Financial Statements
CPL Aromas Limited

For the year ended 31 March 2015

Company No. 1031292

Company information

Company registration number:	1031292
Registered office:	Barrington Hall Hatfield Broad Oak BISHOPS STORTFORD Hertfordshire CM22 7LE
Directors:	P J Jacobs - Chairman C Pickthall - Managing Director M J A Kalinowski – Finance Director T Pickthall - President F Pickthall N Pickthall J H Dunsdon B Forbes
Secretary:	C Pickthall
Bankers:	Bank of Scotland Ipswich Business Centre 35 Princes Street IPSWICH Suffolk IP1 1AE
Solicitors:	Birketts LLP Brierly Place New London Road CHELMSFORD Essex CM2 0AP
Auditor:	Grant Thornton UK LLP Chartered Accountants Statutory Auditor Grant Thornton House 202 Silbury Boulevard CENTRAL MILTON KEYNES MK9 1LW

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Chairman's statement

I am pleased to report on another year of growth for the company in which we, once again, achieved record sales despite challenging market conditions.

The group attained sales of £68.8m (£68.4m 2013/14) for the twelve months to 31st March 2015 representing growth of 0.5% against the previous year. However, based on constant exchange rates, the group produced like for like sales growth of 5.2%.

We delivered EBITDA, before exceptional costs, of £8.5m (£9.9m 2013/14) for the year representing a fall of 14.3% against the previous year. This was caused by both the relative strength of the US Dollar and British Pound across a number of the regions within which we operate and the planned temporary closure of our Brixworth operation in April 2014 to allow for the installation of Dynamics AX.

Significant progress has been made in developing our business within key markets such as India which saw sales growth of 31.6% in local currency compared to the previous year. Furthermore our business in South America recorded an increase in sales of 18.3% in local currency and the Far East region grew sales by 6.7% in local currency.

The company continues to invest heavily in the business and 2014/15 saw the completion of important infrastructure projects that will lead to improved levels of customer service across the group. In February 2015 our new Dubai factory became operational and now manufactures fragrances for the MENA region as well as the Indian sub-continent. This 10,000 square metre facility based in the Jebel Ali Free Zone is the first of its kind in The Middle East and confirms CPL Aromas as the leading supplier of fragrances in the region. We now have a full service operation in Dubai that employs 70 staff with Creative Perfumery, Product Performance, and Sales & Marketing together with a fully automated production facility that significantly increases the group's manufacturing capacity.

Following the successful installation of Dynamics AX throughout Europe, the Americas and the Middle East we are now committed to introducing the new software to our remaining production sites in the Far East allowing us to deliver increased levels of efficiency and customer service across the world.

We were able to make good use of cash generated in the business by acquiring the freehold of our UK manufacturing site in Brixworth following our landlords' intention to sell the site we have occupied for over 25 years.

During this year of significant investment the group remained net cash positive and increased consolidated shareholders' funds from £44.6m at 31 March 2014 to £49.4m at 31 March 2015.

Further investments have been made throughout the year in important R&D projects that ensure CPL Aromas remains at the forefront of technical innovation. During the year we re-launched our highly effective malodour counteractant technology, Aromaguard, which reduces the perception of malodours by at least 70% and can be used in a variety of applications. Aromaguard technology has proved vital in developing new sales with multinational customers around the world.

Our encapsulation technology, Aromacore, continues to attract new clients and we have expanded the R&D facility in the UK to include a specific encapsulation laboratory. During the year we launched new variants of Aromacore for use in laundry products to meet the growing requirement for longer lasting fragrances in this sector.

Chairman's statement

Continued growth over a sustained period has elevated CPL Aromas to be one of the leading international companies in the industry. Our successful strategy means we can rightly claim to be the largest, fragrance only, fragrance house in the world. Whilst most other fragrance houses also offer flavours and ingredients; CPL Aromas concentrates only on fragrances. This single focus enables us to give our full commitment to developing winning fragrances for our clients backed up by first class service.

The group continues to support the valuable work of CAFOD, a charitable organisation that is committed to help building a world free of poverty and injustice, and with whom we have been associated since 2002. During the year our donations have helped support specific projects in Malawi, Kenya, Nicaragua, Peru, Israel and Cambodia. I am therefore delighted to report an increased donation of £200k for the year.

I am pleased to report that further progress has been made throughout the year with our efforts to assist The College of Fragrance for the Visually Impaired (www.cofvi.com) in their work to create employment opportunities for the visually impaired. More students have been enrolled in the Mumbai College and we are working with companies in the fragrance industry to establish full time jobs for the graduates.

Despite difficult market conditions in many areas in which we operate I am pleased to report on another successful year for the business and it is with this in mind that I would like to offer my sincere thanks to all the companies' employees across the world for their valuable contribution.

Peter Jacobs

Report of the directors

The directors present their report together with the financial statements for the year ended 31 March 2015.

Results and dividends

The result for the year is detailed in these financial statements. The directors recommend a dividend of £1,062,676 (2014 - £987,676).

Directors

The directors who served the company during the year were as follows:

P J Jacobs
C Pickthall
M J A Kalinowski
T Pickthall
F Pickthall
N Pickthall
J H Dunsdon
B Forbes

Environmental issues

The manufacture of fragrances necessarily involves the handling and use of chemicals. Many of the materials used are natural, derived from nature or identical to materials found in nature. The group adheres to the Code of Practice issued by the International Fragrance Association and their standards for the use of materials in fragrances. The group, through its internal quality and safety management systems, maintains control over the use, classification, labelling, transfer and disposal of materials.

Employee involvement

The group has continued its practice of keeping employees informed of matters affecting them as employees and the financial and economic factors affecting the performance of the group.

This is achieved through employee briefings and the issue of a quarterly company newsletter.

Employment of disabled persons

The group is committed to a policy of recruitment and promotion on the basis of aptitude and ability without discrimination of any kind. Management actively pursues both the employment of disabled persons whenever a suitable vacancy arises and the continued employment and retraining of employees who become disabled whilst employed by the group. Particular attention is given to the training, career development and promotion of disabled employees with a view to encouraging them to play an active role in the development of the group.

Donations

During the year the group made charitable donations totalling £200,000 (2014 - £151,958).

Financial risk management objectives and policies

The group's principal financial instruments comprise cash, bank borrowings, finance leases and various items, such as trade debtors and trade creditors, that arise directly from its operations. The main purpose of these financial instruments is to provide finance for the group's operations.

The existence of these financial instruments exposes the group to a number of financial risks. The main risks arising from the group's financial instruments are liquidity risk, currency risk, interest rate risk and credit risk. The Board reviews and agrees policies for managing each of these risks and they are summarised below.

Liquidity risk

The group seeks to manage financial risk by ensuring sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably. Short term flexibility is achieved by the utilisation of overdraft facilities.

Currency risk

The group is exposed to transaction foreign exchange risk. If considered necessary, transaction exposures, including those associated with forecast transactions, are hedged when known, principally using forward currency contracts. Whilst the aim is to achieve an economic hedge the company does not adopt an accounting policy of hedge accounting for these financial statements.

Interest rate risk

The group finances its operations through a combination of bank borrowings and finance leases. The group's exposure to interest rate fluctuations on its borrowings is managed by the use of both fixed and variable rate facilities.

Credit risk

The group seeks to manage its credit risk by dealing with established customers or otherwise checking the credit-worthiness of new customers, establishing clear contractual relationships with those customers, and by identifying and addressing any credit issues arising in a timely manner.

Statement of directors' responsibilities

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 laws). 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 and profit or loss of the company and group 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 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.

Statement of directors' responsibilities (continued)

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.

In so far as each of the directors is aware:

- there is no relevant audit information of which the company's auditor is unaware; and
- the directors have taken all steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Auditor

Grant Thornton UK LLP, having expressed their willingness to continue in office, will be deemed reappointed for the next financial year in accordance with section 487(2) of the Companies Act 2006 unless the company receives notice under section 488(1) of the Companies Act 2006.

ON BEHALF OF THE BOARD

P J Jacobs
Director

30 September 2015

Strategic report

Principal activities and business review

The principal activities of the group in the year were the design, manufacture and distribution of fragrances.

CPL Aromas is an international Fragrance house, headquartered in the UK, with manufacturing, sales and creative centres throughout the world.

A review of the business is contained within the Chairman's statement on pages 3 and 4.

Principal risks and uncertainties

In addition to the considerable opportunities we have to grow and develop our business, the group faces a range of risks and uncertainties as part of both its day-to-day operations and its corporate activities. The financial risks have been dealt with in the Report of the directors on page 6. However, the narrative which follows describes those other specific risks and uncertainties, not already dealt with either in that report or in the Chairman's statement, that the directors believe could have the most significant impact on the group's trading performance.

Market conditions and the Global economic environment

Input prices and availability

Retaining and developing key personnel

Business continuity

The group has in place policies and procedures to ensure that it takes reasonable and necessary steps to mitigate its exposure to the aforementioned risks and uncertainties.

ON BEHALF OF THE BOARD

P J Jacobs
Director

30 September 2015

Grant Thornton

Report of the independent auditor to the members of CPL Aromas Limited
(registered number 1031292)

We have audited the group and parent company financial statements (the 'financial statements') of CPL Aromas Limited for the year ended 31 March 2015 which comprise the principal accounting policies, the group profit and loss account, the group and parent company balance sheets, the group statement of total recognised gains and losses 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).

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

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on pages 6 and 7, 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 (APB'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 APB's website at http://www.frc.org.uk/auditscopeprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent company's affairs as at 31 March 2015 and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Grant Thornton

Report of the independent auditor to the members of CPL Aromas Limited
(registered number 1031292)

Opinion on other matters prescribed by the Companies Act 2006

In our opinion the information given in the Chairman's Statement, Directors' Report and Strategic 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 by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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.

Grant Thornton UK LLP

John Corbishley
Senior Statutory Auditor
for and on behalf of Grant Thornton UK LLP
Statutory Auditor, Chartered Accountants
Milton Keynes

30 September 2015

Basis of preparation

The financial statements have been prepared under the historical cost convention and in accordance with the Companies Act 2006 and applicable UK accounting standards (United Kingdom Generally Accepted Accounting Practice),

The principal accounting policies of the group are set out below. The policies have remained unchanged from the previous year, except in respect of capitalised computer software costs (see below).

Changes in accounting policies

Expenditure on major computer software systems has been capitalised as tangible fixed assets in prior years. The group has now adopted the policy that such expenditure is more fairly reflected and disclosed as intangible fixed assets, given both the nature of the assets involved and the extent of such expenditure in recent years.

This change in accounting policy has resulted in a prior year adjustment to the financial statements, with both opening balances and comparatives restated accordingly. The carrying values of the assets have been reclassified from tangible fixed assets to intangible fixed assets. The deprecation charge in the comparative profit and loss account has been restated as an amortisation charge. However, there is no overall change or effect on current year or prior year reported profits, on the grounds that there is no change in the estimated useful lives of the assets.

Basis of consolidation

The group financial statements consolidate the accounts of CPL Aromas Limited and all of its subsidiary undertakings using the acquisition method. The financial statements of all group undertakings are prepared to 31 March 2015.

Cash flow statement

The directors have taken advantage of the exemption in Financial Reporting Standard No 1 (Revised 1996) from including a cash flow statement in the financial statements on the grounds that it is included in the consolidated accounts of its parent company.

Turnover

Turnover is the revenue arising from the sales of goods and services. It is stated at the fair value of the consideration receivable, net of value added tax, rebates and discounts.

Revenue from the sale of goods is recognised when significant risks and benefits of ownership of the product have transferred to the buyer, which may be upon shipment, completion of the product or the product being ready for delivery, based on specific contract terms.

Goodwill

Goodwill arising on an acquisition of a subsidiary undertaking is the difference between the fair value of the consideration paid and the fair value of the assets and liabilities acquired. It is capitalised and amortised through the profit and loss account over the directors' estimate of its useful economic life, up to a maximum of 20 years. Impairment tests on the carrying value of goodwill are undertaken at the end of the first full financial year following acquisition, and in other periods if events or changes in circumstances indicate that the carrying value may not be recoverable.

Goodwill (continued)

As a matter of accounting policy, goodwill arising on consolidation first accounted for in accounting periods ending before 23 December 1998, the implementation date of Financial Reporting Standard No 10, was eliminated from the financial statements by immediate write-off on acquisition against reserves. Such goodwill will be charged or credited to the profit and loss account on the subsequent disposal of the business to which it relates.

Purchased goodwill in respect of material additions is capitalised and amortised on a straight line basis over its estimated useful economic life.

Intangible fixed assets

Expenditure on intangible assets, other than on purchased goodwill, is written off to the profit and loss account over its estimated useful life after estimating any residual value as follows:

Formulae	5.5 years straight line
Customer lists	20 years straight line
Computer software costs	10 years straight line

Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost, net of depreciation and any provision for impairment. Depreciation is calculated to write off the cost less estimated residual value of each asset excluding investment properties and freehold land by equal annual instalments at the following annual rates:

Factory equipment	10% to 20%
Furniture, fixtures and fittings	10% to 33%
Motor vehicles	10% to 20%

Freehold buildings are depreciated on a straight line basis over 50 years. Leasehold improvements are depreciated on a straight line basis over the remaining period of the lease.

Investment properties

Investment properties are revalued annually and are included in the balance sheet at their open market values. The surpluses or deficits on revaluation of such properties are transferred to the revaluation reserve. Depreciation is not provided in respect of freehold investment properties.

Stocks

Stocks are stated at the lower of cost and net realisable value. Cost is based on the cost of purchase on a first in, first out basis. Net realisable value is based on estimated selling price less additional costs to completion and disposal.

Leases

Assets held under finance leases and hire purchase contracts are capitalised in the balance sheet and depreciated over their expected useful lives. The interest element of leasing payments represents a constant proportion of the capital balance outstanding and is charged to the profit and loss account over the period of the lease.

All other leases are regarded as operating leases and the payments made under them are charged to the profit and loss account on a straight line basis over the lease term.

Deferred taxation

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 have occurred at that date that will result in an obligation to pay more tax, or a right to pay less or to receive more tax, with the following exceptions:

Provision is made for tax on gains arising from the revaluation (and similar fair value adjustments) of fixed assets, and gains on disposal of fixed assets that have been rolled over into replacement assets, only to the extent that, at the balance sheet date, there is a binding agreement to dispose of the assets concerned. However, no provision is made where, on the basis of all available evidence at the balance sheet date, it is more likely than not that the taxable gain will be rolled over into replacement assets and charged to tax only where the replacement assets are sold.

Deferred tax assets are recognised only to the extent that the directors consider that it is 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 is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

Foreign currencies

Transactions denominated in foreign currencies are translated at the rates ruling at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rates ruling at the balance sheet date. These translation differences are dealt with in the profit and loss account.

The financial statements of foreign subsidiary undertakings are translated using the closing rate method and any exchange differences arising from the translation of opening net assets are taken directly to reserves. The results of foreign subsidiary undertakings are translated using the average rate method. The differences between translating the results of foreign subsidiary undertakings at average rates and closing rates are taken directly to reserves.

The company balance sheet has monetary liabilities denominated in foreign currencies which include significant long-term loans made by overseas subsidiaries to the company. These intra-group loans are classified as long-term liabilities.

Retirement benefits

Defined Contribution Pension Scheme

Pension contributions are charged to the profit and loss account during the period in which they are paid.

Defined Benefit Pension Scheme

The company has applied the amendment to FRS17 retirement benefits which is effective for accounting periods commencing on or after 6 April 2007. The amendment to FRS17 primarily affects disclosures in relation to defined benefit pension schemes. However, for quoted securities the fair value is now taken to be the current bid price rather than the mid-market value. The change has affected disclosure only and has not lead to any prior year adjustment.

Scheme assets are measured at fair values. Scheme liabilities are measured on an actuarial basis using the projected unit method and are discounted at the appropriate high quality corporate bond rates. The net surplus or deficit, adjusted for deferred tax, is presented separately from other net assets on the balance sheet. A net surplus is recognised only to the extent that it is recoverable by the company.

The current service cost and costs from settlements and curtailments are charged against operating profit. Past service costs are spread over the period until the benefit increases vest. Interest charged on the scheme liabilities and the expected return on scheme assets are included in other finance costs. Actuarial gains and losses are reported in the statement of total recognised gains and losses.

Financial instruments

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.

Group profit and loss account

	Note	2015 £'000	2014 £'000
Turnover	1	**68,750**	68,420
Cost of sales		**(29,136)**	(27,030)
Gross profit		**39,614**	41,390
Distribution costs		**(3,980)**	(4,936)
Administrative expenses		**(29,265)**	(28,525)
Operating profit	2	**6,369**	7,929
Exceptional item: Restructuring costs of continuing operations		**(576)**	-
Interest receivable and similar income		**21**	15
Interest payable and similar charges	4	**50**	43
Profit on ordinary activities before taxation	1	**5,864**	7,987
Tax on profit on ordinary activities	5	**(1,194)**	(1,628)
Profit for the financial year	18	**4,670**	6,359

All of the activities of the group in the current year are classed as continuing.

Group balance sheet

	Note		2015		2014 (restated)
		£'000	**£'000**	£'000	£'000
Fixed assets					
Intangible assets	8		**3,557**		5,715
Tangible assets	9		**12,840**		7,442
Investments	10		**3**		3
			16,400		13,160
Current assets					
Stocks	11	**13,233**		10,420	
Debtors	12	**34,031**		32,529	
Cash at bank and in hand		**3,527**		5,552	
		50,791		48,501	
Creditors: amounts falling due within one year	13	**(17,005)**		(16,647)	
Net current assets			**33,786**		31,854
Total assets less current liabilities			**50,186**		45,014
Creditors: amounts falling due after more than one year	14		**(33)**		(36)
Provisions for liabilities and charges	16		**(69)**		(147)
Net assets excluding pension liability			**50,084**		44,831
Pension liability	22		**(724)**		(230)
Net assets including pension liability			**49,360**		44,601
Capital and reserves					
Called-up equity share capital	17		**1,312**		1,312
Share premium account	18		**8,942**		8,942
Profit and loss account	18		**39,106**		34,347
Shareholders' funds	19		**49,360**		44,601

These financial statements were approved and authorised for issue by the directors on 30/9/2015 and are signed on their behalf by:

M J A Kalinowski
Director

P J Jacobs
Director

Registered number 1031292

The accompanying accounting policies and notes form part of these financial statements.

Company balance sheet

	Note		2015		2014 (restated)
		£'000	**£'000**	£'000	£'000
Fixed assets					
Intangible assets	8		**3,058**		3,390
Tangible assets	9		**2,943**		1,893
Investments	10		**2,115**		2,115
			8,116		7,398
Current assets					
Stocks	11	**4,122**		4,156	
Debtors	12	**39,576**		27,832	
Cash at bank and in hand		**188**		866	
		43,886		32,854	
Creditors: amounts falling due within one year	13	**(10,081)**		(12,332)	
Net current assets			**33,805**		20,522
Total assets less current liabilities			**41,921**		27,920
Creditors: amounts falling due after more than one year	14		**(10,583)**		(6,210)
Provisions for liabilities and charges	16		-		(45)
Net assets excluding pension liability			**31,338**		21,665
Pension liability	22		**(724)**		(230)
Net assets including pensions liability			**30,614**		21,435
Capital and reserves					
Called-up equity share capital	17		**1,312**		1,312
Share premium account	18		**8,942**		8,942
Profit and loss account	18		**20,360**		11,181
Shareholders' funds			**30,614**		21,435

These financial statements were approved and authorised for issue by the directors on 30/9/2015 and are signed on their behalf by:

M J A Kalinowski
Director

P J Jacobs
Director

Registered number 1031292

The accompanying accounting policies and notes form part of these financial statements.

Other group primary statements

Statement of total recognised gains and losses

	2015 £'000	2014 £'000
Profit for the financial year	**4,670**	6,359
Exchange movement relating to net assets of subsidiary undertakings	**1,890**	(1,980)
Actuarial (loss)/gain on pension scheme	**(922)**	53
Less: provision for deferred tax thereon	**184**	(11)
Total gains and losses recognised since the last financial statements	**5,822**	4,421

Notes to the financial statements

1 Turnover and profit on ordinary activities before taxation

The turnover and profit on ordinary activities before taxation are attributable to the principal activity of the group as set out in the Strategic Report.

An analysis of turnover is given below:

	2015	2014
	£'000	£'000
United Kingdom	4,387	5,152
Other European Union countries	7,649	7,508
Rest of Europe	2,325	2,960
Far East	30,161	27,024
Americas	4,635	5,193
Rest of World	19,593	20,583
	68,750	68,420

2 Operating profit

Operating profit is stated after charging:

	2015	2014 (restated)
	£'000	£'000
Amortisation of intangible fixed assets	678	615
Depreciation of tangible fixed assets		
- Owned assets	1,374	1,290
- Leased assets	60	65
Loss on foreign exchange transactions	309	115
Operating lease rentals:		
- Land and buildings	1,090	1,240
- Other assets	204	175
Auditor's remuneration	25	23

Fees paid to the company's auditor for services other than the statutory audit of the company are not disclosed in these financial statements since the consolidated financial statements for the company's parent, CPL Aromas (Holdings) Limited, disclose non-audit fees on a consolidated basis.

3 Directors and employees

Staff costs during the year were as follows:

	2015 £'000	2014 £'000
Wages and salaries	**13,790**	12,934
Social security costs	**1,473**	1,556
Other pension costs	**462**	384
	15,725	14,874

The average number of staff employed by the group during the financial year amounted to:

	2015 No	2014 No
Laboratory and technical	**129**	129
Production	**154**	155
Selling and distribution	**74**	69
Administration	**91**	82
	448	435

Remuneration in respect of directors was as follows:

	2015 £'000	2014 £'000
Emoluments	**1,101**	1,271
Pension contributions to money purchase pension schemes	**25**	42
	1,126	1,313
Emoluments of the highest paid director	**226**	280

There were 3 (2014 - 3) directors in the group's defined benefit scheme during the year. There were 3 (2014 - 4) directors who participated in the group's defined contribution pension scheme during the year.

4 Interest payable and similar charges

	2015 £'000	2014 £'000
Bank loans and overdrafts	**52**	25
Finance leases and other interest	**3**	5
Pension scheme net finance credit	**(105)**	(73)
	(50)	(43)

5 Taxation on profit on ordinary activities

	2015 £'000	2014 £'000
Current tax		
UK corporation tax	**40**	20
Over provision in previous year	**(375)**	(4)
Overseas taxation	**1,554**	1,559
Total current tax	**1,219**	1,575
Deferred tax		
Origination and reversal of timing differences	**(86)**	(19)
Timing differences between defined benefit pension scheme contributions and costs	**61**	72
	(25)	53
Tax on profit on ordinary activities	**1,194**	1,628

The tax assessed on the profit on ordinary activities for the year is lower (2014 - lower) than the standard rate of corporation tax in the UK of 21% (2014 - 23%).

	2015 £'000	2014 £'000
Profit on ordinary activities before tax	**5,864**	7,987
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 21% (2014 - 23%)	**1,231**	1,837
Effect of:		
Expenses not deductible for tax purposes	**60**	110
Non taxable income	**(25)**	(12)
Differences between depreciation and capital allowances for the year	**16**	(52)
Other timing differences	**1**	(12)
Movement of tax losses	**222**	158
Prior year adjustment	**(375)**	(4)
Effect of different overseas rates of corporation tax	**89**	(450)
Current tax charge for the year	**1,219**	1,575

The group has unrelieved tax losses in excess of £6,080,000 (2014 - £4,680,000) to carry forward against future taxable profits. No deferred tax asset in respect of these losses has been recognised, due to the uncertainty over the timings and amounts of their recoverability.

6 Profit for the financial year

The parent company has taken advantage of section 408 of the Companies Act 2006 and has not included its own profit and loss account in these financial statements. The group profit for the year includes a profit of £10,979,949 (2014 - £962,149) which is dealt with in the financial statements of the company.

7 Dividends

	2015 £'000	2014 £'000
Equity dividends paid	**1,063**	988

8 Intangible fixed assets

The group

	Formulae £'000	Customer lists £'000	Computer software £'000	Purchased goodwill £'000	Goodwill on consolidation £'000 £	Total £'000
Cost						
At 1 April 2014						
- as previously stated	1,119	3,964	-	456	584	6,123
- prior period adjustment	-	-	2,611	-	-	2,611
- as restated	1,119	3,964	2,611	456	584	8,734
Additions	-	-	91	-	-	91
Disposals	(1,021)	(1,697)	-	(511)	-	(3,229)
Exchange differences	104	155	7	55	-	321
At 31 March 2015	202	2,422	2,709	-	584	5,917
Amortisation						
At 1 April 2014						
- as previously stated	561	1,964	-	181	48	2,754
- prior period adjustment	-	-	265	-	-	265
- as restated	561	1,964	265	181	48	3,019
Provided in the year	69	273	269	35	32	678
Disposals	(474)	(778)	-	(237)	-	(1,489)
Exchange differences	46	79	6	21	-	152
At 31 March 2015	202	1,538	540	-	80	2,360
Net book amount at 31 March 2015	**-**	**884**	**2,169**	**-**	**504**	**3,557**
Net book amount at 31 March 2014	558	2,000	2,346	275	536	5,715

Intangible fixed assets (continued)

The company

	Formulae £'000	Customer lists £'000	Computer software £'000	Total £'000
Cost				
At 1 April 2014				
- as previously stated	202	2,435	-	2,637
- prior period adjustment	-	-	2,548	2,548
- as restated	202	2,435	2,548	5,185
Additions	-	-	91	91
At 31 March 2015	202	2,435	2,639	5,276
Amortisation				
At 1 April 2014				
- as previously stated	202	1,384	-	1,586
- prior period adjustment	-	-	209	209
- as restated	202	1,384	209	1,795
Provided in the year	-	158	265	423
At 31 March 2015	202	1,542	474	2,218
Net book amount at 31 March 2015	**-**	**893**	**2,165**	**3,058**
Net book amount at 31 March 2014	-	1,051	2,339	3,390

9 Tangible fixed assets

The group

	Investment properties £'000	Freehold land and buildings £'000	Leasehold improvements £'000	Factory equipment £'000	Furniture, fixtures and fittings £'000	Motor vehicles £'000	Total £'000
Cost or valuation							
At 1 April 2014							
- as previously stated	-	-	3,127	7,585	8,710	578	20,000
- prior period adjustment	-	-	-	-	(2,611)	-	(2,611)
- as restated	-	-	3,127	7,585	6,099	578	17,389
Additions	2,466	2,886	213	435	426	47	6,473
Disposals	-	-	(141)	(161)	(141)	(21)	(464)
Reclassification	-	2,865	(2,865)	-	-	-	-
Exchange differences	-	253	28	395	229	41	946
At 31 March 2015	2,466	6,004	362	8,254	6,613	645	24,344
Depreciation							
At 1 April 2014							
- as previously stated	-	-	612	4,283	4,997	320	10,212
- prior period adjustment	-	-	-	-	(265)	-	(265)
- as restated	-	-	612	4,283	4,732	320	9,947
Charge in the year	-	81	107	527	616	103	1,434
Disposals	-	-	(80)	(11)	(167)	(19)	(277)
Reclassification	-	506	(506)	-	-	-	-
Exchange differences	-	16	13	168	178	25	400
At 31 March 2015	-	603	146	4,967	5,359	429	11,504
Net book amount at 31 March 2015	**2,466**	**5,401**	**216**	**3,287**	**1,254**	**216**	**12,840**
Net book amount at 31 March 2014	-	-	2,515	3,302	1,367	258	7,442

The net book value of fixed assets includes £138,000 (2014 - 177,000) in respect of assets held under finance leases and hire purchase contracts. Depreciation was charged on these assets during the year of £60,000 (2014 - £65,000).

Tangible fixed assets (continued)

The company

	Investment properties £'000	Freehold land and buildings £'000	Leasehold improvements £'000	Factory equipment £'000	Furniture, fixtures and fittings £'000	Motor vehicles £'000	Total £'000
Cost							
At 1 April 2014							
- as previously stated	-	-	629	3,489	6,136	75	10,329
- prior period adjustment	-	-	-	-	(2,548)	--	(2,548)
- as restated	-	-	629	3,489	3,588	75	7,781
Additions	99	1,320	1	10	129	-	1,559
Reclassification	-	610	(610)	-	-	-	-
At 31 March 2015	99	1,930	20	3,499	3,717	75	9,340
Depreciation							
At 1 April 2014							
- as previously stated	-	-	315	2,554	3,174	54	6,097
- prior period adjustment	-		-	-	(209)	-	(209)
- as restated	-	-	315	2,554	2,965	54	5,888
Charge in the year	-	-	66	190	246	7	509
Reclassification	-	372	(372)	-	-	-	-
At 31 March 2015	-	372	9	2,744	3,211	61	6,397
Net book amount at 31 March 2015	**99**	**1,558**	**11**	**755**	**506**	**14**	**2,943**
Net book amount at 31 March 2014	-	-	314	935	623	21	1,893

Tangible fixed assets (continued)

The net book value of fixed assets includes £98,000 (2014 - £136,000) in respect of assets held under finance leases and hire purchase contracts. Depreciation was charged on those assets during the year of £38,000 (2014 - £38,000).

In the opinion of the directors, there are no significant differences at the balance sheet date between the market values and the amounts shown above in respect of the group's or company's investment properties.

10 Fixed asset investments

The group

	Shares in group undertakings £'000	Other investments unlisted £'000	Total £'000
Cost			
At 1 April 2014 and at 31 March 2015	-	15	**15**
Amounts written off			
At 1 April 2014 and at 31 March 2015	-	12	**12**
Net book amount at 31 March 2015 and at 31 March 2014	-	**3**	**3**

The company

	Shares in group undertakings £'000	Other investments unlisted £'000	Total £'000
Cost			
At 1 April 2014 and at 31 March 2015	**2,112**	**3**	**2,115**

At 31 March 2015 the group held 20% or more of the equity of the following:

Subsidiary undertakings	Country of registration or incorporation	Percentage of ordinary shares held	
CPL Aromas (Far East) Limited	Hong Kong	100%	
CPL Aromas France S.A.S.	France	100%	
CPL Aromas Inc	USA	100%	
CPL Aromas Colombia Ltda	Colombia	100%	
CPL Aromas GmbH	Germany	100%	
CPL Aromas FZE	UAE	100%	
CPL India (PVT) Limited	India	100%	
Massive Way Limited	Hong Kong	100%	*
Guangzhou Sifang Aromas Co Ltd	China	100%	*

*shares held by CPL Aromas (Far East) Limited.

All subsidiaries operate in their country of registration or incorporation. All subsidiaries are engaged in the distribution of fragrances.

11 Stocks

	The group		The company	
	2015	2014	**2015**	2014
	£'000	£'000	**£'000**	£'000
Raw materials and consumables	**9,368**	7,300	**3,583**	3,671
Finished goods and goods for resale	**3,865**	3,120	**539**	485
	13,233	10,420	**4,122**	4,156

There is no material difference between the replacement cost of stocks and the amounts stated above.

12 Debtors

	The group		The company	
	2015	2014	**2015**	2014
	£'000	£'000	**£'000**	£'000
Trade debtors	**15,509**	15,747	**2,185**	2,420
Amounts owed by parent undertaking	**13,172**	13,172	**13,172**	13,172
Amounts owed by other group undertakings	**-**	-	**22,365**	11,276
Other debtors	**4,062**	2,667	**1,233**	559
Prepayments and accrued income	**1,288**	943	**621**	405
	34,031	32,529	**39,576**	27,832

Amounts falling due after more than one year and included in the debtors above are:

	The group		The company	
	2015	2014	**2015**	2014
	£'000	£'000	**£'000**	£'000
Amounts owed by parent undertaking	**13,172**	13,172	**13,172**	13,172
Amounts owed by other group undertakings	**-**	-	**8,807**	5,338
	13,172	13,172	**21,979**	18,510

13 Creditors: amounts falling due within one year

	The group		The company	
	2015	2014	**2015**	2014
	£'000	£'000	**£'000**	£'000
Bank overdraft	**1,997**	1,265	**1,997**	1,152
Bank loans	**183**	429	**-**	316
Trade creditors	**5,713**	5,897	**4,021**	4,441
Amounts owed to group undertakings	**-**	-	**844**	3,843
Corporation tax	**742**	968	**-**	20
Social security and other taxes	**386**	613	**131**	133
Other creditors	**6,020**	4,791	**310**	410
Net obligations under finance leases	**59**	97	**34**	63
Accruals and deferred income	**1,905**	2,587	**2,744**	1,954
	17,005	16,647	**10,081**	12,332

The bank overdraft is secured by a fixed and floating charge over assets of the undertaking.

14 Creditors: amounts falling due after more than one year

	The group		The company	
	2015	2014	**2015**	2014
	£'000	£'000	**£'000**	£'000
Amounts owed to group undertakings	**-**	-	**10,583**	6,194
Net obligations under finance leases	**33**	36	**-**	16
	33	36	**10,583**	6,210

Finance lease creditors are secured on the assets to which they relate.

15 Borrowings

Borrowings are repayable as follows:

	The group		The company	
	2015	2014	**2015**	2014
	£'000	£'000	**£'000**	£'000
Within one year				
Bank loans and overdrafts	**2,180**	1,694	**1,997**	1,468
Finance leases	**59**	97	**34**	63
After one and within two years				
Finance leases	**33**	36	**-**	16
	2,272	1,827	**2,031**	1,547

16 Provision for liabilities and charges

Deferred tax

	The group	The company
	£'000	**£'000**
At 1 April 2014	**147**	**45**
Credit for the year	**(86)**	**(45)**
Exchange difference	**8**	**-**
At 31 March 2015	**69**	**-**

Deferred taxation provided for represents:

	The group		The company	
	2015	2014	**2015**	2014
	£'000	£'000	**£'000**	£'000
Accelerated capital allowances	**402**	313	**322**	211
Other timing differences	**(317)**	(15)	**(306)**	(15)
Tax losses carried forward	**(16)**	(151)	**(16)**	(151)
	69	147	**-**	45

17 Share capital

	2015 £'000	2014 £'000
Authorised		
17,950,000 ordinary shares of 10p each	**1,795**	1,795
Allotted, called up and fully paid		
13,119,453 ordinary shares of 10p each	**1,312**	1,312

18 Reserves

The group

	Share premium account £'000	Profit and loss account £'000
At 1 April 2014	8,942	34,347
Profit for financial year	-	4,670
Dividends paid	-	(1,063)
Translation differences	-	1,890
Actuarial losses on pension scheme	-	(922)
Deferred tax effect on actuarial losses on pension scheme	-	184
At 31 March 2015	**8,942**	**39,106**

The cumulative amount of goodwill written off directly to reserves is £3,254,793 (2014 - £3,254,793).

The company

	Share premium account £'000	Profit and loss account £'000
At 1 April 2014	8,942	11,181
Profit for financial year	-	10,980
Dividends paid	-	(1,063)
Actuarial losses on pension scheme	-	(922)
Deferred tax effect on actuarial losses on pension scheme	-	184
At 31 March 2015	**8,942**	**20,360**

19 Reconciliation of movement in consolidated shareholders' funds

	2015 £'000	2014 £'000
Profit for financial year	**4,670**	6,359
Dividends paid	**(1,063)**	(988)
	3,607	5,371
Translation differences	**1,890**	(1,980)
Other recognised gains and losses	**(738)**	42
Net movement in equity shareholders' funds	**4,759**	3,433
Opening shareholders' funds	**44,601**	41,168
Closing shareholders' funds	**49,360**	44,601

20 Contingent liabilities

The group had no contingent liabilities at 31 March 2015 or 31 March 2014.

21 Leasing commitments

Operating lease payments amounting to £1,605,000 (2014 - £1,870,000) are due within one year for the group and £893,000 (2014 - £507,000) are due within one year for the company. The leases to which these amounts relate expire as follows:

The group

	2015 Land and buildings £'000	2015 Other £'000	2014 Land and buildings £'000	2014 Other £'000
Leases which expire:				
Within one year	**528**	**50**	525	40
Between one and five years	**582**	**121**	841	135
In more than five years	**324**	**-**	329	-
	1,434	**171**	1,695	175

The company

	2015 Land and buildings £'000	2015 Other £'000	2014 Land and buildings £'000	2014 Other £'000
Leases which expire:				
Within one year	**-**	**22**	-	15
Between one and five years	**442**	**105**	-	54
In more than five years	**324**	**-**	438	-
	766	**127**	438	69

22 Pensions

The group operates three main pension schemes. The assets of the schemes are held separately from those of the group.

Defined benefit pension scheme

The CPL Aromas Limited Retirement Benefits Scheme is a funded, defined benefit scheme which was closed to new members on 1 April 1995 and future accruals on 31 December 2011.

Contributions to the scheme are charged to the profit and loss account so as to spread the costs of pensions over employees' working lives with the employer. The contributions are determined by a qualified independent actuary on the basis of triennial valuations which compare current fund assets with prospective scheme liabilities.

The last full actuarial valuation of this scheme was carried out as at 1 April 2013 using the projected unit method. The main assumptions adopted for pension cost purposes were:

CPI inflation	5.0% per annum
Pre-retirement discount rate	5.0% per annum
Post-retirement discount rate	5.0% per annum
Pension increases in payment	2.1 and 2.6% per annum

At 1 April 2014 the market value of the assets of the scheme was £3,935,000 which was sufficient to cover 91% of the benefits that had accrued to members.

The amounts shown as the pension charge and as contributions paid both exclude the amounts paid to insure death in service benefits. The employer's pension contributions payable and paid for the year amounted to £200,400 (2014 - £200,400).

Following the last actuarial valuation, the trustees and company have agreed a recovery plan to address the funding shortfall. The company has agreed to pay annual contributions of £200,400 until 31 March 2018.

A full actuarial valuation of the defined benefit scheme was carried out at 1 April 2014 and has been updated to 31 March 2015 by a qualified independent actuary on a FRS 17 basis. The major assumptions used by the actuary at 31 March 2015 were:

Financial assumptions

	2015	2014	2013	2012	2011
	%	%	%	%	%
Rate of increase in salaries	**n/a**	n/a	n/a	4.00	4.00
Rate of increase for pensions in payment	**2.00**	2.40	2.50	2.40	2.70
Discount rate	**3.30**	4.60	4.70	4.90	5.50
Inflation assumption – RPI	**3.10**	3.50	3.60	3.50	3.50
Inflation assumption – CPI	**2.10**	2.50	2.60	2.50	2.50
Revaluation rate for deferred pensioners	**2.10**	2.50	2.60	2.50	2.80

Pensions (continued)

Demographic assumptions

	2015	2014
Mortality (pre-retirement)	**AMC00**	AC00
Mortality (post retirement)	**S1PXA (yob)**	S1PXA (yob)

Life expectancy	2015 Males	2015 Females	2014 Males	2014 Females
Current 65 year old pensioner	**22.2 years**	**24.5 years**	22.2 years	24.4 years
At age 65 for a current 45 year old non-pensioner	**23.9 years**	**26.4 years**	23.9 years	26.3 years

The amounts recognised in profit or loss are as follows:

	2015 £'000	2014 £'000
Interest on obligation	**(214)**	(215)
Expected return on plan assets	**319**	288
Total	**105**	73

The difference between the interest on obligation and the expected return on plan assets is recognised within finance costs.

The amounts recognised in the consolidated balance sheet are as follows:

	2015 £'000	2014 £'000	2013 £'000
Fair value of plan assets	**4,960**	4,394	3,969
Present value of funded retirement benefit obligations	**(5,865)**	(4,682)	(4,583)
Deficit	**(905)**	(288)	(614)
Related deferred tax asset	**181**	58	141
Net pension liability	**(724)**	(230)	(473)

Pensions (continued)

The assets of the scheme are invested in a diversified portfolio, analysed as follows:

	2015 Market value £'000	**2015** % of total scheme assets %	2014 Market value £'000	2014 % of total scheme assets %	2013 Market value £'000	2013 % of total scheme assets %
Equities	**4,179**	**85**	3,705	85	3,358	85
Gilts	**762**	**15**	671	15	594	15
Cash	**19**	**-**	18	-	17	-
	4,960		4,394		3,969	

The actual return on scheme assets was £433,000 (2014 - £268,000).

Changes in the present value of the defined benefit obligation are as follows:

	2015 £'000	2014 £'000
Opening defined benefit obligation at start of year	**4,682**	4,583
Interest cost	**214**	215
Actuarial losses/(gains)	**1,036**	(73)
Benefits paid	**(67)**	(43)
Closing defined benefit obligation at end of year	**5,865**	4,682

Changes in the fair value of plan assets are as follows:

	2015 £'000	2014 £'000
Opening fair value of plan assets at start of year	**4,394**	3,969
Expected return	**319**	288
Employer contributions	**200**	200
Actuarial gains/(losses)	**114**	(20)
Benefits paid	**(67)**	(43)
Closing fair value of plan assets at end of year	**4,960**	4,394

The total amounts recognised in the statement of total recognised gains and losses are:

	2015 £'000	2014 £'000
Actuarial (losses)/gains	**(922)**	53

The cumulative actuarial movement recognised in the statement of total recognised gains and losses was £1,874,000 (2014 - £952,000) deficit.

Pensions (continued)

Amounts for the current and previous four periods are as follows:

	2015	2014	2013	2012	2011
	£'000	£'000	£'000	£'000	£'000
Fair value of plan assets	**4,960**	4,394	3,969	3,284	2,871
Present value of defined benefit obligation	**(5,865)**	(4,682)	(4,583)	(4,125)	(3,718)
Deficit in the plan	**(905)**	(288)	(614)	(841)	(847)
Experience adjustments arising on plan assets	**114**	(20)	302	(68)	53
Experience adjustments arising on plan liabilities	**59**	(9)	13	(20)	41

Defined contribution pension scheme

The group operates defined contribution pension arrangements. Employer contributions payable for the year into these schemes amounted to £382,517 (2014 - £318,799).

The Contemporary Perfumers Limited Pension Fund, a self-administered pension scheme, is a defined contribution scheme for certain directors of the company and the contributions payable and paid for the year was £nil (2014 - £nil).

23 Capital commitments

The group

	2015	2014
	£'000	£'000
Contracted for but not provided	**1,050**	1,593

24 Related party transactions

The group has taken advantage of the exemption in Financial Reporting Standard 8 "Related Party Disclosures" not to disclose details of transactions with companies within the group.

During the year, the group paid £240,000 (2014 - £240,000) to the Contemporary Perfumers Limited Pension Scheme in respect of rent on a leasehold property.

The group owns two residential properties, which are accounted for as investment properties. These properties are provided for occupation by Mr C Pickthall and Mr F Pickthall, directors of the company both of whom now reside overseas, under the terms of their employment contracts with the group.

25 Ultimate controlling party

The immediate parent undertaking of the company is CPL Aromas (Holdings) Limited. The ultimate controlling party, of the group and the company, for both this and the preceding year, was the Pickthall family.