

# Financial Statements PLB Group Limited

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**For the year ended 31 March 2016**

**Registered number: 01655729**



**PLB Group Limited**  
**Registered number:01655729**

## Company Information

<b>Directors</b>	J C M Newton J Osborne J S P Kowszun (resigned 28 July 2016) M P Saunders M Aylwin (appointed 18 May 2016) A Harrison (appointed 18 May 2016) A Humphreys (appointed 18 May 2016) D Hunter (appointed 18 May 2016) A Smallman (appointed 18 May 2016)
<b>Registered number</b>	01655729
<b>Registered office</b>	Unit 1 Weston Road Crewe Cheshire CW1 6BP
<b>Independent auditor</b>	Grant Thornton UK LLP Chartered Accountants & Statutory Auditor Grant Thornton House Melton Street Euston Square London NW1 2EP
<b>Bankers</b>	The Royal Bank of Scotland 2 Market Hill Buckingham MK18 1JS

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## **Strategic report**

**For the year ended 31 March 2016**

### **Principal activities**

The principal activity of the company is that of wine, beer and spirit distributors in the United Kingdom and Ireland.

### **Business review**

When explaining the results for the period ended 31 March 2016, we are comparing a full year with a seven month period last year. The company delivered revenue of £90.9m in the year to 31 March 2016. This compares with £59.9m in the seven months to March 2015. Gross profit in the year to 31 March 2016 has increased to £6.3m from £4.5m in the seven months to March 15.

Administrative expenses have seen a material improvement over the year, as the company has transformed from an independent organisation to a part of a wider group. Total administrative expenses for the full year to 31 March 2016 were £3.5m which is 15% lower than for the 7 month comparative period (2015: £4.1m). When looking at administrative costs as a percentage of sales, they have reduced to 3.9% in 2016 compared to 6.8% in 2015. This has resulted in a material improvement in operating profit before fair value movements, with the company delivering £2.8m this year (3.1% of sales), compared with £0.5m in the seven months to 31 March 2015 (0.8% of sales). With favourable Fair Value movements of £0.2m and interest payable of £0.1m, the company has delivered profit before tax of £2.9m.

The balance sheet as at 31 March 2016 shows a strengthened position compared with 31 March 2015. Fixed assets are unchanged at £0.7m, with the former head office of the company unsold, but under offer and in the legal process. Current assets have reduced by 5% to £30.4m (2015: £31.8m), driven by a £1.9m improvement in stock levels, £1.5m increase in debtors and a £1m reduction in cash. At the same time, creditors due within a year have reduced by 13% to £24.0m (2015: £27.7m), resulting in a £2.3m improvement in net current assets. Net debt at 31 March 2016 was £4.2m.

### **Principal risks and uncertainties**

The company uses various financial instruments including loans, cash, equity instruments and various items such as trade debtors and creditors that arise directly from its operations. The main purpose of these financial instruments is to raise finance for the company's operations.

The main risks arising from the company's financial instruments are foreign exchange risk, 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 remain unchanged from previous years.

## **Strategic report (continued)**

**For the year ended 31 March 2016**

### **Foreign exchange risk**

The company's major transactional exposures are to New Zealand dollar, Australian dollar and Euro outflows from the UK.

The company's exposure to transactional (or non structural) foreign exchange risks i.e. those arising from transactions that are not denominated in sterling is managed where possible by matching revenues with costs in the same currencies.

The company usually hedges its foreign exchange exposure, mainly in respect of the New Zealand dollar, Australian dollar and the Euro. This hedging takes the form of financial contracts to purchase set amounts of currency at a range of prices.

This policy will be monitored actively and may be revised should the values of non sterling denominated transactions change substantially within the UK operations. Formal Board approval would be required for any such change.

### **Interest rate risk**

The company's current borrowings include a bank overdraft which attracts interest at a rate related to The Royal Bank of Scotland base rate. The company's interest rate exposure is therefore related to the bank's base rate. Over the last few years, the company has taken the decision to accept the risk of increased interest charges resulting from increased interest rates. However, in the current economic environment, the Board reviews this policy regularly and is ready to implement a hedging programme when it deems it economically prudent to do so.

### **Credit risk**

The company has implemented policies that require appropriate credit checks on potential customers before sales are made. The amount of exposure to any individual counterparty is subject to a limit, which is reassessed on a periodic basis.

### **Financial key performance indicators**

The key financial performance indicators include turnover, gross profit, gross profit margin and net debt. These are all discussed as part of the Business Review above.

This report was approved by the board on 13 October 2016 and signed on its behalf.



**M P Saunders**  
Director

## Directors' report

For the year ended 31 March 2016

The directors present their report and the financial statements for the year ended 31 March 2016.

### Directors' responsibilities statement

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 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 for the Company financial statements 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; and
- 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.

### Results and dividends

The profit for the year, after taxation, amounted to £2,287,000 (2015 - £296,000).

### Directors

The directors who served during the year was:

J C M Newton  
J Osborne  
J S P Kowszun (resigned 28 July 2016)  
M P Saunders

### 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.

**PLB Group Limited**

## **Directors' report**

**For the year ended 31 March 2016**

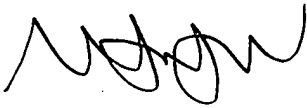
### **Post balance sheet events**

Post year end, on 20 May 2016, the entire share capital of Bibendum PLB Group Limited, the company's parent company, was purchased by Convivalty Plc.

### **Auditors**

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

This report was approved by the board on 13 October 2016 and signed on its behalf.



**M P Saunders**  
Director

## Independent auditor's report to the shareholders of PLB Group Limited

We have audited the financial statements of PLB Group Limited for the year ended 31 March 2016, which comprise the Statement of comprehensive income, the Statement of financial position, the Statement of changes in equity, and the related notes. The financial reporting framework that has been applied in their preparation is applicable law including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

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

### **Respective responsibilities of Directors and Auditor**

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

### **Scope of the audit of the financial statements**

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

### **Opinion on financial statements**

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 31 March 2016 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.





## Independent auditor's report to the shareholders of PLB Group Limited

### **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..

### **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.

A handwritten signature in black ink, appearing to read "Mark Henshaw", with a stylized flourish at the end.

Mark Henshaw (Senior statutory auditor)  
for and on behalf of

**Grant Thornton UK LLP**

Chartered Accountants

Statutory Auditor

London Euston

13 October 2016

## Statement of comprehensive income

For the year ended 31 March 2016

		31 March 2016 £000	7 months ended 31 March 2015 £000
	Note		
Turnover	4	90,880	59,889
Cost of sales		(84,577)	(55,365)
<b>Gross profit</b>		<b>6,303</b>	<b>4,524</b>
Administrative expenses		(3,509)	(4,062)
Fair value movements		210	(74)
<b>Operating profit</b>	5	<b>3,004</b>	<b>388</b>
Interest payable and expenses	8	(128)	(37)
<b>Profit before tax</b>		<b>2,876</b>	<b>351</b>
Tax on profit	9	(589)	(55)
<b>Profit for the year</b>		<b>2,287</b>	<b>296</b>
<b>Total comprehensive income for the year</b>		<b>2,287</b>	<b>296</b>

All amounts relate to continuing operations.

There were no recognised gains and losses for 2016 or 2015 other than those included in the income statement.

The notes on pages 10 to 28 form part of these financial statements.

## Statement of financial position

As at 31 March 2016

	Note	2016 £000	2015 £000
<b>Fixed assets</b>			
Tangible assets	12	637	616
Investments	13	106	100
		<u>743</u>	<u>716</u>
<b>Current assets</b>			
Stocks	14	8,527	10,397
Debtors: amounts falling due within one year	15	20,909	19,425
Cash at bank and in hand	16	988	2,018
		<u>30,424</u>	<u>31,840</u>
Creditors: amounts falling due within one year	17	(24,000)	(27,676)
<b>Net current assets</b>		<u>6,424</u>	<u>4,164</u>
<b>Total assets less current liabilities</b>		<u>7,167</u>	<u>4,880</u>
<b>Net assets</b>		<u>7,167</u>	<u>4,880</u>
<b>Capital and reserves</b>			
Called up share capital	23	100	100
Profit and loss account	24	7,067	4,780
		<u>7,167</u>	<u>4,880</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 13 October 2016.



**M P Saunders**  
Director

The notes on pages 10 to 28 form part of these financial statements.

## Statement of changes in equity

For the year ended 31 March 2016

	Share capital £000	Retained earnings £000	Total equity £000
At 1 April 2015	100	4,780	4,880
<b>Comprehensive income for the year</b>			
Profit for the year	-	2,287	2,287
<b>Total comprehensive income for the year</b>	-	2,287	2,287
<b>At 31 March 2016</b>	<b>100</b>	<b>7,067</b>	<b>7,167</b>

## Statement of changes in equity

For the year ended 31 March 2015

	Share capital £000	Retained earnings £000	Total equity £000
At 1 September 2014	100	4,594	4,694
<b>Comprehensive income for the period</b>			
Profit for the period	-	296	296
<b>Total comprehensive income for the period</b>	-	296	296
Dividends: Equity capital	-	(110)	(110)
<b>At 31 March 2015</b>	<b>100</b>	<b>4,780</b>	<b>4,880</b>

The notes on pages 10 to 28 form part of these financial statements.

# Notes to the financial statements

For the year ended 31 March 2016

## 1. General information

PLB Group Limited is a private company, limited by shares and is incorporated in England. The registered office is Unit 1 Weston Road, Crewe, Cheshire, CW1 6BP..

## 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 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and the Companies Act 2006.

Information on the impact of first-time adoption of FRS 102 is given in note 28..

The preparation of financial statements in compliance with FRS 102 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).

The financial statements are presented in Sterling (£).

The company has adopted the following disclosure exemptions:

- the requirement to present a statement of cash flows and related notes
- financial instrument disclosures, including
  - categories of financial instruments
  - exposure to and management of financial notes

The following principal accounting policies have been applied:

### 2.2 Consolidation

The company is itself a subsidiary company and is exempt from the requirement to prepare group accounts by virtue of section 400 of the Companies Act 2006. These financial statements therefore present information about the company as an individual undertaking and not about its group.

### 2.3 Going concern

The financial statements have been prepared on the going concern basis. The company has sufficient financial resources together with long term supply arrangements with a number of customers and suppliers across different geographic areas. The directors, therefore, have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future and have detailed plans to manage their resources. Thus they continue to adopt the going concern basis of accounting in preparing the annual financial statements.

### 2.4 Cash flow

The company, being a subsidiary undertaking where 90% or more of the voting rights are controlled within the group whose consolidated financial statements are publicly available, is exempt from the requirement to draw up a cash flow statement in accordance with FRS 102.

## Notes to the financial statements

For the year ended 31 March 2016

### 2. Accounting policies (continued)

#### 2.5 Turnover

Turnover is the total amount receivable by the company for goods supplied and services provided, excluding VAT, and net of retrospective rebates, discounts and price promotional support. Turnover is recognised when the company's obligations to the customer have been fulfilled, which is when the goods have been dispatched.

#### 2.6 Intangible assets

Goodwill is the difference between amounts paid on the acquisition of a business and the fair value of the identifiable assets and liabilities. It is amortised to the Profit and loss account over its estimated economic life.

Amortisation is provided at the following rates:

Intellectual property	- Amortised over 5 years
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#### 2.7 Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives

Depreciation is provided on the following basis:

Freehold property	- 2% on cost per annum
Short-term leasehold property	- 20% straight line per annum
Motor vehicles	- 20% straight line per annum
Fixtures and fittings	- 15%-25% straight line per annum

#### 2.8 Investments

Investments held as fixed assets are shown at cost less provision for impairment.

#### 2.9 Stocks

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads.

## Notes to the financial statements

For the year ended 31 March 2016

### 2. Accounting policies (continued)

#### 2.10 Operating lease agreements

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

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the period until the date the rent is expected to be adjusted to the prevailing market rate.

#### 2.11 Pensions costs

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the profit and loss account.

#### 2.12 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Income statement, 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.

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are undiscounted.

#### 2.13 Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the Statement of comprehensive income.

## Notes to the financial statements

For the year ended 31 March 2016

### 2. Accounting policies (continued)

#### 2.14 Financial instruments

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be paid or received. However if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Investments in non-convertible preference shares and in non-puttable ordinary and preference shares are measured:

- i) at fair value with changes recognised in the Income statement if the shares are publicly traded or their fair value can otherwise be measured reliably;
- ii) at cost less impairment for all other investments.

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 Income statement.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

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, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the Statement of financial position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or income as appropriate. The company does not currently apply hedge accounting for interest rate and foreign exchange derivatives.



## Notes to the financial statements

For the year ended 31 March 2016

### 2. Accounting policies (continued)

#### 2.14 Financial instruments (continued)

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

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

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

Compound instruments comprise both a liability and an equity component. At date of issues, the fair value of the liability component is estimated using the prevailing market interest rate for a similar debt instrument. The liability component is accounted for as a financial liability.

The residual is the difference between the net proceeds of issue and the liability component (at time of issue). The residual is the equity component, which is accounted for as an equity instrument.

The interest expense on the liability component is calculated applying the effective interest rate for the liability component of the instrument. The difference between this amount and any repayments is added to the carrying amount if the liability in the balance sheet.

Funds on deposit that are not accessible within 24 hours have been treated as liquid resources for the purpose of the cash flow statement in accordance with Financial Reporting Standard 1 (revised) 'Cash Flow Statements'.

#### 2.15 Debtors

Short term debtors are measured at transaction price, less any impairment.

#### 2.16 Cash and cash equivalents

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.

#### 2.17 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

## Notes to the financial statements

For the year ended 31 March 2016

### 2. Accounting policies (continued)

#### 2.18 Finance costs

Finance costs are charged to the Income statement 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.

#### 2.19 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. Dividends on shares recognised as liabilities are recognised as expenses and classified within interest payable.

#### 2.20 Borrowing costs

All borrowing costs are recognised in the Income statement in the year in which they are incurred.

#### 2.21 Provisions for liabilities

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Income statement in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Statement of financial position date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of financial position.

### 3. Judgments in applying accounting policies and key sources of estimation uncertainty

Preparation of the financial statements requires management to make significant judgements and estimates. The items in the financial statements where these judgements and estimate have been made include:

- Provision made against stock - management review stock on a line by line basis to determine whether any impairment is required.
- Provision made against bad debts - in relation to the decision on whether to provide for outstanding debtors, management make decisions on a case by case basis in assessing individual debtor recoverability.
- Valuation of derivative financial statements - management have valued derivative financial instruments based on the valuation provided by third party experts

# Notes to the financial statements

For the year ended 31 March 2016

## 4. Analysis of turnover

The turnover and profit before tax are attributable to the principal activity of the company, that of Wine, Beer and Spirit distributors in the United Kingdom and Ireland.

## 5. Operating profit

The operating profit is stated after charging:

	31 March 2016 £000	7 months ended 31 March 2015 £000
Depreciation of tangible fixed assets	-	309
Auditor's remuneration	16	17
Auditor's remuneration - tax compliance	4	3
Difference on foreign exchange	(459)	(67)
Operating lease rentals	-	25
Profit/loss on sale of tangible assets	-	(76)
Defined contribution pension cost	64	157
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# Notes to the financial statements

For the year ended 31 March 2016

## 6. Directors and employees

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

	31 March 2016 £000	7 months ended 31 March 2015 £000
Wages and salaries	1,888	2,115
Social security costs	199	226
Cost of defined contribution scheme	64	157
	<u>2,151</u>	<u>2,498</u>

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

	31 March 2016 No.	7 months ended 31 March 2015 No.
Selling and distribution	13	27
Office and management	16	54
	<u>29</u>	<u>81</u>

## 7. Directors' remuneration

	31 March 2016 £000	7 months ended 31 March 2015 £000
Directors' emoluments	343	302
Company contributions to defined contribution pension schemes	27	39
	<u>370</u>	<u>341</u>

During the year retirement benefits were accruing to 2 directors (2015 - 4) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £192,000 (2015 - £128,000).

## Notes to the financial statements

For the year ended 31 March 2016

**8. Interest payable and similar charges**

	31 March 2016 £000	7 months ended 31 March 2015 £000
Interest payable on bank and other borrowings	128	37

**9. Taxation**

	31 March 2016 £000	7 months ended 31 March 2015 £000
<b>Corporation tax</b>		
Current tax on profits for the year	525	108
Adjustments in respect of previous periods	37	50
<b>Total current tax</b>	<b>562</b>	<b>158</b>
<b>Deferred tax</b>		
Origination and reversal of timing differences	(1)	(58)
Prior year	11	(45)
Effect of tax rate change on opening balance	17	-
<b>Total deferred tax</b>	<b>27</b>	<b>(103)</b>
<b>Taxation on profit on ordinary activities</b>	<b>589</b>	<b>55</b>

## Notes to the financial statements

For the year ended 31 March 2016

## 9. Taxation (continued)

**Factors affecting tax charge for the year/period**

The tax assessed for the year/period is higher than (2015 - lower than) the standard rate of corporation tax in the UK of 20% (2015 - 21%). The differences are explained below:

	31 March 2016 £000	7 months ended 31 March 2015 £000
Profit on ordinary activities before tax	2,876	351
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2015 - 21%)	575	74
<b>Effects of:</b>		
Fixed asset difference	-	35
Expenses not deductible for tax purposes	7	13
Capital allowances for year/7 months in excess of depreciation	(17)	-
Adjustments to tax charge in respect of prior periods	37	-
Adjustment to brought forward values	2	-
Income not taxable for tax purposes	(4)	-
Chargeable gains/(losses)	6	-
Group relief	(55)	(74)
Adjustments to tax charge in respect of previous periods	16	4
Adjust closing deferred tax to average rate of 20.00%	22	3
<b>Total tax charge for the year/period</b>	<b>589</b>	<b>55</b>

## 10. Dividends

	2016 £000	2015 £000
Dividends paid on equity capital	-	110

# Notes to the financial statements

For the year ended 31 March 2016

## 11. Intangible assets

	Intellectual property £000
<b>Cost</b>	
At 1 April 2015	125
At 31 March 2016	125
<b>Amortisation</b>	
At 1 April 2015	125
At 31 March 2016	125
<b>Net book value</b>	
At 31 March 2016	-
At 31 March 2015	-

## Notes to the financial statements

For the year ended 31 March 2016

## 12. Tangible fixed assets

	Freehold property £000	Leasehold Improvements £000	Fixtures & Fittings £000	Motor Vehicles £000
<b>Cost or valuation</b>				
At 1 April 2015	757	195	1,059	39
Additions	-	20	-	-
At 31 March 2016	757	215	1,059	39
<b>Depreciation</b>				
At 1 April 2015	150	195	1,050	38
At 31 March 2016	150	195	1,050	38
<b>Net book value</b>				
At 31 March 2016	607	20	9	1
At 31 March 2015	607	-	8	1
				<b>Total £000</b>
<b>Cost or valuation</b>				
At 1 April 2015				2,050
Additions				20
At 31 March 2016				2,070
<b>Depreciation</b>				
At 1 April 2015				1,433
At 31 March 2016				1,433
<b>Net book value</b>				
At 31 March 2016				637
At 31 March 2015				616



# Notes to the financial statements

For the year ended 31 March 2016

## 13. Fixed asset investments

	Other investments £000
<b>Cost or valuation</b>	
At 1 April 2015	100
Additions	6
At 31 March 2016	<u>106</u>
<b>Net book value</b>	
At 31 March 2016	<u>106</u>
At 31 March 2015	<u>100</u>

# Notes to the financial statements

For the year ended 31 March 2016

## 13. Fixed asset investments (continued)

### Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Class of shares	Holding
PLB Wines Limited (dormant)	Ordinary	100 %
PLB Beers Limited (dormant)	Ordinary	100 %
The Real Rose Company Limited (dormant)	Ordinary	100 %

The aggregate of the share capital and reserves as at 31 March 2016 and of the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

	Aggregate of share capital and reserves £000
PLB Wines Limited (dormant)	100
PLB Beers Limited (dormant)	100
The Real Rose Company Limited (dormant)	2
	<hr/>
	202
	<hr/>

Both companies are registered in England and Wales.

### Other investments

Other investments comprise:

- A share in freehold land at cost of £nil (2015: £19,156);
- A share in Wine Tube Map at cost of £105,880 (2015: £55,880). There is a debenture holding of £nil (2015: £25,000).

## 14. Stocks

	2016 £000	2015 £000
Finished goods	8,527	7,363
Stock in transit	-	3,034
	<hr/>	<hr/>
	8,527	10,397
	<hr/>	<hr/>

# Notes to the financial statements

For the year ended 31 March 2016

## 15. Debtors

	2016 £000	2015 £000
Trade debtors	16,771	18,832
Amounts owed by group undertakings	2,547	251
Other debtors	704	17
VAT recoverable	516	197
Prepayments and accrued income	134	-
Deferred taxation	101	128
Financial instruments	136	-
	<u>20,909</u>	<u>19,425</u>

Within other debtors is £101,000 (2015: £128,000) deferred tax which is due after one year. (See note 19).

## 16. Cash and cash equivalents

	2016 £000	2015 £000
Cash at bank and in hand	988	2,018
Less: bank overdrafts	(5,199)	(1,690)
	<u>(4,211)</u>	<u>328</u>

# Notes to the financial statements

For the year ended 31 March 2016

## 17. Creditors: Amounts falling due within one year

	2016 £000	2015 £000
Bank overdrafts	5,199	1,690
Trade creditors	15,211	16,191
Amounts owed to group undertakings	110	100
Corporation tax	294	365
Taxation and social security	-	108
Other creditors	96	1,136
Accruals and deferred income	3,090	8,012
Financial instruments	-	74
	<u>24,000</u>	<u>27,676</u>

Within bank loans and overdrafts is £4,509,000 (2015: £1,690,000) in respect of discounted invoices which are secured by way of a fixed and floating charge over all property and assets present and future including book debts, buildings, fixtures, fixed plant and machinery.

## 18. Borrowings

Borrowings are repayable as follows:

	2016 £000	2015 £000
<b>One year or less</b>		
Invoice discounting facility / bank loan	5,199	1,690
	<u>5,199</u>	<u>1,690</u>

The floating interest rates on bank borrowings are based on LIBOR plus 2.25%. the bank borrowings are secured by a fixed charge on one of the freehold properties of the Company.

# Notes to the financial statements

For the year ended 31 March 2016

## 19. Deferred taxation

	Deferred tax £000
At 1 April 2015	128
Charged to the profit or loss	(27)
<b>At 31 March 2016</b>	<b>101</b>

The deferred tax asset is made up as follows:

	2016 £000	2015 £000
Accelerated capital allowances	(14)	(11)
Other timing differences	115	139
	<b>101</b>	<b>128</b>

## 20. Commitments under operating leases

At 31 March 2016 the Company had future minimum lease payments under non-cancellable operating leases as follows:

	2016 £000	2015 £000
Within 1 year	-	1
Between 2 and 5 years	-	18
<b>Total</b>	<b>-</b>	<b>19</b>

## 21. Contingent liabilities

Guarantees in existence at the year end were issued by the company for:

	2016 £000	2015 £000
<b>HM Revenue and Customs</b>		
General removal Bond and Duty Deferment	1,410	1,410
	<b>1,410</b>	<b>1,410</b>

There were no other contingent liabilities at 31 March 2016 or 31 March 2015.

## Notes to the financial statements

For the year ended 31 March 2016

### 22. Related party transactions

The company is a wholly owned subsidiary of Bibendum PLB Group Limited, the consolidated accounts of which are publicly available. Accordingly, the company has taken advantage of the exemption in FRS 102 from disclosing transactions with wholly owned members of the group.

### 23. Share capital

	2016 £000	2015 £000
<b>Allotted, called up and fully paid</b>		
100,000 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

### 24. Reserves

Profit and loss account

Includes all current and prior period retained profit and losses.

### 25. Capital commitments

There were no capital commitments at 31 March 2016 or 31 March 2015.

### 26. Post balance sheet events

Post year end, on 20 May 2016, the entire share capital of Bibendum PLB Group Limited, the company's parent company, was purchased by Conviviality Plc.

### 27. Ultimate parent undertaking and controlling party

The immediate and ultimate parent company is Bibendum PLB Group Limited, a company registered in England and Wales.

The largest and the smallest group of companies of which this company is a member, and for which group accounts are prepared, is Bibendum PLB Group Limited. Copies of these consolidated accounts may be obtained from its registered office.

# Notes to the financial statements

For the year ended 31 March 2016

## 28. Transition to FRS 102

The Company transitioned to FRS 102 from previously extant UK GAAP as at 1 September 2014. The impact of the transition to FRS 102 is as follows:

### Reconciliation of equity at 1 September 2014

	Note	£000
Equity at 1 September 2014 under previous UK GAAP		4,694
<b>Equity shareholders funds at 1 September 2014 under FRS 102</b>		<b>4,694</b>

### Reconciliation of equity at 31 March 2015

	Note	£000
Equity at 31 March 2015 under previous UK GAAP		4,939
Fair value of forward contracts		(74)
Deferred tax on forward contracts		15
<b>Equity shareholders funds at 31 March 2015 under FRS 102</b>		<b>4,880</b>

### Reconciliation of profit and loss account for the ended 31 March 2015

	£000
Profit for the period under UK GAAP	355
Fair value of forward contracts	(74)
Deferred tax on forward contracts	15
<b>Profit for the period under FRS 102</b>	<b>296</b>

The following were changes in accounting policies arising from the transition to FRS 102:

#### 1 Derivatives

Derivatives, being forward foreign currency contracts, are accounted for at fair value through the statement of comprehensive income and recognised on the Statement of Financial Position under FRS 102. These contracts were not recognised under previous UK GAAP. This has also resulted in an additional deferred tax asset being recognised.

#### Holiday pay accrual

Under previous UK GAAP the company did not accrue for holiday pay that was earned but the holiday entitlement was expected to be taken in the subsequent financial year. Under FRS 102, the group is required to accrue for all short-term absences as holiday entitlement earned but not taken at the date of the statement of financial position.