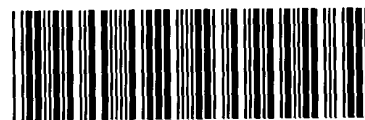


Company Registration No. SC026752

The Glenmorangie Company Limited
Financial Statements
for the year ended 31 December 2016



S6D3P29F
SCT 18/08/2017 #303
COMPANIES HOUSE

The Glenmorangie Company Limited

Contents	Page
Officers and professional advisers	1
Strategic report	2
Directors' report	4
Directors' Responsibilities Statement	6
Independant Auditor's Report	7
Profit and Loss Account	9
Balance Sheet	10
Statement of Changes in Equity	11
Notes to the Financial Statements	12

The Glenmorangie Company Limited

Financial statements 2016

Officers and professional advisers

Directors

The directors who served throughout the year except as noted were as follows:-

Hugues M Pietrini (resigned 2nd February 2017)
Nauman S Hasan (appointed 1st September 2016)
Marc A Hoellinger
Martha J Fleming
Dr Peter J Nelson
David White (resigned 8th December 2016)
Richard Yeomans (appointed 20th December 2016)

Company Secretary

Martha Fleming

Registered Office

The Glenmorangie Company Limited
The Cube
45 Leith Street
Edinburgh
EH1 3AT

Principal Bankers

National Westminster Bank
1 Princes Street
London
EC2R 8BP

Solicitors

Harper Macleod LLP
Citypoint
65 Haymarket Terrace
Edinburgh
EH12 5HD

Independent Auditor

Mazars LLP
Chartered Accountants and Statutory Auditor
Tower Bridge House, St Katharine's Way
London
United Kingdom
E1W 1DD

The Glenmorangie Company Limited

Strategic Report

The directors, in preparing this strategic report, have complied with S414 C of the Companies Act 2006.

Principal activities

The Glenmorangie Company Limited is owned by Moët Hennessy Investissements SA. This company is ultimately controlled by Moët Hennessy Louis Vuitton (LVMH), a company registered in France.

The principal activities of the Company are that of a holding company and as such it does not trade. The principal activities of its subsidiary company, Macdonald & Muir Limited comprise the distillation, warehousing, bottling, marketing and sales of single malt Scotch Whisky.

Basis of Preparation of the Financial Statements

The Company meets the definition of a qualifying entity under FRS 101 (Financial Reporting Standard 101) issued by the Financial Reporting Council. These financial statements were prepared in accordance with FRS 101 'Reduced Disclosure Framework' as issued by the Financial Reporting Council.

Under FRS101 Reduced Disclosure Framework, the Glenmorangie Company Limited is not required to report consolidated financial statements. The trading results of the main trading subsidiary company, Macdonald & Muir Limited, are reported separately.

Results

The Company does not trade. The trading results of the main trading subsidiary company, Macdonald & Muir Limited, are reported separately.

Review of the business

The Glenmorangie Company Limited is a holding company and does not trade. The Company, through its subsidiary, Macdonald & Muir Limited is a highly focused, premium branded Single Malt Scotch Whisky Company.

As one of the most renowned and innovative distillers and marketers of premium branded Scotch Whisky worldwide, our vision is to strengthen and consolidate the strong brand presence for our iconic, premium single malt whisky brands, Glenmorangie and Ardbeg, in fast-growing, international markets where there is significant growth opportunity for premium whiskies. Product innovation and excellence are central to our ambition, supported by creative marketing. We are continuing to capitalise on the unrivalled global distribution strengths of our Parent Company, Moët Hennessy Louis Vuitton (LVMH).

Single Malt Whisky is a valuable and dynamic category, delivering 6.1% volume growth in 2015 (IWSR). Macdonald & Muir Limited has returned a solid performance within this category with both its brands, Glenmorangie and Ardbeg, delivering increased volume and profit growth. The Company is very encouraged by this strong performance and remains confident in its objective to build strong premium single malt whisky brands.

Brand positioning and consumer engagement remain at the heart of the business growth strategy. The Company continues to invest in advertising and promotion to support the accelerated growth of its brands in existing and emerging international markets.

The Glenmorangie brand further enhanced its reputation as a leading innovator within the Single Malt Scotch Whisky industry, with the highly anticipated seventh annual Private Edition release - Glenmorangie Milsean. This launch was heralded with an online tasting hosted by Dr Bill Lumsden, Director of Distilling, Whisky Creation and Whisky Stocks, which was enjoyed simultaneously around the globe. Meanwhile, Glenmorangie launched its exclusive Bond House No 1 Collection, which celebrates some of the Distillery's most prestigious parcels of aged whisky, each distilled in a single year. Its inaugural expression, Glenmorangie Grand Vintage Malt 1990, brings to collectors and connoisseurs a sublime spirit which emerged, against all odds, from the most challenging harvest in living memory.

The Glenmorangie Company Limited

Strategic Report (continued)

Review of the business (continued)

Glenmorangie successfully leveraged its enduring partnership with The Open, golf's oldest and most international championship. The whisky further augmented its relationship with the sport through an inspirational collaboration with Olympic gold medal winner Justin Rose, who continues as Glenmorangie's golfing ambassador.

Ardbeg marked its precarious past and its enduring hold on the future, by releasing a rare limited-edition single malt, distilled as the Distillery teetered on the brink of extinction. Ardbeg Twenty One is the first 21-year-old malt to emerge from the Distillery for 15 years. It was released exclusively to the Ardbeg Committee, to thank them for their vital role in safeguarding the Distillery's future. Such is ardour of the whisky's loyal following that the expression sold out in four top markets in under an hour. In May, Ardbeg marked the Distillery's global, annual celebration by turning Ardbeg Day into Ardbeg Night. Its success was enjoyed by 12,500 smoky malt whisky fans worldwide, who gathered at over 200 themed events to recall Islay's dark past as a smugglers' haunt.

The Glenmorangie Company reinforced its unassailable reputation for quality as it received a plethora of prestigious industry awards in 2016. In total, Glenmorangie received more than 20 top accolades such as gold medals, master awards or category wins in 2016, at renowned global competitions including the IWSC, World Whisky Awards and ISC. Glenmorangie Signet, the pinnacle of the range, was hailed as World Whisky of the Year by the International Whisky Competition, which also named Dr Bill Lumsden as Master Distiller of the Year. Dr Bill's pioneering work was also recognised by Whisky Magazine, which awarded him the title of Master Distiller/Master Blender of the Year.

The Company increasingly amplifies its focus on Corporate Social Responsibility (CSR). Its commitment to the environment at Glenmorangie Distillery continued, with The Dornoch Environmental Enhancement (DEEP) Project moving to its next phase in partnership with the Marine Conservation Society and Heriot Watt University. Work also continues with the National Museum of Scotland, funding the Glenmorangie research position, which is exploring the early people of Scotland.

Key Financial and Other Performance Indicators

The Company does not trade. The financial result of the Company reflects tax charges arising on the loan relationship credit existing between the Company and its subsidiary company, Macdonald & Muir Limited. The trading results of the main trading subsidiary company, Macdonald & Muir Limited, are reported separately.

Future developments

The Company does not trade. It has a clear plan to drive future growth in volume and profit from its premium Single Malt brands, Glenmorangie and Ardbeg, through its subsidiary company, Macdonald & Muir Limited.

We are very encouraged by the results achieved to date from our strategy and we believe the benefits of this long term investment are already bearing fruit.

Approved by the Board of Directors
and signed on behalf of the Board



Martha Fleming
Company Secretary and Finance Director
27 April 2017

The Cube
45 Leith Street
Edinburgh
EH1 3AT



Marc A Hoellinger
President and CEO
27 April 2017

The Cube
45 Leith Street
Edinburgh
EH1 3AT

The Glenmorangie Company Limited

Directors' Report

The directors present their annual report and the audited financial statements for the year ended 31 December 2016. The strategic report on pages 2 to 3 provides the directors' consideration of business performance and future developments affecting the Company.

Future developments and events after the Balance Sheet date

Details of future developments and events that have occurred after the balance sheet date can be found in the Strategic Report on page 3 and form part of this report by cross-reference.

Going concern

The Company has considerable financial resources and a strong balance sheet. As a consequence, the directors believe that the Company is well placed to manage its business risk successfully.

The directors have a strong expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Accordingly they continue to adopt the going concern basis in preparing the annual report and financial statements.

Financial Risk Management Strategy

The Company does not trade. The Financial Risk Management Strategy of the main subsidiary company, Macdonald & Muir Limited, is reported separately within the Financial Statements of that entity.

Directors

The directors who served throughout the year except as noted were as follows:-

Hugues M Pietrini (resigned 2nd February 2017)

Nauman S Hasan (appointed 1st September 2016)

Marc A Hoellinger

Martha J Fleming

Dr Peter J Nelson

David White (resigned 8th December 2016)

Richard Yeomans (appointed 20th December 2016)

Directors and officers liability insurance

The Company has maintained liability insurance covering the directors and officers of the Company.

Dividends

No dividend is proposed for the year (2015: £nil).

Disabled employees

The Company gives full consideration to applications for employment from disabled persons where the candidate's particular aptitudes and abilities are consistent with adequately meeting the requirements of the job. Where existing employees become disabled, it is the Company's policy to provide continuing employment wherever practicable in the same or an alternative position and to provide appropriate training to achieve this aim.

Employee involvement

The Company operates a framework for employee information and consultation which complies with the requirements of the Information and Consultation of Employees Regulations 2004. During the year, the policy of providing employees with information about the Company has been continued through the monthly Business Updates, Quarterly Business Reviews and the publication of the Company's newsletter. These publications provide the framework through which employees are encouraged to present their suggestions and views on the Company's performance. Regular meetings are held between local management and employees to allow a free flow of information and ideas. This process is facilitated through an active Employee Forum.

The Glenmorangie Company Ltd

Directors' Report (continued)

Auditor

Each of the persons who is a director at the date of approval of this report confirms that:

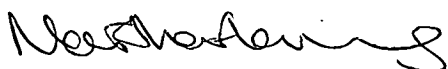
- So far as the director is aware, there is no relevant audit information of which the Company's auditor is unaware; and
- The director has taken all the steps that he/she ought to have taken as a director in order to make himself/herself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This confirmation is given and should be incorporated in accordance with the provision of S418 of the Companies Act 2006.

Auditors

Mazars have indicated their willingness to be reappointed for another term and appropriate arrangements have been put in place for them to be deemed reappointed as auditor in the absence of an Annual General Meeting.

Approved by the Board of Directors
and signed on behalf of the Board



Martha Fleming
Company Secretary and Finance Director
27 April 2017

The Cube
45 Leith Street
Edinburgh
EH1 3AT



Marc Hoellinger
President and CEO
27 April 2017

The Cube
45 Leith Street
Edinburgh
EH1 3AT

The Glenmorangie Company Limited

Directors' Responsibilities Statement

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). 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 Financial Reporting Standard 101 Reduced Disclosure Framework has 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.

Independent Auditor's Report to the Members of The Glenmorangie Company Limited

We have audited the financial statements of The Glenmorangie Company Limited for the year ended 31 December 2016 which comprise the Profit and Loss Account, Balance Sheet and the related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including FRS 101 "Reduced Disclosure Framework."

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 6, 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. 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.

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 web-site at www.frc.org.uk/auditscopeukprivate.

Opinion on the 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 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 members of The Glenmorangie Company Limited (continued)

Opinion on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Directors' Report. 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.



Richard Metcalfe (Senior Statutory Auditor)

for and on behalf of Mazars LLP

Chartered Accountants and Statutory Auditor

Tower Bridge House, St Katharine's Way
London
United Kingdom
E1W 1DD

Date 28/04/2017

The Glenmorangie Company Limited

Profit and Loss Account

For the year ended 31st December 2016

	Notes	2016 Total £'000	2015 Total £'000
Turnover		-	-
Operating costs		-	-
		<u>-</u>	<u>-</u>
Operating profit		-	-
		<u>-</u>	<u>-</u>
Profit on ordinary activities before finance charges		-	-
Interest payable	2	(3)	(1)
		<u>(3)</u>	<u>(1)</u>
Loss on ordinary activities before taxation		(3)	(1)
Taxation on loss on ordinary activities	3	(113)	(269)
		<u>(113)</u>	<u>(269)</u>
Loss for the financial year		<u>(116)</u>	<u>(270)</u>

The profit and loss account has been prepared on the basis that all operations are continuing operations. There are no other items of comprehensive income or expense in the year or prior period and therefore no statement of comprehensive income is shown.

The Glenmorangie Company Limited

Balance Sheet

At 31st December 2016

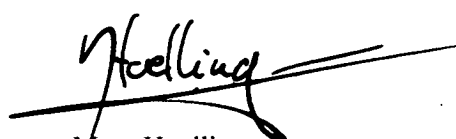
	Notes	2016 £'000	2015 £'000
Fixed assets			
Investments	4	866	866
		<u>866</u>	<u>866</u>
Current assets			
Debtors	5	10,773	10,773
		<u>10,773</u>	<u>10,773</u>
Creditors: amounts falling due within one year			
Trade and other creditors	6	(1)	(1)
Corporation tax payable		(823)	(707)
		<u>(824)</u>	<u>(708)</u>
Net current assets		<u>9,949</u>	<u>10,065</u>
Total assets less current liabilities		<u>10,815</u>	<u>10,931</u>
Capital and reserves			
Called up share capital	7	1,470	1,470
Share premium account		7,257	7,257
Capital redemption reserve fund		400	400
Profit and loss account		1,688	1,804
Shareholders' funds		<u>10,815</u>	<u>10,931</u>

Signed on behalf of the Board of Directors



Martha Fleming
Company Secretary and Finance Director
27 April 2017

The Cube
45 Leith Street
Edinburgh
EH1 3AT



Marc Hoellinger
President and CEO
27 April 2017

The Cube
45 Leith Street
Edinburgh
EH1 3AT

The Glenmorangie Company Limited

Statement of Changes in Equity For the year ended 31st December 2016

	Called up share capital £'000	Share Premium Account £'000	Capital Redemption Reserve Fund £'000	Profit and Loss account £'000	Total £'000
Balance at 1 January 2016	1,470	7,257	400	1,804	10,931
Result for the period	-	-	-	(116)	(116)
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive loss for the period	-	-	-	(116)	(116)
Balance at 31 December 2016	1,470	7,257	400	1,688	10,815

The Glenmorangie Company Limited

Notes to the Financial Statements

For the year ended 31st December 2016

1. Accounting policies

General information

The Glenmorangie Company Limited ('the Company') is a limited Company domiciled and incorporated in the UK. The principal activities of the Company is a holding company for Macdonald and Muir Limited which in turn has principal activities comprising the distillation, warehousing, bottling, marketing and sales of single malt Scotch Whisky.

The address of the Company's registered office is The Cube, 45 Leith Street, Edinburgh, EH1 3AT.

The principle accounting policies are summarised below. They have all been applied consistently throughout the year and the preceding year.

Basis of accounting

The company meets the definition of a qualifying entity under FRS 101 (Financial Reporting Standard 101) issued by the Financial Reporting Council. The company has FRS 101 as issued by the Financial Reporting Council as its accounting framework and has, in doing so, applied the requirements of IFRS 1.6-33 and related appendices.

The principal accounting policies adopted are set out below.

These financial statements are separate financial statements. The Company is exempt from the preparation of consolidated financial statements, because it is included in the Group accounts of Moët Hennessy Louis Vuitton (LVMH). Details of the parent in whose consolidated financial statements the Company is included are shown in note 8 to the financial statements

Reduced Disclosure

As permitted by FRS 101, the company has taken advantage of the disclosure exemptions available under that standard in relation to share-based payment, presentation of a cash-flow statement, and related party transactions. Where required, equivalent disclosures are given in the group accounts of LVMH. The group accounts of LVMH are available to the public and can be obtained as set out in note 8.

Going concern

The Company's business activities and its financial position, together with the factors likely to affect its future development, performance and position are set out in the strategic report

The directors have prepared forecasts and concluded that the Company is able to operate and meet any obligations as they fall due for the foreseeable future, being a period of at least 12 months from the date of approval of the financial statements.

The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Accordingly, it continues to adopt the going concern basis in preparing the annual report and financial statements.

The Glenmorangie Company Limited

Notes to the Financial Statements

For the year ended 31st December 2016

1. Accounting policies (continued)

Accounting for acquisitions

On acquisition, fair values are attributed to the net assets acquired and the accounting policies of the businesses acquired are brought into alignment with those of the Company.

Investments

Fixed asset investments are shown at cost less provision for impairment. Current asset investments are stated at the lower of cost and net realisable value.

Taxation

UK corporation tax is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantially enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more, or right to pay less, tax in future have occurred at the balance sheet date. This is subject to deferred tax assets only being recognised if it is considered more likely than not that there will be suitable profits from which the future reversal of the underlying timing differences can be deducted. In addition, no deferred tax provision is incorporated in the accounts in respect of capital gains rolled over nor potential tax payable were revaluation surpluses crystallised on disposal of land and buildings. Timing differences are differences arising between the Company's taxable profits and its results as stated in the financial statements which are capable of reversal in one or more subsequent periods.

Deferred tax is measured on a non-discounted basis at the tax rates that are expected to apply in the periods in which timing differences are expected to reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Foreign currencies

Foreign currencies: Assets, liabilities, revenues and costs denominated in foreign currencies are recorded at the rates of exchange ruling at the dates of the transactions; monetary assets and liabilities at the balance sheet date are translated at year end rates of exchange. All exchange differences thus arising are included in the result for the period.

Group financial statements

The Company has taken advantage of the exemption in Section 400 of the Companies Act 2006 not to prepare consolidated financial statements on the basis that it considers the ultimate parent company, LVMH (Moët Hennessy Louis Vuitton), has prepared consolidated financial statements and annual report in a manner equivalent to the requirements of EEC's Seventh Directive.

The Glenmorangie Company Limited

Notes to the Financial Statements

For the year ended 31st December 2016

2. Interest payable and similar charges

	2016 £'000	2015 £'000
Interest payable and similar charges	(3)	(1)
	<u>(3)</u>	<u>(1)</u>

Interest payable and similar charges

	2016 £'000	2015 £'000
Other interest paid	(3)	(1)
	<u>(3)</u>	<u>(1)</u>

3. Tax

(a) Tax on loss on ordinary activities

	2016 £'000	2015 £'000
Current tax:		
UK Corporation Tax at 20.00% (2015: 20.25%)	(113)	(129)
Adjustments in respect of previous periods	-	(140)
	<u>(113)</u>	<u>(269)</u>

Corporation tax is calculated at 20.00% (2015: 20.25%) of the estimated taxable profit for the year. The tax charge for the year can be reconciled to the profit and loss account as follows:

	2016 £'000	2015 £'000
Loss on ordinary activities before taxation	(3)	(1)
Tax at the UK corporation Tax rate of 20.00% (2015: 20.25%)	1	-
Effect:		
Tax on Loan Relationship Credit	(113)	(129)
Adjustments in respect of previous periods	-	(140)
	<u>(113)</u>	<u>(269)</u>

The Glenmorangie Company Limited

Notes to the Financial Statements For the year ended 31st December 2016

4. Fixed asset investments

	2016 £'000	2015 £'000
Other investments (a)	866	866
(a) Other investments		
	2016 £'000	2015 £'000
Cost:		
At 1st January and 31 December	866	866
Net book value at 1 January and 31 December	866	866

The principal subsidiary undertaking, which is wholly-owned and registered in Scotland is Macdonald & Muir Limited, including The Glenmorangie Distillery, Tain and Ardbeg Distillery, Islay.

The subsidiary undertakings of The Glenmorangie Company Limited, all of which are wholly owned and registered in Scotland are as follows:

	Principle activity	Proportion of ordinary shares held	Profit for the year ended 31 December 2016 £'000	Net assets as at 31 December 2016 £'000
Macdonald and Muir Limited	Distil, mature, sell & market Single Malt Whisky	100%	16,793	186,754
Macdonald Martin Distilleries Ltd	Non trading	100%	-	1
Charles Muirhead and Son Ltd	Non trading	100%	-	14
Nicol Anderson and Company Ltd	Non trading	100%	-	-
James Martin & Company Limited	Non trading	100%	-	50

5. Debtors

	2016 £'000	2015 £'000
Amounts owed by subsidiary undertakings	10,773	10,773
	10,773	10,773

All debtors fall due within one year. Amounts owed by subsidiary undertakings are unsecured.

The Glenmorangie Company Limited

Notes to the Financial Statements For the year ended 31st December 2016

6. Trade and other creditors

	2016 £'000	2015 £'000
Other creditors	<u>1</u>	<u>1</u>

7. Called-up share capital

	2016 £'000	2015 £'000
Authorised 20,000,000 Ordinary Shares of 10p each	<u>2,000</u>	<u>2,000</u>
Allotted, called-up and fully paid 14,700,000 Ordinary Shares of 10p each	<u>1,470</u>	<u>1,470</u>

On a winding up of the Company, the surplus assets remaining after payment of liabilities would be distributed among the holders of Ordinary Shares rateably according to the amounts paid up on such shares held by them respectively.

8. Ultimate controlling party

The Company was acquired in early 2005 by Moët Hennessy Investissements SA. This company has included the Company in its Group financial statements and is the smallest group into which the Company is consolidated. This company is 66% owned and ultimately controlled by Moët Hennessy Louis Vuitton (LVMH), a company registered in France.

Moët Hennessy Louis Vuitton is the the largest group into which the Company is consolidated. Copies of the financial statements of this company are available from 22 Avenue Montaigne, 75008, Paris, France.

TAX STRATEGY STATEMENT

UK Tax Strategy

This document is produced in accordance with the requirement under Section 161 and Section 22 (2) of Schedule 19 Finance Act 2016 for The Glenmorangie Company Limited to publish its UK tax strategy online and sets out the Company's approach to tax for the year to 31 December 2017.

Overview

We are committed to a tax strategy that is both open and compliant. As a large company, we recognise the importance to be transparent regarding the taxes we pay. Our tax contribution goes significantly beyond the corporate tax paid by our company on its profits. As a large employer, we pay a significant amount of payroll taxes, in addition to operating as a collector of taxes through the Excise Duties, PAYE and VAT systems.

Our business has a strong focus on corporate responsibility, and we see responsible administration and payment of taxation as a responsibility of our business.

The tax strategy is owned by the Company's Board with responsibility for operation delegated to the Finance Director.

Accordingly, the Board is responsible for determining the Company's tax objectives and guiding principles which are set out below:

- To comply with all applicable tax laws and regulations;
- Seek to utilise available tax reliefs and incentives where available in a manner which is consistent with the government's policy objectives;
- To ensure that the Company suffers no adverse reputational risk in managing its tax affairs and
- To adopt the principles of collaborative compliance in its engagement with HMRC.

Risk management and governance arrangements

We want our tax affairs to be transparent and compliant with tax legislation, and recognise that managing tax compliance is increasingly complex.

Our internal structure is set up to ensure:

- The Board of directors understand the importance of tax compliance, and how it is achieved;
- The Company manages tax risks through appropriate and regular dialogue with the following; the Senior Accounting Officer; the Finance Director; the Board Members whose responsibilities include tax compliance and the individuals within the finance function.
- The business portrays a positive view towards tax compliance and the importance of meeting our obligations.

We constantly review how we meet our tax obligations, by seeking external tax advice, investing in tax training for our staff, regular updates and guidance from the tax department of the ultimate Parent Company (LVMH) and also managing our relationship with tax authorities.

Tax planning

The Company will continue to make use of intended Government tax incentives and exemptions where it is appropriate to do so.

Attitude towards Risk

The Board sees compliance with tax legislation as key to managing our tax risk. The Company is subject to the Senior Accounting Officer requirement to ensure it has taken reasonable steps to establish and maintain tax accounting arrangements that enable the tax liabilities to be calculated accurately in all material respects. The Company follows HMRC guidance in this respect to ensure its obligation is met. Tax legislation is often complex and subject to interpretation. Consequently, if uncertainty arises in relation to a significant or complex tax position, the Company will seek to minimise the level of risk caused by seeking expert and independent advice or through discussion with HMRC.

The Company's approach towards its dealings with HMRC

The Company seeks to adopt an open, cooperative and professional working relationship with HMRC.

We employ the services of professional tax advisers to act as our agents, and in a number of cases they liaise with HMRC on our behalf.

This page does not form part of the Financial Statements