. Coughlin
Director

Independent auditor's report to the members of Bruichladdich Distillery Company Limited

We have audited the financial statements of Bruichladdich Distillery Company Limited for the year ended 31 March 2015 which comprise the consolidated profit and loss account, group and company balance sheets, consolidated cash flow statement and related notes 1 to 22. 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 set out on page 4, 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 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

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the group's and the parent company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Directors' Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

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 March 2015 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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.

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.

Ernst & Young

Walter Campbell (Senior Statutory Auditor)
for and on behalf of Ernst & Young LLP, Statutory Auditor
Glasgow

10th July 2015

Consolidated profit and loss account

For the year ended 31 March 2015

	Note	2015 £	2014 £
Turnover	2	14,183,018	11,125,880
Cost of sales		(7,729,319)	(6,350,580)
Gross profit		6,453,699	4,775,300
Selling and marketing expenses		(1,738,424)	(1,270,472)
Administrative expenses		(2,671,322)	(3,032,190)
Exceptional items	5	75,000	(80,188)
Operating profit		2,118,953	392,450
Interest payable and similar charges	3	(221,021)	(230,398)
Profit on ordinary activities before taxation	5	1,897,932	162,052
Tax on profit on ordinary activities	6	(437,688)	(61,769)
Profit for the financial year	16	1,460,244	100,283

None of the group's activities were acquired or discontinued during either current or prior year.

The group has no recognised gains or losses other than the profit for either current or prior year. Accordingly, a statement of total recognised gains and losses has not been presented.

The accompanying notes form part of the financial statements

Balance sheets

31 March 2015

	Note	31.3.2015		31.3.2014	
		Group £	Company £	Group £	Company £
Fixed assets					
Tangible assets	7	8,500,418	7,948,814	6,945,132	6,393,528
Investments	8	-	1	-	1
		<u>8,500,418</u>	<u>7,948,815</u>	<u>6,945,132</u>	<u>6,393,529</u>
Current assets					
Stocks	9	23,180,232	23,180,232	19,269,982	19,269,982
Debtors	10	2,675,796	3,365,992	4,163,843	4,854,039
Cash at bank and in hand		<u>413,710</u>	<u>407,918</u>	<u>276,782</u>	<u>270,990</u>
		26,269,738	26,954,142	23,710,607	24,395,011
Creditors: amounts falling due within one year	11	<u>(16,265,515)</u>	<u>(16,263,929)</u>	<u>(13,590,923)</u>	<u>(13,589,337)</u>
Net current assets		<u>10,004,223</u>	<u>10,690,213</u>	<u>10,119,684</u>	<u>10,805,674</u>
Total assets less current liabilities		<u>18,504,641</u>	<u>18,639,028</u>	<u>17,064,816</u>	<u>17,199,203</u>
Creditors: amounts falling due after more than one year	12	<u>(127,762)</u>	<u>(127,762)</u>	<u>(148,181)</u>	<u>(148,181)</u>
Net assets		<u>18,376,879</u>	<u>18,511,266</u>	<u>16,916,635</u>	<u>17,051,022</u>
Capital and reserves					
Called-up share capital	13	5,109,893	5,109,893	5,109,893	5,109,893
Share premium account	14	8,110,576	8,110,576	8,110,576	8,110,576
Share-based payments reserve	15	348,980	348,980	348,980	348,980
Profit and loss account	16	<u>4,807,430</u>	<u>4,941,817</u>	<u>3,347,186</u>	<u>3,481,573</u>
Equity Shareholders' funds	17	<u>18,376,879</u>	<u>18,511,266</u>	<u>16,916,635</u>	<u>17,051,022</u>

Signed on behalf of the Board



S.P. Coughlin
Director

Registered number SC 209196

10th July 2015

The accompanying notes form part of the financial statements

Consolidated cash flow statement

For the year ended 31 March 2015

	Note	2015 £	2014 £
Cash inflow from operating activities	18a	1,950,514	1,949,668
Returns on investments and servicing of finance	18b	(2,751)	(2,127)
Taxation	18b	241,831	-
Capital expenditure and financial investment	18b	(2,033,899)	(1,822,335)
Cash inflow before financing		155,695	125,206
Financing	18b	(18,767)	(15,776)
Increase in cash in the year		<u>136,928</u>	<u>109,430</u>
 Reconciliation of net cash flow to movement in net debt			
Increase in cash in the year		136,928	109,430
Cash outflow from decrease in debt		<u>18,767</u>	<u>15,776</u>
Movement in net debt from cash flows		155,695	125,206
New hire purchase and similar contracts		(12,115)	(58,002)
Net cash at beginning of year		<u>220,367</u>	<u>153,163</u>
Net cash at end of year	18c	<u>363,947</u>	<u>220,367</u>

The accompanying notes form part of the financial statements

Notes to the financial statements

For the year ended 31 March 2015

1 Accounting policies

The principal accounting policies, have been consistently applied throughout the year:

Going concern

The company is dependent on continuing finance being made available by its parent company to enable it to continue operating and meets its liabilities as they fall due.

The ultimate parent company has agreed to provide sufficient funds to the company for these purposes. The directors believe that it is therefore appropriate to prepare financial statements on a going concern basis. This agreement covers a minimum year of 12 months from the date of signing these financial statements.

a) Basis of accounting

The financial statements have been prepared under the historical cost convention.

b) Basis of consolidation

The group accounts consolidate the accounts of Bruichladdich Distillery Company Limited and its subsidiary undertakings for the year ended 31 March 2015. The results of the subsidiaries acquired are consolidated for the year from the date on which control passed. No profit and loss account is presented for the company as permitted by section 408 of the Companies Act 2006.

c) Tangible fixed assets

Fixed assets are stated at original historical cost less aggregate depreciation.

Depreciation is provided at rates calculated to write off the cost, less estimated residual value, of each asset on a straight line basis over its estimated useful life as follows:

Freehold property	2% per annum
Plant and machinery	5% or 10% per annum
Casks	5% per annum
<i>Other assets comprise:</i>	
Motor vehicles	25% per annum
Equipment and furniture	25% per annum
Computer costs	33.3% per annum

The carrying value of assets in the course of construction is their purchase price together with any incidental cost of acquisition and construction. These assets will be depreciated once the assets are brought into use.

d) Investments

Fixed asset investments are shown at cost less provision for impairment.

Notes to the financial statements

For the year ended 31 March 2015

1 Accounting policies (continued)

e) Stocks

Stocks of whisky are stated at the lower of cost and net realisable value. In the case of the group's own production, cost comprises direct materials, direct labour and attributable overheads, and in the case of other whisky stocks, purchase price. Other stocks (comprising raw materials and dry goods) are valued at the lower of purchase price and net realisable value which is based on estimated selling price.

f) Taxation

The charge for taxation is based on the profit or loss for the year and takes into account taxation deferred because of timing differences between the treatment of certain items for accounting and taxation purposes.

Provision is made at current rates for tax deferred in respect of all material timing differences. Deferred tax assets are only recognised to the extent that they are regarded as recoverable. The company has not adopted a policy of discounting deferred tax assets and liabilities.

g) Turnover

Turnover comprises the value of sales net of trade discounts (excluding VAT) of goods and services supplied in the normal course of business.

h) Leased assets

Fixed assets acquired under finance leases and hire purchase contracts are stated at their fair value at the date of acquisition, with an equivalent liability categorised as appropriate under creditors due within or after one year. Finance charges are allocated to accounting years over the year of the lease to produce a constant rate of return on the outstanding balance.

Rentals applicable to operating leases are recognised in the profit and loss account as incurred.

i) Pensions

The group operates a defined contribution pension scheme. The amount charged to the profit and loss account in respect of pension costs represents the amount payable by the group in the year.

j) Government grants

Government grants received in respect of expenditure on fixed assets are credited to accruals and deferred income. Amounts are then released from this account to income over the assets estimated useful life.

Notes to the financial statements

For the year ended 31 March 2015

2 Segment information

Geographical segments:

	2015 £	2014 £
Turnover by destination:		
United Kingdom	3,071,093	2,606,590
Europe	6,223,156	4,027,949
Rest of the world	4,888,769	4,491,341
	<u>14,183,018</u>	<u>11,125,880</u>

3 Interest payable and similar charges

	2015 £	2014 £
Bank loans, overdrafts and other loans		
- repayable within five years, not by instalment	218,270	228,271
Interest element payable under finance leases and hire purchase contracts	2,751	2,127
	<u>221,021</u>	<u>230,398</u>

Notes to the financial statements

For the year ended 31 March 2015

4 Employees

Average monthly number of people (including directors) employed by the group during the year:

	2015 Number	2014 Number
Production	38	37
Sales and marketing	8	7
Administration	21	16
	<u>67</u>	<u>60</u>

Their aggregate remuneration comprised:

	2015 £	2014 £
Wages and salaries	2,772,120	2,437,286
Social security costs	349,473	303,540
Pension contributions to money purchase schemes	179,435	108,025
Compensation for loss of office	-	69,188
	<u>3,301,028</u>	<u>2,918,039</u>

Directors' emoluments

	2015 £	2014 £
Directors' remuneration	370,602	349,645
Directors' pension contributions to money purchase schemes	21,016	20,728
	<u>391,618</u>	<u>370,373</u>
The emoluments of the highest paid director	<u>219,163</u>	<u>199,952</u>
The number of directors to whom retirement benefits were accruing was as follows:		
Money purchase schemes	<u>2</u>	<u>2</u>

Notes to the financial statements

For the year ended 31 March 2015

5 Profit on ordinary activities before taxation

Profit on ordinary activities before taxation is arrived at after charging/(crediting):

	2015	2014
	£	£
Depreciation of tangible fixed assets	380,908	322,675
Government grants	(20,029)	(22,488)
Auditors' remuneration	20,000	20,000
Operating lease rentals – land and buildings	41,600	41,600
Operating lease rentals – other	102,056	161,762
	<u> </u>	<u> </u>
<i>Exceptional items:</i>		
(Profit) on sale of tangible fixed assets	(77,262)	-
Compensation for loss of office	-	80,188
	<u>(77,262)</u>	<u>80,188</u>

Notes to the financial statements

For the year ended 31 March 2015

6 Taxation

2015	2014
£	£

Analysis of the tax charge

The tax charge on the profit on ordinary activities for the year was as follows:

Current tax:

UK corporation tax

-	-
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Deferred tax

437,688	61,769
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<u>437,688</u>	<u>61,769</u>
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Factors affecting the tax charge

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

2015	2014
£	£

Profit on ordinary activities before tax

<u>1,897,932</u>	<u>162,052</u>
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Profit on ordinary activities multiplied by the standard rate of tax in the UK of 21% (2014 - 21%)

398,566	34,031
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Effects of:

Depreciation in excess of capital allowances

(130,810)	(89,208)
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Expenses not allowed for tax purposes

39,123	22,750
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Unrelieved tax losses carried forward

<u>(306,879)</u>	<u>32,427</u>
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Current tax charge

-	-
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Deferred tax

The deferred tax included in the balance sheet is as follows:

Accelerated capital allowances

(301,490)	(226,344)
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Unrelieved tax losses carried forward

<u>548,639</u>	<u>911,181</u>
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<u>247,149</u>	<u>684,837</u>
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Notes to the financial statements

For the year ended 31 March 2015

7 Tangible fixed assets

Group	Freehold property	Plant and machinery	Casks and other assets	Total
	£	£	£	£
Cost				
Beginning of year	2,760,844	4,173,403	3,289,898	10,224,145
Additions	220,324	964,745	942,300	2,127,369
Disposals	-	(1,250)	(37,949)	(39,199)
End of year	<u>2,981,168</u>	<u>5,136,898</u>	<u>4,194,249</u>	<u>12,312,315</u>
Depreciation				
Beginning of year	454,000	1,907,946	917,067	3,279,013
Charge for the year	45,800	205,898	316,292	567,990
Disposals	-	(1,250)	(33,856)	(35,106)
End of year	<u>499,800</u>	<u>2,112,594</u>	<u>1,199,503</u>	<u>3,811,897</u>
Net book value				
End of year	<u>2,481,368</u>	<u>3,024,304</u>	<u>2,994,746</u>	<u>8,500,418</u>
Beginning of year	<u>2,306,844</u>	<u>2,265,457</u>	<u>2,372,831</u>	<u>6,945,132</u>
Leased assets included in the above:				
Net book value				
End of year	<u>-</u>	<u>60,079</u>	<u>-</u>	<u>60,079</u>
Beginning of year	<u>-</u>	<u>53,966</u>	<u>-</u>	<u>53,966</u>

The net book value of assets held and secured under finance leases and hire purchase agreements at 31 March 2015 was £60,079 (2014 - £53,966). Depreciation charged on these assets amounted to £6,002 (2014 - £4,036).

Notes to the financial statements

For the year ended 31 March 2015

7 Tangible fixed assets (continued)

Company

	Freehold property	Plant and machinery	Casks and other assets	Total
	£	£	£	£
Cost				
Beginning of year	2,196,441	4,173,403	3,289,898	9,659,742
Additions	220,324	964,745	942,300	2,127,369
Disposals	-	(1,250)	(37,949)	(39,199)
End of year	<u>2,416,765</u>	<u>5,136,898</u>	<u>4,194,249</u>	<u>11,747,912</u>
Depreciation				
Beginning of year	441,201	1,907,946	917,067	3,266,214
Charge for the year	45,800	205,898	316,292	567,990
Disposals	-	(1,250)	(33,856)	(35,106)
End of year	<u>487,001</u>	<u>2,112,594</u>	<u>1,199,503</u>	<u>3,799,098</u>
Net book value				
End of year	<u>1,929,764</u>	<u>3,024,304</u>	<u>2,994,746</u>	<u>7,948,814</u>
Beginning of year	<u>1,755,240</u>	<u>2,265,457</u>	<u>2,372,831</u>	<u>6,393,528</u>
Leased assets included in the above:				
Net book value				
End of year	<u>-</u>	<u>60,079</u>	<u>-</u>	<u>60,079</u>
Beginning of year	<u>-</u>	<u>53,966</u>	<u>-</u>	<u>53,966</u>

The net book value of assets held and secured under finance leases and hire purchase agreements at 31 March 2015 was £60,079 (2014 - £53,966). Depreciation charged on these assets amounted to £6,002 (2014 - £4,036).

Notes to the financial statements

For the year ended 31 March 2015

8 Fixed asset investments

Fixed asset investments comprise the following:

	2015	2014
	£	£
Subsidiary undertakings at cost	<u>1</u>	<u>1</u>
Beginning of year	1	2
Amounts written off during the year	-	(1)
End of year	<u>1</u>	<u>1</u>

Name	Place of registration	Description	Proportion of nominal value of issued shares held
<i>Subsidiary undertakings:</i>			
Lochindaal Distillery Limited	Scotland	1 £1 ordinary shares	100%
Port Charlotte Limited	Scotland	100 £1 ordinary shares	100%
The Botanist Limited	Scotland	1 £1 ordinary shares	100%

Lochindaal Distillery Limited

Lochindaal Distillery Limited's principal activity is the development of a new distillery at Port Charlotte.

Dormant subsidiaries:

Port Charlotte Limited

The Botanist Limited

9 Stocks

	2015		2014	
	Group £	Company £	Group £	Company £
Whisky	21,620,015	21,620,015	18,086,063	18,086,063
Other stocks	<u>1,560,217</u>	<u>1,560,217</u>	<u>1,183,919</u>	<u>1,183,919</u>
	<u>23,180,232</u>	<u>23,180,232</u>	<u>19,269,982</u>	<u>19,269,982</u>

Notes to the financial statements

For the year ended 31 March 2015

10 Debtors

	2015		2014	
	Group £	Company £	Group £	Company £
Amounts falling due within one year:				
Trade debtors	328,496	328,496	2,821,490	2,821,490
Amounts owed by group undertakings	1,587,072	2,277,268	-	690,196
Directors' loan accounts	1,162	1,162	334	334
Corporation tax	-	-	241,831	241,831
Other debtors	511,917	511,917	415,351	415,351
	<u>2,428,647</u>	<u>3,118,843</u>	<u>3,479,006</u>	<u>4,169,202</u>
Amounts falling due after more than one year:				
Deferred tax	247,149	247,149	684,837	684,837
	<u>2,675,796</u>	<u>3,365,992</u>	<u>4,163,843</u>	<u>4,854,039</u>

11 Creditors: Amounts falling due within one year

	2015		2014	
	Group £	Company £	Group £	Company £
Obligations under hire purchase and similar contracts	14,001	14,001	18,364	18,364
Trade creditors	2,110,659	2,110,659	859,322	859,322
Amounts due to group undertakings	12,430,574	12,430,574	11,236,134	11,236,134
Directors' loan accounts	558	558	-	-
Other taxation and social security	92,183	92,183	67,817	67,817
Other creditors	133,090	131,504	247,723	246,137
Accruals and deferred income	1,484,450	1,484,450	1,161,563	1,161,563
	<u>16,265,515</u>	<u>16,263,929</u>	<u>13,590,923</u>	<u>13,589,337</u>

Notes to the financial statements

For the year ended 31 March 2015

12 Creditors: Amounts falling due after more than one year

	2015		2014	
	Group £	Company £	Group £	Company £
Obligations under hire purchase and similar contracts	35,762	35,762	38,051	38,051
Deferred income	92,000	92,000	110,130	110,130
	<u>127,762</u>	<u>127,762</u>	<u>148,181</u>	<u>148,181</u>
Obligations under hire purchase and similar contracts: The maturity of these amounts is as follows:				
Amounts payable:				
- within one year	16,247	16,247	21,042	21,042
- between one to five years	41,576	41,576	43,990	43,990
	<u>57,823</u>	<u>57,823</u>	<u>65,032</u>	<u>65,032</u>
Finance charges allocated to future years	(8,060)	(8,060)	(8,617)	(8,617)
	<u>49,763</u>	<u>49,763</u>	<u>56,415</u>	<u>56,415</u>
Analysed as follows:				
Current obligations (Note 11)	14,001	14,001	18,364	18,364
Non current obligations	35,762	35,762	38,051	38,051
	<u>49,763</u>	<u>49,763</u>	<u>56,415</u>	<u>56,415</u>

13 Called-up share capital

	2015 £	2014 £
<i>Allotted, called up and fully paid:</i>		
5,109,893 ordinary shares of £1 each	5,109,893	5,109,893
	<u>5,109,893</u>	<u>5,109,893</u>

14 Share premium

	2015 £	2014 £
Beginning of year and end of year	<u>8,110,576</u>	<u>8,110,576</u>

Notes to the financial statements

For the year ended 31 March 2015

15 Share-based payments reserve

	2015		2014	
	Group £	Company £	Group £	Company £
Beginning of year and end of year	<u>348,980</u>	<u>348,980</u>	<u>348,980</u>	<u>348,980</u>

16 Profit and loss account

	2015		2014	
	Group £	Company £	Group £	Company £
Beginning of year	3,347,186	3,481,573	3,246,903	3,381,290
Retained profit for the year	<u>1,460,244</u>	<u>1,460,244</u>	<u>100,283</u>	<u>100,283</u>
End of year	<u>4,807,430</u>	<u>4,941,817</u>	<u>3,347,186</u>	<u>3,481,573</u>

The profit for the financial year dealt with in the company was £1,460,244 (2014 - £100,283). As provided by Section 408 of the Companies Act 2006, a separate profit and loss account has not been presented for the company.

17 Reconciliation of movements on shareholders' funds

	2015		2014	
	Group £	Company £	Group £	Company £
Beginning of year	16,916,635	17,051,022	16,816,352	16,950,739
Retained profit for the year	<u>1,460,244</u>	<u>1,460,244</u>	<u>100,283</u>	<u>100,283</u>
End of year	<u>18,376,879</u>	<u>18,511,266</u>	<u>16,916,635</u>	<u>17,051,022</u>

Notes to the financial statements

For the year ended 31 March 2015

18 Cash flow statement

(a) Reconciliation of operating profit to operating cash flows

	2015	2014
	£	£
Operating profit	2,118,953	392,450
Depreciation of tangible fixed assets	380,908	322,675
(Profit)/loss on sale of fixed assets	(77,262)	5,414
(Increase) in stocks	(3,723,168)	(2,391,823)
Decrease/(increase) in debtors	808,528	(914,595)
Increase in creditors	2,442,555	4,535,547
Net cash inflow from operating activities	<u>1,950,514</u>	<u>1,949,668</u>

Notes to the financial statements

For the year ended 31 March 2015

18 Cash flow statement (continued)

(b) Analysis of cash flows for headings netted in the cash flow statement

	2015 £	2014 £
Returns on investments and servicing of finance		
Interest paid	-	-
Interest element of hire purchase and similar contracts	(2,751)	(2,127)
	<u>(2,751)</u>	<u>(2,127)</u>
Taxation		
Corporation tax recovered	241,831	-
	<u>241,831</u>	<u>-</u>
Capital expenditure and financial investment		
Purchase of tangible fixed assets	(2,115,254)	(1,825,153)
Sale of tangible fixed assets	81,355	2,818
	<u>(2,033,899)</u>	<u>(1,822,335)</u>
Financing		
Capital element of hire purchase and similar contracts	(18,767)	(15,776)
	<u>(18,767)</u>	<u>(15,776)</u>

(c) Analysis of net debt

	Beginning of Year	Non cash movement	Cash flows	End of year
Cash at bank	276,782	-	136,928	413,710
Capital element of finance lease rental payments	(56,415)	(12,115)	18,767	(49,763)
End of year	<u>220,367</u>	<u>(12,115)</u>	<u>155,695</u>	<u>363,947</u>

Notes to the financial statements

For the year ended 31 March 2015

19 Pension contributions

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £179,435 (2014 - £108,025). Contributions totalling £13,354 (2014 - £14,092) were payable by the group to the fund at the year end and are included in creditors.

20 Financial commitments

	Land and buildings		Other	
	2015	2014	2015	2014
	£	£	£	£
<i>a) Operating leases</i>				
Annual commitments in respect of operating leases expiring:				
- within one year	-	-	5,264	13,895
- between two and five years	76,000	76,000	34,698	32,824
	<u>76,000</u>	<u>76,000</u>	<u>39,962</u>	<u>46,119</u>
<i>b) Capital commitments</i>				
Contracted for but not provided for	-	111,000	40,000	-
	<u>-</u>	<u>111,000</u>	<u>40,000</u>	<u>-</u>

21 Related party transactions

- (a) The company has taken advantage of the exemption available under FRS 8 not to disclose transactions with other members of the group.
- (b) The following executive directors' loan balances due to the company subsisted during the year. All balances were unsecured, interest free and have no fixed date of repayment:

	End of year	Beginning of Year	Maximum balance during year
Director	£	£	£
S.P.Coughlin	(558)	104	3,502
J.McEwan	1,162	230	1,162

22 Ultimate Parent Company

The company's immediate parent company is Remy Cointreau UK Limited, a company registered in England & Wales. Copies of the Remy Cointreau UK Limited financial statements can be obtained from Remy Cointreau UK Limited, The Pinnacle, 160 Midsummer Boulevard, Milton Keynes, Buckinghamshire. MK9 1FF.

The ultimate parent undertaking and controlling party is Remy Cointreau SA, a company incorporated in France. Copies of the Remy Cointreau SA consolidated financial statements can be obtained from Remy Cointreau SA, Rue Joseph, Pataa, 16100 Cognac, France.