

Registered number: SC282845

WILLIAM GRANT & SONS GROUP LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022

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WILLIAM GRANT & SONS GROUP LIMITED

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WILLIAM GRANT & SONS GROUP LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

INTRODUCTION

The Directors present their Strategic Report for the year ended 31 December 2022.

REVIEW OF THE BUSINESS AND KEY PERFORMANCE INDICATORS

The Company's principal activity is holding investments in other group companies.

The profit for the year after taxation, amounted to £16,498,000 (2021 - £18,847,000). The Company's balance sheet position at 31 December 2022 showed net assets of £6,708,000 (2021 - £10,210,000).

PRINCIPAL RISKS AND UNCERTAINTIES

Principal risks and uncertainties are considered at the Group level.

The Directors have carried out an assessment of the principal risks and uncertainties facing the Company, including those which have the greatest potential for impact on future economic activities, solvency and liquidity. These are considered to relate to the general performance of the company's investments, the impact of inflation, interest rate risks and global macroeconomic uncertainty. Further discussion of these risk and uncertainties, in the context of the group as a whole, is provided within the Strategic Report for the Annual Report and Financial Statements of the ultimate parent undertaking of the Group, William Grant & Sons Holding Limited.

Financial Risks

Exposure to market risk (including medium term movements in exchange rates), interest rate risk and liquidity risk, may adversely impact the profit and cash generation of the Company. The management of certain financial risks is delegated by the Board to the Treasury Committee at a group level. The principal financial risks faced by the Company are those relating to interest rate, liquidity and foreign currency. The Company's treasury policies and procedures, which are reviewed and updated on a regular basis, seek to reduce these financial risks.

With regard to funding and liquidity, the Company's objective is to manage cash flows in currencies in an efficient and flexible manner. At the balance sheet date, the Company had no external debt funding and a net cash overdraft of £350,000 (2021 - net cash balance of £48,738,000).

The Company's financial control environment is subject to review by internal audit. The focus of internal audit is to proactively work with and challenge the business to ensure an appropriate control is maintained

Performance of Investments

As the Company operates as an intermediate holding company, there is a risk that poor performance of an investment may have an adverse effect on the profit and cash generation of the Company. The performance of these investments is reviewed on a regular basis to reduce this risk.

This report was approved by the Board on 1 November 2023 and signed on its behalf.



E J Henderson
Director

WILLIAM GRANT & SONS GROUP LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2022

The Directors present their report and the financial statements for the year ended 31 December 2022.

DIRECTORS

The Directors who served during the year, and to the date of this report, were:

G Gordon
P G Gordon
G R B Wilson
E J Henderson (appointed 26 October 2022)

DIVIDENDS

The directors do not recommend a final dividend for 2022 (2021 - £Nil). During the year, interim dividends of £20,000,000 were paid (2021 - £15,000,000)

FUTURE DEVELOPMENTS

Whenever possible, future growth will be identified and will be developed.

FINANCIAL INSTRUMENTS

The Company only has basic financial instruments which are disclosed in note 15 in the financial statements.

GOING CONCERN

The Company's business activities, its financial position, financial risk management objectives, and its exposures to liquidity and cash flow risk are described in the Strategic report.

The Company has sufficient financial resources and as a consequence of this the Directors believe that the Company is well placed to manage its business risk successfully despite the current economic outlook.

The Directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. The ultimate parent entity has provided a letter of support for a period of 12 months from the date of signing these accounts. The Directors are satisfied that the Group has the ability to provide this support, should it be required. In assessing the financial strength of the Group, the Directors considered the operational and financial forecasts prepared by the Group.

Accordingly they continue to adopt the going concern basis in preparing the annual report and financial statements.

QUALIFYING THIRD PARTY INDEMNITY PROVISIONS

The Company has granted an indemnity to one or more of its Directors against liability in respect of proceedings brought by third parties, subject to the conditions set out in the Companies Act 2006. Such qualifying third party indemnity provision remains in force as at the date of approving the Directors' report.

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 the Director is aware, there is no relevant audit information of which the Company's auditor is unaware, and
- the 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's auditor is aware of that information.

WILLIAM GRANT & SONS GROUP LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 DECEMBER 2022**

AUDITOR

The auditor, KPMG LLP, Statutory Auditor, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the Board on 1 November 2023 and signed on its behalf.

A handwritten signature in black ink, reading "Ewan J Henderson". The signature is written in a cursive style with a large, stylized 'E' and 'H'.

E J Henderson
Director

WILLIAM GRANT & SONS GROUP LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT FOR THE YEAR ENDED 31 DECEMBER 2022

The Directors are responsible for preparing the strategic report, 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 they have elected to prepare the financial statements in accordance with UK accounting standards and applicable law (UK Generally Accepted Accounting Practice), including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland.

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 period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis;
- assess the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and
- use the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WILLIAM GRANT & SONS GROUP LIMITED

Opinion

We have audited the financial statements of William Grant & Sons Group Limited ("the Company") for the year ended 31 December 2022 which comprise the Profit and Loss Account, the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and the related notes, including the accounting policies in note 1.

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 December 2022 and of its profit for the year then ended;
- have been properly prepared in accordance with UK accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Going concern

The directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Company or to cease its operations, and as they have concluded that the Company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over its ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

In our evaluation of the directors' conclusions, we considered the inherent risks to the Company's business model and analysed how those risks might affect the Company's financial resources or ability to continue operations over the going concern period.

Our conclusions based on this work:

- we consider that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for the going concern period.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Company will continue in operation.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WILLIAM GRANT & SONS GROUP LIMITED (CONTINUED)

Fraud and breaches of laws and regulations - ability to detect

Identifying and responding to risks of material misstatement due to fraud

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

- Enquiring of directors, the audit committee and inspection of policy documentation as to the Company's high-level policies and procedures to prevent and detect fraud and the Company's channel for "whistleblowing", as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Board and audit committee minutes.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit. As required by auditing standards, we perform procedures to address the risk of management override of controls, in particular the risk that management may be in a position to make inappropriate accounting entries. On this audit we do not believe there is a fraud risk related to revenue recognition because the entity does not generate revenue and only generates income from interest received or dividend income from other group companies.

We did not identify any additional fraud risks.

In determining the audit procedures, we took into account the results of our evaluation and testing of the operating effectiveness of Company-wide fraud risk management controls.

We also performed procedures including:

- Identifying journal entries and other adjustments to test based on risk criteria and comparing the identified entries to supporting documentation. These included those posted to unusual accounts.

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

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

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit.

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

Secondly, the Company is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation. We identified the following areas as those most likely to have such an effect: health and safety, data protection laws, anti-bribery and money laundering, employment law, consumer and advertising law, export and duty control legislation and certain aspects of company, tax and pension legislation recognising the nature of the Company's activities. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the directors and other management and inspection of regulatory and legal correspondence, if any. Therefore if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WILLIAM GRANT & SONS GROUP LIMITED (CONTINUED)

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

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

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

Strategic report and directors' report

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

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

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

Matters on which we are required to report by exception

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

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

We have nothing to report in these respects.

Directors' responsibilities

As explained more fully in their statement set out on 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; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF WILLIAM GRANT & SONS GROUP LIMITED (CONTINUED)

Auditor's responsibilities

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

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

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

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



Gordon Herbertson (Senior Statutory Auditor)

for and on behalf of

KPMG LLP, Statutory Auditor
Chartered Accountants
319 St Vincent Street, Glasgow, G2 5AS

Date: 1 November 2023

WILLIAM GRANT & SONS GROUP LIMITED

**PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Note	2022 £000	2021 £000
Administrative expenses		(600)	(599)
Other operating income		6,000	6,000
Operating profit		5,400	5,401
Income from other fixed asset investments		13,000	15,000
Interest payable and similar expenses	6	(1,081)	(652)
Profit before tax		17,319	19,749
Tax on profit	7	(821)	(902)
Profit for the financial year		16,498	18,847

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2022**

	2022 £000	2021 £000
Profit for the financial year	16,498	18,847
Total comprehensive income for the year	16,498	18,847

The notes on pages 12 to 25 form part of these financial statements.

WILLIAM GRANT & SONS GROUP LIMITED
REGISTERED NUMBER:SC282845

BALANCE SHEET
AS AT 31 DECEMBER 2022

	Note	2022 £000	2021 £000
Fixed assets			
Investments	9	3,344	3,344
		<u>3,344</u>	<u>3,344</u>
Current assets			
Debtors: amounts falling due within one year	10	6,049	12,100
Cash at bank and in hand	11	-	48,738
		<u>6,049</u>	<u>60,838</u>
Creditors: amounts falling due within one year	12	(2,685)	(53,972)
Net current assets		<u>3,364</u>	<u>6,866</u>
Total assets less current liabilities		<u>6,708</u>	<u>10,210</u>
Net assets		<u><u>6,708</u></u>	<u><u>10,210</u></u>
Capital and reserves			
Called up share capital	14	61	61
Profit and loss account	15	6,647	10,149
		<u>6,708</u>	<u>10,210</u>

The financial statements were approved and authorised for issue by the Board and were signed on its behalf on
1 November 2023

Ewan J Henderson

E J Henderson
Director

The notes on pages 12 to 25 form part of these financial statements.

WILLIAM GRANT & SONS GROUP LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2022**

	Called up share capital	Profit and loss account	Total equity
	£000	£000	£000
At 1 January 2022	61	10,149	10,210
Profit for the year	-	16,498	16,498
Dividends	-	(20,000)	(20,000)
At 31 December 2022	61	6,647	6,708

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2021**

	Called up share capital	Profit and loss account	Total equity
	£000	£000	£000
At 1 January 2021	61	6,302	6,363
Profit for the year	-	18,847	18,847
Dividends	-	(15,000)	(15,000)
At 31 December 2021	61	10,149	10,210

The notes on pages 12 to 25 form part of these financial statements.

WILLIAM GRANT & SONS GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

1. ACCOUNTING POLICIES

1.1 STATEMENT OF COMPLIANCE

William Grant & Sons Group Limited is a limited liability company incorporated in Scotland, with its registered office at The Glenfiddich Distillery, Dufftown, Banffshire, AB55 4DH.

The Company's financial statements have been prepared in accordance with Financial Reporting Standard 102, 'The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland', as it applies to the financial statements of the Company for the year ended 31 December 2022, and the Companies Act 2006.

1.2 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements are prepared on the historic cost basis.

The Company is exempt by virtue of s401 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it is a wholly owned subsidiary of William Grant & Sons Holdings Limited. The Company and all of its subsidiary undertakings are included within the consolidated financial statements of William Grant & Sons Holdings Limited, available from the address in note 17. These financial statements present information about the Company as an individual undertaking.

The financial statements are prepared in sterling, which is the functional and presentational currency of the Company, rounded to the nearest thousand (£000).

Going concern

The financial statements have been prepared on a going concern basis as the Directors believe that the Company has sufficient financial resources and is well placed to manage its business risk successfully despite the current economic outlook. As the Company is integral to the group and part of the groups banking arrangements, in assessing going concern of the Company the Directors also assess the financial situation of the group as a whole.

The ultimate parent entity has provided a letter of support for a period of 12 months from the date of signing these accounts. The Directors are satisfied that the Group has the ability to provide this support, should it be required. As an integral part of the group, the Directors have not performed a detailed cash flow forecast, but the Directors have performed a going concern assessment which indicates that, taking account of the availability of this financial support from the ultimate parent company, the Company will have sufficient funds to meet its liabilities as they fall due for the period.

Consequently, the Directors are confident that the Company will have sufficient funds to continue to meet its liabilities as they fall due for at least 12 months from the date of approval of the financial statements and therefore have prepared the financial statements on a going concern basis.

WILLIAM GRANT & SONS GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

1. ACCOUNTING POLICIES (CONTINUED)

1.3 FINANCIAL REPORTING STANDARD 102 - REDUCED DISCLOSURE EXEMPTIONS

In accordance with FRS 102, the Company has taken advantage of the exemptions from the following disclosure requirements:

- Section 3 Financial Statement Presentation paragraph 3.17(d);
- Section 7 Statement of Cash Flows;
- Section 11 Financial Instruments paragraphs 11.42 to 11.48A;
- Section 12 Other Financial Instruments paragraphs 12.26 to 12.29; and
- Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of William Grant & Sons Holdings Limited for the year ended 31 December 2022, available from the address in note 19.

1.4 OTHER OPERATING INCOME

Other operating income from the provision of services is recognised when the Company's right to receive payment has been established.

1.5 INVESTMENT INCOME

Revenue from dividends is recognised when the Company's right to receive payment has been established.

1.6 IMPAIRMENT OF NON FINANCIAL ASSETS

At each reporting date, the Company assesses whether there are indicators that an asset may be impaired. If any such indicators exist then an assessment of the asset's recoverable amount is made.

If it is not possible to estimate the recoverable amount of the individual asset then an estimate is made of the recoverable amount of the cash generating unit to which the asset belongs. The recoverable amount of an asset or cash generating unit is the higher of its fair value less costs to sell and its value in use. If the recoverable amount is less than its carrying amount, the carrying amount is impaired and reduced to its recoverable amount through an impairment charge in the profit and loss account.

An impairment loss recognised for all assets, including goodwill, is reversed in a subsequent period if and only if the reasons for the impairment loss have ceased to apply.

1.7 INVESTMENTS

Investments in subsidiary undertakings are stated at cost less any provision required for permanent diminution in value. Income from financial fixed assets is recognised in the profit and loss account in the period in which it is receivable.

1.8 SHORT TERM DEBTORS AND CREDITORS

Debtors and creditors with no stated interest rate and which are receivable or payable within one year are recorded at transaction price and subsequently at amortised cost, less any impairment. Any losses arising from impairment are recognised in the profit and loss account in administrative expenses.

1.9 CASH AND CASH EQUIVALENTS

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand, and short term deposits with an original maturity date of three months or less.

WILLIAM GRANT & SONS GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

1. ACCOUNTING POLICIES (CONTINUED)

1.10 FINANCIAL INSTRUMENTS

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors, creditors and loans to related parties.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the profit and loss account.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the Company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Financial liabilities are derecognised when, and only when, the Company's contractual obligations are discharged, cancelled or they expire.

1.11 FOREIGN CURRENCIES

Transactions in foreign currency are initially recorded in the Company's functional currency by applying the spot exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the rate of exchange ruling at the balance sheet date. All differences are taken to the profit and loss account.

1.12 TAXATION

The tax expense for the period comprises current tax recognised in the reporting period. Tax is recognised in the profit and loss account, except to the extent that it relates to items recognised as other comprehensive income or directly in equity. In this case, tax is also recognised in other comprehensive income or directly in equity respectively.

Current tax

Current tax is the amount of income tax payable in respect of the taxable profit for the period or prior periods. Tax is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

1.13 DIVIDENDS

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

WILLIAM GRANT & SONS GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

2. JUDGEMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the balance sheet date, and the amounts reported for revenues and expenses during the period then ended. However, the nature of estimation means that actual outcomes could differ from those estimates. The Directors are of the opinion that there are no sources of estimation uncertainty that have had a significant effect on the amounts recognised in the financial statements.

3. AUDITOR'S REMUNERATION

During the year, the Company obtained the following services from the Company's auditor and its associates:

	2022 £000	2021 £000
Fees payable to the Company's auditor for the audit of the Company's annual financial statements	8	6

4. EMPLOYEES AND DIRECTORS REMUNERATION

The Company had no employees during the current or prior year. The Directors are paid by other group companies and their services as Directors of this Company were considered insignificant in the context of their overall services to the Group and therefore no allocation of directors remuneration were made to this Company in the current or prior year.

5. INCOME FROM INVESTMENTS

	2022 £000	2021 £000
Dividends received from fixed asset investments	13,000	15,000

6. INTEREST PAYABLE

	2022 £000	2021 £000
Interest on loans due to group undertakings	1,081	652

WILLIAM GRANT & SONS GROUP LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022****7. TAXATION**

	2022 £000	2021 £000
Corporation tax		
Current tax charge on profit for the year	821	902
Total current tax charge	<u>821</u>	<u>902</u>

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2021 - lower than) the standard rate of corporation tax in the UK of 19% (2021 - 19%). The differences are explained below:

	2022 £000	2021 £000
Profit on ordinary activities before tax	<u>17,319</u>	<u>19,749</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2021 - 19%)	3,291	3,752
Effects of:		
Dividends from group companies	<u>(2,470)</u>	<u>(2,850)</u>
Total tax charge/(credit) for the year	<u>821</u>	<u>902</u>

Factors that may affect future tax charges/(credits)

The Finance Act 2021 was substantially enacted in May 2021 and has increased the corporation tax rate from 19% to 25% with effect from 1 April 2023.

8. DIVIDENDS

	2022 £000	2021 £000
Interim 2022 dividend of £325.63 (2021 - £244.22) per share	<u>20,000</u>	<u>15,000</u>
	<u>20,000</u>	<u>15,000</u>

WILLIAM GRANT & SONS GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

9. FIXED ASSET INVESTMENTS

	Investments in subsidiary companies £000
Cost	
At 1 January 2022	3,344
At 31 December 2022	<u>3,344</u>
Net book value	
At 31 December 2022	<u>3,344</u>
At 31 December 2021	<u>3,344</u>

A list of all subsidiary undertakings, including those owned by another subsidiary, is included in note 18.

10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £000	2021 £000
Amounts owed by group undertakings	6,049	12,100
	<u>6,049</u>	<u>12,100</u>

Amounts owed by group undertakings are unsecured, interest free and receivable on demand

11. CASH AND CASH EQUIVALENTS

	2022 £000	2021 £000
Cash at bank and in hand	-	48,738
Less: bank overdrafts	(350)	-
	<u>(350)</u>	<u>48,738</u>

WILLIAM GRANT & SONS GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2022 £000	2021 £000
Bank overdrafts	350	-
Amounts owed to group undertakings	1,514	53,119
Corporation tax	821	853
	<u>2,685</u>	<u>53,972</u>

Amounts owed to group undertakings are unsecured, interest free and payable on demand.

13. FINANCIAL INSTRUMENTS

	2022 £000	2021 £000
Financial assets		
Debt instruments measured at amortised cost	<u>6,049</u>	<u>12,100</u>
Financial liabilities		
Measured at amortised cost	<u>(1,514)</u>	<u>(53,119)</u>

Financial assets that are debt instruments measured at amortised cost comprise amounts owed by group undertakings (note 10).

Financial liabilities that are measured at amortised cost comprise amounts owed to group undertakings (note 12).

14. SHARE CAPITAL

	2022 £	2021 £
Allotted, called up and fully paid		
61,419 ordinary shares of £1 each	<u>61,419</u>	<u>61,419</u>

15. RESERVES

Profit and loss account

The profit and loss represent cumulative gains and losses recognised in the profit and loss account and dividends paid.

WILLIAM GRANT & SONS GROUP LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

16. RELATED PARTY TRANSACTIONS

Related party transactions with companies that are wholly owned by the Group have not been disclosed in accordance with the provisions of FRS 102, Section 33.

17. CONTROLLING PARTY

The Company's immediate parent undertaking is William Grant & Sons Holdings Limited. William Grant & Sons Holdings Limited is the ultimate parent undertaking. The group of companies, of which William Grant & Sons Holdings Limited is the ultimate parent undertaking, is the largest group in which the Company is a member. Consequently the Company is included in its group financial statements. The address from which copies of these group financial statements are available to the public is: The Registrar of Companies, Companies House, Fourth Floor, Edinburgh Quay 2, 139 Fountainbridge, Edinburgh, EH3 9FF.

WILLIAM GRANT & SONS GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

18. SUBSIDIARY UNDERTAKINGS

The following were subsidiary undertakings of the Company. The 1887 Company Limited and Prime Drinks SA are associate undertakings of the Company.

* indicates held indirectly

^ indicates disposed of during the year

Name	Class of shares	Holding	Principal activity	Registered office
Alexander MacGregor & Company Limited*	Ordinary	100%	Dormant	First floor, Harbour Court, Les Amballes, St Peter Port, Guernsey, GY1 1WU
Blaygow Limited*	Ordinary	100%	Holding company	Unit 2a, Barette Commercial Centre Route du Mont Mado St John Jersey JE3 4DN
Glow Fuels Limited*	Ordinary	100%	Renewable energy	Grangestone Industrial Estate, Girvan, KA26 9PL
William Grant & Sons Kenya*	Ordinary	100%	Marketing	LR No 1870/1/569, 2nd Floor, Apollo Centre, Wing A, Ring Road Parklands, Westlands, PO Box 764 Sarit Centre, Nairobi
House of Hazelwood Limited*	Ordinary	100%	Dormant	The Old Court House, 7 Parkshot, Richmond, England, TW9 2RF
Tamside Limited*	Ordinary	100%	Renewable energy	Grangestone Industrial Estate, Girvan, KA26 9PL
William Grant and Sons Scottish Limited Partnership*		100%		The Glenfiddich Distillery, Dufftown, Banffshire, AB55 4DH
Beyside Limited*	Ordinary	100%	Renewable energy	Grangestone Industrial Estate, Girvan, KA26 9PL
The 1887 Company Limited*	Ordinary	25%	Distiller and distributor	100 Queen Street, Glasgow, Scotland, G1 3DN
William Grant & Sons South Africa PTY Limited*	Ordinary	100%	Marketing	Dock Road Junction, CNR Dock Stanley Road, V&A Waterfront, Cape Town, Western Cape, 8001
William Grant & Sons Global Brands Limited*	Ordinary	100%	Holding company	Ballard & Clonminch, Tullamore. Co.Offaly, R35 E027
La Guilde du Cognac Limited^	Ordinary	51%	Distributor	The Old Court House, 7 Parkshot, Richmond, England, TW9 2RF
Drambuie Limited*	Ordinary	100%	Holding company	Phoenix Crescent, Strathclyde Business Park, North Lanarkshire, ML4 3AN
George Morton Limited*	Ordinary	100%	Dormant	Phoenix Crescent, Strathclyde Business Park, North Lanarkshire, ML4 3AN
Grants of Ireland Limited*	Ordinary	100%	Dormant	4th Floor Block D, Iveagh Court, Harcourt Road, Dublin 2
William Grant & Sons France SAS*	Ordinary	100%	Distributor	44 Avenue du Capitaine Glarner, 93400 Saint Ouen Cedex, France
Peter Mielzynski Agencies Limited*	Ordinary	51%	Distributor	1908 Ironoak Drive, Unit 1, Oakville, ON, Canada, L6H 0N1
Raynal et Cie SAS*	Ordinary	100%	Holding company	113 Avenue Victor Hugo, Cognac 16100

WILLIAM GRANT & SONS GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

SUBSIDIARY UNDERTAKINGS (CONTINUED)

Name	Class of shares	Holding	Principal activity	Registered office
William Grant & Sons Deutschland GmbH*	Ordinary	100%	Distributor	Gertigstraße 12 14, 22303 Hamburg
Standfast Dominica Limited*	Ordinary	100%	Dormant	Phoenix Crescent, Strathclyde Business Park, North Lanarkshire, ML4 3AN
Tequilera Milagro S.A. De CV*	Ordinary	100%	Producer and distributor	Av. Ejercito Nacional Num 769, Torre B Piso 2 Num. S200, Col., Granada, Alcaldía Miguel Hidalgo, Cd. de México, C.P. 11520
The Balvenie Distillery Company Limited*	Ordinary	100%	Dormant	The Balvenie Maltings, Dufftown, Banffshire, AB55 4BB
The Drambuie Liqueur Company Limited*	Ordinary	100%	Holding company	Phoenix Crescent, Strathclyde Business Park, North Lanarkshire, ML4 3AN
The Glenfiddich Distillery Company Limited*	Ordinary	100%	Dormant	The Glenfiddich Distillery, Dufftown, Banffshire, AB55 4DH
The Hendrick's Gin Distillery Company Limited*	Ordinary	100%	Dormant	Grangestone Industrial Estate, Girvan, KA26 9PT
The Light Spirit Company Limited*	Ordinary	100%	Dormant	The Old Court House, 7 Parkshot, Richmond, TW9 2RF
Tullamore Dew Company Limited*	Ordinary	100%	Dormant	4th Floor, Block D, Iveagh Court, Harcourt Road, Dublin 2
Tullamore Dew Heritage Centre Company Limited by Guarantee*		100%	Dormant	Tullamore Distillery, Clonminch, Co. Offaly, Ireland
William Grant & Sons (Taiwan) Co Limited*	Ordinary	100%	Distributor	14F, No. 337, Fuxing N Rd, Songshan Dist, Taipei City 105, Taiwan
William Grant & Sons (AME) Limited*	Ordinary	100%	Distributor	The Old Court House, 7 Parkshot, Richmond, TW9 2RF
William Grant & Sons (Canadian Distribution) Limited*	Ordinary	100%	Holding company	5300 Commerce Court West, 199 Bay Street, Toronto, Ontario, Canada, M5L 1B9
William Grant & Sons (Canadian Whisky) Limited*	Ordinary	100%	Producer and distributor	Box 25 Commerce Court West, 199 Bay Street, Toronto, Ontario, Canada, M5L 1A9
William Grant & Sons (Cyprus Holdings) Limited*	Ordinary	100%	Holding company	36 Ayias Elenis Street Galaxias Commercial Centre 4th Floor Office, 403 Nicosia 1061
William Grant & Sons (Cyprus) Limited*	Ordinary	100%	Management services	36 Ayias Elenis Street Galaxias Commercial Centre 4th Floor Office, 404 Nicosia 1061

WILLIAM GRANT & SONS GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

SUBSIDIARY UNDERTAKINGS (CONTINUED)

Name	Class of shares	Holding	Principal activity	Registered office
William Grant & Sons Australia Pty Limited*	Ordinary	100%	Distributor	Suite 21.02 111 Pacific Highway North Sydney, New South Wales, 2060
William Grant & Sons Brands Limited*	Ordinary	100%	Distributor	The Old Court House, 7 Parkshot, Richmond, TW9 2RF
William Grant & Sons Canada Limited*	Ordinary	100%	Holding company	The Glenfiddich Distillery, Dufftown, Banffshire, AB55 4DH
William Grant & Sons Colombia SAS*	Ordinary	100%	Distributor	Calle 84a No. 12-18, Of. 303, Bogotá, Cundinamarca, Colombia 110221
William Grant & Sons Distillers Limited*	Ordinary	100%	Distiller and distributor	The Glenfiddich Distillery, Dufftown, Banffshire, AB55 4DH
William Grant & Sons Distinction Limited*	Ordinary	100%	Dormant	The Old Court House, 7 Parkshot, Richmond, TW9 2RF
William Grant & Sons Enterprises Limited*	Ordinary	100%	Holding company	The Glenfiddich Distillery, Dufftown, Banffshire, AB55 4DH
William Grant & Sons Brand Management Partnership*		100%		Independence House, 84 Lower Mortlake Road, Richmond, Surrey, TW9 2HS
William Grant & Sons General Partner Limited*	Ordinary	100%	Holding company	The Glenfiddich Distillery, Dufftown, Banffshire, AB55 4DH
William Grant & Sons Hong Kong Limited*	Ordinary	100%	Marketing	4/F, The Lee Garden 3, 1 Sunning Road, Causeway Bay, Hong Kong
William Grant & Sons IML Limited*	Ordinary	100%	Dormant	4th Floor, Block D, Iveagh Court, Harcourt Road, Dublin 2
William Grant & Sons Inc*	Common stock	100%	Distributor	130 Fieldcrest Avenue, Edison, New Jersey 0837
William Grant & Sons India Private Limited*	Ordinary	100%	Distributor	402 4th Floor, Vatika City Point M.G. Road, Gurgaon, Haryana 122002
William Grant & Sons International Limited*	Ordinary	100%	Dormant	The Glenfiddich Distillery, Dufftown, Banffshire, AB55 4DH
William Grant & Sons Investments Limited*	Ordinary	100%	Holding company	The Glenfiddich Distillery, Dufftown, Banffshire, AB55 4DH
William Grant & Sons Ireland Holdings Limited*	Ordinary	100%	Holding company	4th Floor, Block D, Iveagh Court, Harcourt Road, Dublin 2
William Grant & Sons Irish Brands Limited*	Ordinary	100%	Distributor	4th Floor, Block D, Iveagh Court, Harcourt Road, Dublin 2
William Grant & Sons Irish Manufacturing Limited*	Ordinary	100%	Distiller and distributor	4th Floor, Block D, Iveagh Court, Harcourt Road, Dublin 2
William Grant & Sons Korea Limited*	Ordinary	100%	Distributor	3/F Hyundai Intellex Bldg, 620 Eonju- ro, Gangnam-gu, Seoul, Korea
Quality Spirits International Limited*	Ordinary	100%	Distributor	The Old Court House, 7 Parkshot, Richmond, TW9 2RF

WILLIAM GRANT & SONS GROUP LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

SUBSIDIARY UNDERTAKINGS (CONTINUED)

Name	Class of shares	Holding	Principal activity	Registered office
William Grant & Sons Liquor Trading (Shanghai) Limited*	Ordinary	100%	Distributor	Room 1207-1208, 12F Block B SoHo Zhongshan Plaza, 1065 Zhongshan West Road, Changning District Shanghai
Bellshill Lark (Number 21) Limited*	Ordinary	100%	Dormant	The Old Court House, 7 Parkshot, Richmond, England, TW9 2RF
William Grant & Sons Americas LLC*	Common stock	100%	Marketing	1395 Brickell Avenue, Suite 900, Florida, FL 33131
PAJS Services Limited*	Ordinary	100%	Technical	The Old Court House, 7 Parkshot, Richmond, England, TW9 2RF
William Grant & Sons Polska Limited sp.Z.o.o*	Ordinary	100%	Marketing	Chmielna 312/134, 00-805, Warsaw, Poland
Tynetside Limited*	Ordinary	100%	Renewable energy	Grangestone Industrial Estate, Girvan, KA26 9PL
William Grant & Sons Management Limited*	Ordinary	100%	Dormant	The Glenfiddich Distillery, Dufftown, Banffshire, AB55 4DH
William Grant & Sons Mexico S.A. De C.V.*	Ordinary	100%	Management services	Av. Ejercito Nacional Num 769, Torre B Piso 2 Num. S200, Col., Granada, Alcaldía Miguel Hidalgo, Cd. de México, C.P. 11520
William Grant & Sons Netherlands B.V.*	Ordinary	100%	Holding company	Phoenix Crescent, Strathclyde Business Park, North Lanarkshire, ML4 3AN
William Grant & Sons Pension Trustees Limited*	Ordinary	100%	Trustee of pension scheme	The Glenfiddich Distillery, Dufftown, Banffshire, AB55 4DH
William Grant & Sons Singapore Distribution PTE Limited*	Ordinary	100%	Distributor	79 Robinson Road #17 02/03 Singapore 068897
William Grant & Sons Singapore PTE Limited*	Ordinary	100%	Distributor	79 Robinson Road #17 02/03 Singapore 068897
William Grant & Sons UK Limited*	Ordinary	100%	Distributor	Form 1, 17 Bartley Wood Business Park, Bartley Wood, Hook, RG27 9XA
William Grant & Sons USA Corp.*	Common stock	100%	Holding company	1011 Centre Road Suite 322. Wilmington, Delaware 19805

WILLIAM GRANT & SONS GROUP LIMITED

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SUBSIDIARY UNDERTAKINGS (CONTINUED)

Name	Class of shares	Holding	Principal activity	Registered office
William Grant & Sons Vietnam Company Limited*	Ordinary	100%	Distributor	17th Floor, TNR Tower, 180 – 192 Nguyen Cong Tru Street, Nguyen Thai Binh Ward, District 1, Ho Chi Minh City, Vietnam
William Grant & Sons (East) Limited Liability Company*	Ordinary	100%	Marketing services	13 Bldg 43 2-ya Zvenigorodskaya Street, Moscow, 123022
Prime Drinks SA*	Ordinary	35%	Distributor	Parque das Nacoes Rua do Polo Sul, No 2 4 Andar Fracao B, Lisboa 1990-273
Tuthilltown Spirits LLC*	Common stock	100%	Distiller	14 Grist Mill Lane, Gardiner, NY 12525
Tuthilltown Properties LLC*	Common stock	100%	Property holder	14 Grist Mill Lane, Gardiner, NY 12525
William Grant & Sons US Distillers LLC*	Common stock	100%	Holding company	1209 Orange Street, Wilmington, New Castle County, Delaware 19801
William Grant & Sons Nigeria Limited*	Ordinary	100%	Marketing	3-5 Sinari Daranijo Street, Off AJose Adeogun Street, Victoria Island, Lagos
William Grant & Sons Thailand Limited*	Ordinary	100%	Marketing	253, Asoke, Floor 11, Sukhumvit 21 Road, Klongtoey Nua Sub District, Wattana District, Bangkok 10110
William Grant & Sons Limited	Ordinary	100%	Holding company	The Glenfiddich Distillery, Dufftown, Banffshire, AB55 4DH
Grissan Carrick Limited*	Ordinary	100%	Renewable energy	Grangestone Industrial Estate, Girvan, KA26 9PT
Grissan Carnside Limited*	Ordinary	100%	Renewable energy	Grangestone Industrial Estate, Girvan, KA26 9PT
Grissan Energy UK Limited*	Ordinary	100%	Engineering design	TS2 Coleshill Road, Marston Green, Birmingham, England, B37 7HG
Grissan Engineering Services Limited*	Ordinary	100%	Engineering design	TS2 Coleshill Road, Marston Green, Birmingham, England, B37 7HG
Grissan Limited	Ordinary	100%	Holding company	Unit 2A, Barette Commercial Centre, La Route du Mont, St John, Jersey, JE3 4DN
Grissan Manufacturing Limited*	Ordinary	100%	Renewable energy	Unit 2A, Barette Commercial Centre, La Route du Mont, St John, Jersey, JE3 4DN
Grissan Portside Limited*	Ordinary	100%	Renewable energy	Grangestone Industrial Estate, Girvan, KA26 9PL

WILLIAM GRANT & SONS GROUP LIMITED**NOTES TO THE FINANCIAL STATEMENTS
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Name	Class of shares	Holding	Principal activity	Registered office
Grissan Renewable Energy (Cyprus) Limited*	Ordinary	100%	Management services	36 Ayias Elenis Street, Galaxias Commercial Centre, 4th Floor, 404 Nicosia 1061
Grissan Riverside Limited*	Ordinary	100%	Renewable energy	Grangestone Industrial Estate, Girvan, KA26 9PT
Grissan Coreside Limited*	Ordinary	100%	Renewable energy	Grangestone Industrial Estate, Girvan, KA26 9PT
William Grant & Sons Malaysia*	Ordinary	100%	Distributor	Level 41-23A, Q Sentral, No 2A, Jalan Stesen Sentral 2, 50470 Kuala Lumpur
William Grant & Sons Brasil Consultoria*	Ordinary	100%	Marketing	Rua Funchal 203, 203, Andar: 5; Conj: 51;, Sao Paulo (Vila Olimpia, 04551-904, BR
William Grant & Sons Commercial*	Ordinary	100%	Distiller	The Old Court House, 7 Parkshot, Richmond, TW9 2RF