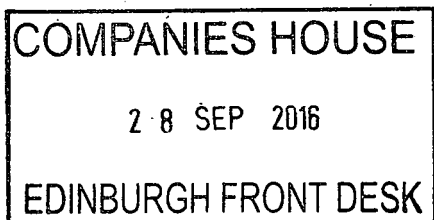


Registered number: SC300161

S&NF LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2015



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S&NF LIMITED

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S&NF LIMITED

COMPANY INFORMATION

Directors J P A van der Burg (resigned 1 September 2016)
K Taylor-Welsh
D M Forde
G A Colquhoun
M Dunn
R Sikorsky (appointed 1 September 2016)

Registered number SC300161

Registered office 3-4 Broadway Park
South Gyle Broadway
Edinburgh
EH12 9JZ

Independent auditor Deloitte LLP
Chartered Accountants and Statutory Auditor
20 Castle Terrace
Edinburgh
United Kingdom
EH1 2DB

S&NF LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2015

The directors present their Strategic Report together with the audited financial statements for the year ended 31 December 2015.

BUSINESS REVIEW

The profit after tax for the year was £10,021,000 (2014: £9,630,000). The main asset of the company is brand rights. The company is in a net assets position. Given the simple nature of the business, no KPIs are used in the management of the company other than the figures in the Statement of Comprehensive Income itself.

PRINCIPAL RISKS AND UNCERTAINTIES

The principal risks and uncertainties associated with the company's financial assets and liabilities are set out in the Directors' Report on page 3.

FINANCIAL KEY PERFORMANCE INDICATORS

Given the simple nature of the business, no KPIs are used in the management of the company other than the figures in the Statement of Comprehensive Income itself.

This report was approved by the board on 23 September 2016 and signed on its behalf by:

M Dunn
Director

A handwritten signature in black ink, consisting of a stylized 'M' followed by a large, sweeping loop and a horizontal line.

S&NF LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2015

The directors present their Annual Report and the audited financial statements for the year ended 31 December 2015.

PRINCIPAL ACTIVITY

The principal activity of the company is to derive royalty income from brand rights across Europe.

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £10,021,000 (2014: £9,630,000).

No dividends were paid during the year (2014: £nil).

The business review is included on page 2 within the Strategic Report.

DIRECTORS

The directors who served during the year were:

J P A van der Burg (resigned 1 September 2016)

K Taylor-Welsh

D M Forde

G A Colquhoun

M Dunn

R Sikorsky (appointed 1 September 2016)

FUTURE DEVELOPMENTS

The company expects to continue to derive royalty income from brand rights across Europe.

GOING CONCERN

The financial position of the company is set out in the Statement of Financial Position on page 9 of the financial statements. The company has net current assets of £136,771,000 at 31 December 2015 (2014: £120,655,000).

The company's intermediate parent undertaking, Heineken B.V., has confirmed to the directors its intention to provide sufficient financial assistance to enable the company to continue operations and fulfil its financial obligations for the foreseeable future and for a period of at least 12 months from the date of approval of the financial statements of the company. Accordingly, the directors continue to adopt the going concern basis in preparing the annual report and financial statements.

FINANCIAL RISK MANAGEMENT POLICY

The main risks associated with the company's financial assets and liabilities are set out below:

Interest rate risk

The company benefits from the management of interest rate risk being undertaken at parent company level and therefore interest rate risk is viewed at a group level.

Liquidity risk

The company benefits from the management of liquidity risk being undertaken at a group company level. It therefore primarily obtains any required funding from other group companies. Its bank accounts form part of the group offset arrangements.

S&NF LIMITED

**DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2015**

DISCLOSURE OF INFORMATION TO AUDITOR

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

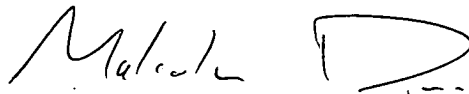
- so far as that director is aware, there is no relevant audit information of which the company's auditor is unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditor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

INDEPENDENT AUDITOR

Pursuant to section 487 of the Companies Act 2006, Deloitte LLP are the newly appointed auditor that will audit the 2015 statutory financial statements.

This report was approved by the board on 23 September 2016 and signed on its behalf by:

M Dunn
Director

A handwritten signature in black ink, appearing to read 'M Dunn', followed by a large, stylized capital 'D'.

**DIRECTORS' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2015**

The directors are responsible for preparing the Annual 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), including FRS 101 'Reduced Disclosure Framework'. 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 judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF S&NF LIMITED

We have audited the financial statements of S&NF Limited for the year ended 31 December 2015, which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and the related notes 1 to 18. 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), including Financial Reporting Standard 101 'Reduced Disclosure Framework'.

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

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 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 Annual 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 company's affairs as at 31 December 2015 and of its 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 Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.


S&NF LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF S&NF 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, 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.



David Crawford, CA (Senior Statutory Auditor)

for and on behalf of

Deloitte LLP

Chartered Accountants and Statutory Auditor

Edinburgh

United Kingdom

EH1 2DB

23 September 2016

S&NF LIMITED**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2015**

	Note	2015 £000	2014 £000
Turnover	4	13,156	14,128
Gross profit		13,156	14,128
Administrative expenses		(5,140)	(5,140)
Operating profit		8,016	8,988
Interest receivable and similar income	7	3,862	3,127
Interest payable and similar charges	8	(2)	-
Profit before tax		11,876	12,115
Tax on profit on ordinary activities	9	(1,855)	(2,485)
Profit for the year		10,021	9,630
Total comprehensive income for the year		10,021	9,630

The notes on pages 11 to 22 form part of these financial statements.

S&NF LIMITED
REGISTERED NUMBER: SC300161

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2015

	Note	2015 £000	2014 £000
Fixed assets			
Intangible assets		217,593	222,733
Current assets			
Debtors	11	142,660	120,004
Cash at bank and in hand		1,366	7,089
		<u>144,026</u>	<u>127,093</u>
Creditors: amounts falling due within one year	13	(7,255)	(6,438)
Net current assets		<u>136,771</u>	<u>120,655</u>
Total assets less current liabilities		<u>354,364</u>	<u>343,388</u>
Provisions for liabilities			
Deferred taxation	14	(4,735)	(3,780)
Net assets		<u>349,629</u>	<u>339,608</u>
Capital and reserves			
Called up share capital	15	306,102	306,102
Profit and loss account	16	43,527	33,506
Shareholders' funds		<u>349,629</u>	<u>339,608</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 23 September 2016 by:

M Dunn
Director



The notes on pages 11 to 22 form part of these financial statements.

S&NF LIMITED**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2015**

	Called up share capital £000	Profit and loss account £000	Shareholders' funds £000
At 1 January 2015	306,102	33,506	339,608
Comprehensive income for the financial year			
Profit for the financial year	-	10,021	10,021
Total comprehensive income for the financial year	-	10,021	10,021
At 31 December 2015	306,102	43,527	349,629

FOR THE YEAR ENDED 31 DECEMBER 2014

	Called up share capital £000	Profit and loss account £000	Shareholders' funds £000
At 1 January 2014	306,102	23,876	329,978
Comprehensive income for the financial year			
Profit for the financial year	-	9,630	9,630
Total comprehensive income for the financial year	-	9,630	9,630
At 31 December 2014	306,102	33,506	339,608

The notes on pages 11 to 22 form part of these financial statements.

S&NF LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

1. GENERAL INFORMATION

S&NF Limited (the "company") is engaged to derive royalty income from brand rights across Europe.

The company is a private company limited by shares and is incorporated and domiciled in Scotland.

The address of its registered office is 3-4 Broadway Park, South Gyle Broadway, Edinburgh, EH12 9JZ.

2. ACCOUNTING POLICIES

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' and the Companies Act 2006.

Information on the impact of the first-time adoption of FRS 101 is given in Note 18.

The functional currency of the company is GBP and the financial statements are rounded to the nearest thousand.

The preparation of financial statements in compliance with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the company's accounting policies (see note 3).

First time application of FRS 100 and FRS 101

In the current year the company has adopted FRS 100 and FRS 101. In previous years the financial statements were prepared in accordance with applicable UK accounting standards. The company's date of transition is 1 January 2014. The last set of financial statements to be prepared under previous GAAP was for the year ended 31 December 2014.

This change in the basis of preparation resulted in a review and subsequent change in the carrying value of intangible assets. This also impacted the deferred tax position. The impact of these changes are reflected in Note 18. The change in basis of preparation has enabled the company to take advantage of all of the available disclosure exemptions permitted by FRS 101 in the financial statements, the most significant of which are summarised below. There have been no other material amendments to the disclosure requirements previously applied in accordance with UK GAAP.

The following principal accounting policies have been applied:

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

2. ACCOUNTING POLICIES (continued)

2.2 Financial reporting standard 101 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of IFRS 7 Financial Instruments: Disclosures;
- the requirements of paragraphs 91-99 of IFRS 13 Fair Value Measurement;
- the requirement in paragraph 38 of IAS 1 'Presentation of Financial Statements' to present comparative information in respect of:
 - paragraph 118(e) of IAS 38 Intangible Assets;
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134-136 of IAS 1 Presentation of Financial Statements;
- the requirements of IAS 7 Statement of Cash Flows;
- the requirements of paragraph 17 of IAS 24 Related Party Disclosures; and
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member.

2.3 Going concern

The financial position of the company is set out in the Statement of Financial Position on page 9 of the financial statements. The company has net current assets of £136,771,000 at 31 December 2015 (2014: £120,655,000).

The company's intermediate parent undertaking, Heineken B.V., has confirmed to the directors its intention to provide sufficient financial assistance to enable the company to continue operations and fulfil its financial obligations for the foreseeable future and for a period of at least 12 months from the date of approval of the financial statements of the company. Accordingly, the directors continue to adopt the going concern basis in preparing the annual report and financial statements.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

2. ACCOUNTING POLICIES (continued)

2.4 Turnover

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the company and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before turnover is recognised:

Sale of goods

Turnover from the sale of goods is recognised when all of the following conditions are satisfied:

- the company has transferred the significant risks and rewards of ownership to the buyer;
- the company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of turnover can be measured reliably;
- it is probable that the company will receive the consideration due under the transaction;
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Rendering of services

Turnover from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of turnover can be measured reliably;
- it is probable that the company will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably, and;
- the costs incurred and the costs to complete the contract can be measured reliably.

2.5 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

Brands are considered to have a finite life and are amortised over 50 years from the date of acquisition.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

2. ACCOUNTING POLICIES (continued)

2.6 Impairment of intangible assets

At each balance sheet date intangible assets are assessed to determine whether there is an indication that the asset may be impaired. If there is such an indication the recoverable amount of the asset is compared to the carrying amount of the asset.

If the recoverable amount of the asset is estimated to be lower than the carrying amount, the carrying amount is reduced to its recoverable amount. An impairment loss is recognised in the Statement of Comprehensive Income, unless the asset has been revalued when the amount is recognised in other comprehensive income to the extent of any previously recognised revaluation. Thereafter any excess is recognised in profit or loss.

If an impairment loss is subsequently reversed, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but only to the extent that the revised carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised in prior periods. A reversal of an impairment loss is recognised in the Statement of Comprehensive Income.

2.7 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.8 Cash at bank and in hand

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.9 Financial instruments

The company recognises financial instruments when it becomes a party to the contractual arrangements of the instrument. Financial instruments are de-recognised when they are discharged or when the contractual terms expire. The company's accounting policies in respect of financial instruments transactions are explained below:

Financial assets

The company classifies all of its financial assets as loans and receivables.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of goods and services to customers (e.g. trade receivables), but also incorporate other types of contractual monetary asset. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

2. ACCOUNTING POLICIES (continued)

2.9 Financial instruments (continued)

Impairment provisions are recognised when there is objective evidence (such as significant financial difficulties on the part of the counterparty or default or significant delay in payment) that the company will be unable to collect all of the amounts due under the terms receivable, the amount of such a provision being the difference between the net carrying amount and the present value of the future expected cash flows associated with the impaired receivable. For trade receivables, which are reported net, such provisions are recorded in a separate allowance account with the loss being recognised within administrative expenses in the Statement of Comprehensive Income. On confirmation that the trade receivable will not be collected, the gross carrying value of the asset is written off against the associated provision.

Other financial liabilities

The company classifies all of its other financial liabilities as liabilities at amortised cost.

At amortised cost

Financial liabilities at amortised cost including bank borrowings are initially recognised at fair value net of any transaction costs directly attributable to the issue of the instrument. Such interest bearing liabilities are subsequently measured at amortised cost using the effective interest rate method, which ensures that any interest expense over the period to repayment is at a constant rate on the balance of the liability carried into the Statement of Financial Position.

2.10 Creditors

Creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers.

Creditors are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

2.11 Finance costs

Finance costs are charged to the Statement of Comprehensive Income over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.12 Interest income

Interest income is recognised in the Statement of Comprehensive Income using the effective interest method.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

2. ACCOUNTING POLICIES (continued)

2.13 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except that a change attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the reporting date in the countries where the company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Statement of Financial Position date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

3. JUDGMENTS IN APPLYING ACCOUNTING POLICIES AND KEY SOURCES OF ESTIMATION UNCERTAINTY

Sources of estimation uncertainty

The preparation of the financial statements requires the company to make estimates, judgments and assumptions that affect the reported amount of assets, liabilities, revenues and expenses and related disclosure of contingent assets and liabilities. The directors base their estimates on historical experience and various other assumptions that they believe are reasonable under the circumstances, the results of which form the basis for making judgments about the carrying value of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions.

Critical accounting estimates and judgements

The preparation of financial statements in conformity with IFRSs requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of turnover and expenses during the reporting period.

Estimates and judgments are continually made and are based on historic experience and other factors, including expectations of future events that are believed to be reasonable in the circumstances. As the use of estimates is inherent in financial reporting, actual results could differ from these estimates. The directors believe the following to be the key area of estimation and judgment:

- Useful economic life and impairment of brand licences

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015****4. ANALYSIS OF TURNOVER**

The whole of the turnover is attributable to the principal activity of the company.

All turnover arose within the United Kingdom.

5. AUDITOR'S REMUNERATION

The company paid the following amounts to its auditor in respect of the audit of the financial statements and for other services provided to the company:

	2015	2014
	£'000	£'000
Fees for the audit of the company	2	3

The company has taken advantage of the exemption not to disclose amounts paid for non audit services as these are disclosed in the group financial statements of the parent company.

Fees in respect of services provided by the auditor for the statutory audit of the company were paid on the company's behalf by its fellow group company Heineken UK Ltd.

6. EMPLOYEES

The company has no employees other than the directors (2014: nil), who did not receive any remuneration (2014: £nil).

7. INTEREST RECEIVABLE AND SIMILAR INCOME

	2015	2014
	£000	£000
Interest receivable from group companies	3,862	3,127

8. INTEREST PAYABLE AND SIMILAR CHARGES

	2015	2014
	£000	£000
Interest payable to group companies	2	-

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

9. TAX ON PROFIT ON ORDINARY ACTIVITIES

	2015 £000	2014 £000
Corporation tax		
Current tax on profit for the year	906	1,013
Adjustments in respect of previous years	(6)	(8)
Foreign tax relief/other relief	(2)	-
Foreign tax suffered	2	-
Total current tax	900	1,005
DEFERRED TAX		
Current year	1,499	1,591
Changes to tax rates	(544)	(111)
TOTAL DEFERRED TAX	955	1,480
TAX ON PROFIT ON ORDINARY ACTIVITIES	1,855	2,485

FACTORS AFFECTING TAX CHARGE FOR THE YEAR

The tax assessed for the year is lower than (2014: lower than) the standard rate of corporation tax in the UK of 20.25% (2014: 21.50%). The differences are explained below:

	2015 £000	2014 £000
Profit on ordinary activities before tax	11,876	12,115
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20.25% (2014: 21.50%)	2,404	2,605
EFFECTS OF:		
Adjustments in respect of prior years	(5)	(9)
Changes in tax rates	(544)	(111)
TOTAL TAX CHARGE FOR THE YEAR	1,855	2,485

FACTORS THAT MAY AFFECT FUTURE TAX CHARGES

The Finance Act 2015 which was substantively enacted on 26 October 2015 included legislation to reduce the main rate of corporation tax to 19% from 1 April 2017 and to 18% from 1 April 2020.

The March 2016 Budget Statement announced a further change to the UK Corporation tax rate which will now reduce the main rate of corporation tax to 17% from 1 April 2020.

S&NF LIMITED**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015****10. INTANGIBLE ASSETS**

	Brands £000
Cost	
At 1 January 2015	313,547
At 31 December 2015	313,547
AMORTISATION	
At 1 January 2015	90,814
Charge for the year	5,140
At 31 December 2015	95,954
Net book value	
At 31 December 2015	217,593
At 31 December 2014	222,733

11. DEBTORS

	2015 £000	2014 £000
Amounts owed by group undertakings	142,660	120,004

12. CASH AT BANK AND IN HAND

	2015 £000	2014 £000
Cash at bank and in hand	1,366	7,089

S&NF LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

13. CREDITORS: Amounts falling due within one year

	2015	2014
	£000	£000
Amounts owed to group undertakings	2,370	2,453
Group relief creditor	4,885	3,985
	<u>7,255</u>	<u>6,438</u>

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

14. DEFERRED TAXATION

	Deferred tax
	£000
At 1 January 2015	(3,780)
Charged to the Statement of Comprehensive Income	(955)
AT 31 DECEMBER 2015	<u>(4,735)</u>

In respect of prior year:

	Deferred tax
	£000
At 1 January 2014	(2,300)
Charged to the Statement of Comprehensive Income	(1,480)
AT 31 DECEMBER 2014	<u>(3,780)</u>

The provision for deferred taxation is made up as follows:

	2015	2014
	£000	£000
Temporary differences on intangible asset amortisation	<u>(4,735)</u>	<u>(3,780)</u>

15. CALLED UP SHARE CAPITAL

	2015	2014
	£000	£000
Allotted, called up and fully paid		
306,101,626 (2014: 306,101,626) Ordinary shares of £1 (2014: £1) each	<u>306,102</u>	<u>306,102</u>

S&NF LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2015

16. RESERVES

Profit and loss account

The profit and loss account represents the accumulated profits, losses and distributions of the company.

17. ULTIMATE PARENT COMPANY

The immediate parent undertaking at the Statement of Financial Position date is Heineken UK Limited. The ultimate parent undertaking at the Statement of Financial Position date, which was also the parent for the smallest and largest group of undertakings for which group financial statements were drawn up and of which the company was a member, was Heineken N.V., a company registered in The Netherlands. Group financial statements for this company may be obtained from the Company Secretary, Heineken N.V., Tweede Weteringplantsoen 21, 1017 ZD, Amsterdam, the Netherlands.

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015**

18. TRANSITION TO FRS 101

The Company transitioned to FRS 101 from previously extant UK GAAP as at 1 January 2014. The impact of the transition to FRS 101 is as follows:

Reconciliation of equity at 1 January 2014

	Note	£000
Equity at 1 January 2014 under previous UK GAAP		398,517
Intangible asset: brand amortisation	1	(85,674)
Deferred tax adjustment	1	17,135
SHAREHOLDERS FUNDS AT 1 JANUARY 2014 UNDER FRS 101		329,978

Reconciliation of equity at 31 December 2014

	Note	£000
Equity at 31 December 2014 under previous UK GAAP		412,259
Intangible asset: brand amortisation	1	(90,814)
Deferred tax adjustment	1	18,163
SHAREHOLDERS FUNDS AT 31 DECEMBER 2014 UNDER FRS 101		339,608

Reconciliation of profit and loss account for the year ended 31 December 2014

		£000
Profit for the year under UK GAAP		13,743
Intangible asset: brand amortisation	1	(5,140)
Deferred tax adjustment	1	1,027
PROFIT FOR THE YEAR ENDED 31 DECEMBER 2014 UNDER FRS 101		9,630

The following correction was made upon transition to FRS 101:

- 1 Upon the adoption of FRS 101 (as required by the transition rules), the company reviewed the carrying value of intangible assets and has corrected the carrying value at 1 January 2014, the date of transition. This carrying value is in line with that of the parent company, Heineken International N.V. The intangible asset is considered to have a finite life and will be amortised in line with the accounting estimate applied by the parent company going forward. This has had the effect of decreasing the intangible asset brought forward at 1 January 2014 by £85,674,000 and by a further £5,140,000 in the year to 31 December 2014.

As a result of the change in carrying value of intangible assets, the deferred tax provision reduced by £17,135,000 at 1 January 2014 and by a further £1,027,000 at 31 December 2014.