Financial Statements
Bibendum Wine Holdings Limited

For the year ended 31 March 2014

Registered number: 6155211

Company Information

Directors	P I Espenhahn (resigned 1 September 2013) M P Saunders S C Farr R M Gabb J S P Kowszun H M C Morley A M Vinton J Caddy S D Moss (appointed 1 September 2013) W Conn (appointed 17 June 2013)
Registered number	6155211
Registered office	113 Regents Park Road London NW1 8UR
Independent auditor	Grant Thornton UK LLP Chartered Accountants & Statutory Auditor Grant Thornton House Melton Street Euston Square London NW1 2EP
Bankers	The Royal Bank of Scotland 2 Market Hill Buckingham MK18 1JS

Contents

Directors' Report
For the year ended 31 March 2014

The directors present their report and the financial statements for the year ended 31 March 2014.

Directors' responsibilities statement

The directors are responsible for preparing the Group 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 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 the group and of the profit or loss of the 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 accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group 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 the group 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 the group 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 and minority interests, amounted to £63,000 (2013 - £690,000).

The company paid an interim dividend of 30p per issued share in September 2013.

Directors

The directors who served during the year were:

P I Espenhahn (resigned 1 September 2013)
M P Saunders
S C Farr
R M Gabb
J S P Kowszun
H M C Morley
A M Vinton
J Caddy
S D Moss (appointed 1 September 2013)
W Conn (appointed 17 June 2013)

Directors' Report
For the year ended 31 March 2014

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 and the group'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 and the group's auditor is aware of that information.

Auditor

Under section 487(2) of the Companies Act 2006, Grant Thornton UK LLP will be deemed to have been reappointed as auditor 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

This report was approved by the board on 30/6/14 and signed on its behalf.

J S P Kowszun
Director

Group Strategic Report
For the year ended 31 March 2014

Business review

Bibendum Wine Holdings took the decision three years ago to simplify its business, with the aim of becoming a wine-focused drinks distributor and wholesaler in the UK. Following the successful disposal of The Argento Wine Company and Saam Wine Company in 2012, we have completed this simplification process with the disposal of our Private Client business in November 2013. The Private Client business and staff have been transferred to an exciting new entity, Cru (London) Limited, which aims to focus exclusively on the world of fine wine and premium private clients. Two way trading arrangements have been put in place to ensure that private clients can still have access to Bibendum wines and spirits, whilst Bibendum has an excellent solution for sourcing and delivering fine wine to our trade customers.

Concurrently, the Group has been engaged over the last two years in a detailed review of systems, processes and structures to ensure that as well as sharpening our focus on where we do business, we also have an infrastructure that is both fit for purpose and an engine for future growth. As the financial year under review drew to a close, this work was substantially complete. With efficiencies coming through in a cost base that is firmly under control, profitability is expected to improve as the Group returns its attention to increasing revenue and growing market share.

Despite the drive to improve efficiency, the Group continues to focus on delivering an excellent experience for our customers through the drinks we sell, our service levels and our market-leading market insight. The key drivers as set out in the last two annual reports are as follows:

- Improving productivity throughout the business
- Adding value to our customers
- Simplification of operations
- Enhancing capability through investment in people, development and training

These four measures will continue to drive our business operations in the year ahead. Delivery against these aspirations continues to be measured in the following key areas:

- Customer satisfaction with our products, people and services
- Growth in sales and gross profit
- Consistently tight control over overheads, without damaging service levels
- Management of each element of working capital
- Employee motivation and satisfaction

Whilst we made positive progress against most of these objectives, market conditions continued to be challenging in 2013/14 and so delivery against our sales and gross profit aspirations was disappointing. However, we have seen signs since the start of 2014 of a material and sustainable improvement in market confidence and activity, which, coupled with the Group's increased focus on business development, is expected to result in a return to strong sales and profit growth in 2014.

Group turnover reduced by 4% to £173.1m (2013: £180.7m) following disposal of the private client business in November 2013 and the full year impact of the disposal of Argento in 2012. Gross profit for the year reduced to £23.3m (2013: £25.1m) representing a margin of 13.5% (2012: 13.9%). The reduction in gross margin is entirely driven by the cost of destroying stock left over from an event in 2012.

In close co-operation with our warehouse and distribution partner, Tradeteam, the Group has made material improvements in its distribution operation during the course of the year both in terms of the supply chain solution being delivered and the efficiency and cost-effectiveness of doing so.

Group Strategic Report (continued)
For the year ended 31 March 2014

As a result of some demonstrable success in the on-going action plan to improve effectiveness, process and efficiency in our operating structures, the operating cost base of the business has been significantly improved during the year, with overall overhead costs reducing by 11.6% to £22.8m (2013: £25.7m). This total cost base is also some 3.4% lower than two years ago. When compared with sales, total overheads have also reduced by a full percentage point in the year to 13.2% (2013: 14.2%). As a result, despite the reducing in sales and gross profit, the group has turned last year's operating loss of £0.7m into an operating profit of £0.6m. The Board is confident that the improved, more efficient structures that have been put in place will serve the business well as it returns to expected sales growth in 2014-15.

Control of working capital during the year has been excellent with stock reducing by 13.8% to £12.4m and the profile of the trade debtor book the best it has been for several years. As a result of these improvements, net debt has reduced by £5.1m or 60% during the year to stand at £3.4m as at 31 March 2014, representing less than 1.75 EBITDA generated during the year. With approved ongoing overall banking facilities of £28m, this means the process of simplification and internal improvement has left the Group in an extremely strong financial situation and well placed to take advantage of any opportunities that the market might present.

As a result of the substantial reduction in net debt, together with a reduction in the rate we are charged, net interest has reduced by a further £0.1m to £0.3m. Profit before tax for the year is therefore £0.3m (2013: £0.6m). The prior year includes the profit on disposal of the Argento Wine Company Limited of £1.7m, without which the Group made an underlying loss of £1.1m. The underlying improvement in profit is therefore encouraging.

Principal risks and uncertainties

The group 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 group's operations.

The main risks arising from the group'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.

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

The group'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 group 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. The quantum of current contracts in place is disclosed in the notes to the financial statements.

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 group's current borrowings include a bank overdraft which attracts interest at a rate related to The Royal Bank of Scotland base rate. The group's interest rate exposure is therefore related to the bank's base rate. Over the last few years, the group 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.

Group Strategic Report (continued)

For the year ended 31 March 2014

Credit risk

The group 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.

Other key performance indicators

The other key performance indicators are all discussed as part of the Business Review above.

This report was approved by the board on 30/6/14 and signed on its behalf.

J S P Kowszun
Director

Grant Thornton

Independent Auditor's Report to the Members of Bibendum Wine Holdings Limited

We have audited the financial statements of Bibendum Wine Holdings Limited for the year ended 31 March 2014, which comprise the consolidated Profit and loss account, the consolidated and company Balance sheets, the consolidated Cash flow statement and reconciliation of net cash flow to movement in net funds/debt, the consolidated 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, 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 Financial Reporting Council's website at www.frc.org.uk/apb/scope/private.cfm.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 31 March 2014 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.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Group strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

Grant Thornton

Independent Auditor's Report to the Members of Bibendum Wine Holdings Limited

Matters on which we are required to report by exception
We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept 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.

Mark Henshaw (Senior statutory auditor)
for and on behalf of
Grant Thornton UK LLP
Chartered Accountants
Statutory Auditor
London
Date: 30 June 2014

Consolidated Profit and Loss Account

For the year ended 31 March 2014

	Note	2014 £000	2013 £000
Turnover	1,2	**173,051**	180,720
Cost of sales		**(149,726)**	(155,655)
Gross profit		**23,325**	25,065
Distribution costs		**(15,225)**	(16,500)
Administrative expenses		**(7,537)**	(9,246)
Operating profit/(loss)	3	**563**	(681)
Share of operating profit in joint ventures		**-**	2
Total operating profit/(loss)		**563**	(679)
Profit on disposal of investments		**-**	1,728
Interest receivable and similar income	7	**-**	3
Interest payable and similar charges	8	**(267)**	(431)
Profit on ordinary activities before taxation		**296**	621
Tax on profit on ordinary activities	9	**(248)**	39
Profit on ordinary activities after taxation		**48**	660
Minority interests		**15**	30
Profit for the financial year	20	**63**	690

All amounts relate to continuing operations.

The notes on pages 13 to 30 form part of these financial statements.

Consolidated Statement of Total Recognised Gains and Losses

For the year ended 31 March 2014

	Note	2014 £000	2013 £000
Profit for the financial year		**63**	690
Unrealised surplus on revaluation of tangible fixed assets		**-**	395
Total recognised gains and losses relating to the year		**63**	1,085

Note of Consolidated Historical Cost Profits and Losses

For the year ended 31 March 2014

	2014 £000	2013 £000
Reported profit on ordinary activities before taxation	**296**	621
Historical cost profit on ordinary activities before taxation	**296**	621
Historical profit for the year after taxation	**63**	690

The notes on pages 13 to 30 form part of these financial statements.

Consolidated Balance Sheet

As at 31 March 2014

	Note	£000	2014 £000	£000	2013 £000
Fixed assets					
Intangible assets	11		**7,591**		8,168
Tangible assets	12		**4,497**		4,321
			12,088		12,489
Current assets					
Stocks	15	**12,432**		14,419	
Debtors	16	**26,706**		34,463	
Cash at bank and in hand		**6,244**		5,827	
		45,382		54,709	
Creditors: amounts falling due within one year	17	**(36,982)**		(46,507)	
Net current assets			**8,400**		8,202
Net assets			**20,488**		20,691
Capital and reserves					
Called up share capital	19		**1,779**		1,699
Share premium account	20		**16,304**		16,121
Revaluation reserve	20		**595**		595
Profit and loss account	20		**1,866**		2,317
Shareholders' funds	21		**20,544**		20,732
Minority interests	23		**(56)**		(41)
			20,488		20,691

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 30/6/14

J S P Kowszun
Director

The notes on pages 13 to 30 form part of these financial statements.

Company Balance Sheet
As at 31 March 2014

	Note	£000	2014 £000	£000	2013 £000
Fixed assets					
Investments	13		**21,505**		21,505
Current assets					
Cash at bank		**45**		3	
Creditors: amounts falling due within one year	17	**(1,537)**		(1,794)	
Net current liabilities			**(1,492)**		(1,791)
Net assets			**20,013**		19,714
Capital and Reserves					
Called up share capital	19		**1,779**		1,699
Share premium account	20		**16,304**		16,121
Profit and loss account	20		**1,930**		1,894
Shareholders' funds	21		**20,013**		19,714

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 30/6/14

J S P Kowszun
Director

The notes on pages 13 to 30 form part of these financial statements.

Consolidated Cash Flow Statement

For the year ended 31 March 2014

	Note	2014 £000	2013 £000
Net cash flow from operating activities	24	**6,743**	1,224
Returns on investments and servicing of finance	25	**(267)**	(365)
Taxation	25	**(118)**	(542)
Capital expenditure and financial investment	25	**(960)**	(889)
Acquisitions and disposals	25	**-**	5,643
Equity dividends paid		**(514)**	(674)
Cash inflow before financing		**4,884**	4,397
Financing	25	**263**	(40)
Increase in cash in the year		**5,147**	4,357

Reconciliation of Net Cash Flow to Movement in Net Funds/Debt

For the year ended 31 March 2014

	2014 £000	2013 £000
Increase in cash in the year	**5,147**	4,357
Cash outflow from decrease in debt and lease financing	**-**	51
Movement in net debt in the year	**5,147**	4,408
Net debt at 1 April 2013	**(8,499)**	(12,907)
Net debt at 31 March 2014	**(3,352)**	(8,499)

The notes on pages 13 to 30 form part of these financial statements.

Notes to the Financial Statements

For the year ended 31 March 2014

1. Accounting Policies

1.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention as modified by the revaluation of land and buildings and in accordance with applicable accounting standards.

1.2 Basis of consolidation

The financial statements consolidate the accounts of Bibendum Wine Holdings Limited and all of its subsidiary undertakings ('subsidiaries').

The results of subsidiaries acquired during the year are included from the effective date of acquisition.

The results of subsidiaries sold are included up to the effective date of disposal.

1.3 Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts.

Trade sales

Revenue is recognised in respect of trade sales once the sales have been made and the goods have been despatched.

Agency sales

Where the group acts as an agent, only commissions receivable for services rendered are recognised as revenue. Revenue is recognised once sales have been made and the goods despatched. Any third party costs incurred on behalf of the principal that are rechargeable under contractual arrangements are not included in revenue.

1.4 Intangible fixed assets and amortisation

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:

Goodwill	-	20 years
Brands	-	20 years

Notes to the Financial Statements
For the year ended 31 March 2014

1. Accounting Policies (continued)

1.5 Tangible fixed assets and depreciation

Tangible fixed assets are stated at cost or valuation less depreciation. Depreciation is not charged on freehold land. Depreciation on other tangible fixed assets is provided at rates calculated to write off the cost or valuation of those assets, less their estimated residual value, over their expected useful lives on the following bases:

Motor vehicles	-	15% per annum
Property improvements	-	15% per annum
Fixtures, fittings and equipment	-	33% per annum
Computer equipment	-	33% per annum

No depreciation is provided on the freehold land and buildings. The proportion of the land and buildings attributable to the buildings is immaterial and consequently depreciation would not, in the opinion of the directors, be material and therefore no provision has been made.

1.6 Revaluation of tangible fixed assets

Individual freehold and leasehold properties are carried at current year value at the balance sheet date. A full valuation is obtained from a qualified valuer for each property every five years, with an interim valuation three years after the previous full valuation, and in any year where it is likely that there has been a material change in value.

Revaluation gains and losses are recognised in the statement of total recognised gains and losses unless losses exceed the previously recognised gains or reflect a clear consumption of economic benefits, in which case the losses are recognised in the Profit and loss account.

1.7 Investments

(i) Subsidiary undertakings
Investments in subsidiaries are valued at cost less provision for impairment.

(ii) Joint venture undertakings
Investments in joint ventures are stated at the company's share of net assets. The company's share of the profits or losses of the joint ventures is included in the Profit and loss account using the equity accounting basis.

1.8 Operating leases

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.

1.9 Stocks

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Stock is released on a FIFO basis.

Notes to the Financial Statements
For the year ended 31 March 2014

1. Accounting Policies (continued)

1.10 Deferred taxation

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.

Deferred tax is not provided on timing differences arising from the revaluation of fixed assets in the financial statements.

Deferred tax is recognised in respect of the retained earnings of an overseas subsidiary, associate or joint venture only to the extent that there is a commitment to remit the earnings.

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 not discounted.

1.11 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 Profit and loss account.

1.12 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

1.13 Employee benefit trust

The company's accounts include the Bibendum Employee Benefit Trust. The directors consider that the company has control of the shares held by the trust and bears their benefits and risks. Amounts transferred which are awaiting investment in the company's shares are included in debtors. Administration expenses are charged to the profit and loss account as they accrue.

Notes to the Financial Statements
For the year ended 31 March 2014

2. Turnover

The whole of the turnover is attributable to the one principal business activity of the group

A geographical analysis of turnover is as follows:

	2014 £000	2013 £000
United Kingdom	**171,895**	175,213
Rest of European Union	**734**	3,164
Rest of world	**422**	2,343
	173,051	180,720

3. Operating profit/(loss)

The operating profit/(loss) is stated after charging:

	2014 £000	2013 £000
Amortisation - intangible fixed assets	**577**	625
Depreciation of tangible fixed assets:		
- owned by the group	**784**	711
Operating lease rentals:		
- plant and machinery	**225**	194
- other operating leases	**126**	97
Difference on foreign exchange	**(224)**	(813)

4. Auditors' remuneration

	2014 £000	2013 £000
Fees payable to the company's auditor and its associates for the audit of the company's annual accounts	**5**	5
Fees payable to the company's auditor and its associates in respect of:		
Other services supplied pursuant to such legislation	**40**	40
Other services relating to taxation	**10**	10

The fees for other services of £40,000 (2013 - £40,000) represent audit fees for the company's subsidaries.

Notes to the Financial Statements
For the year ended 31 March 2014

5. Staff costs

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

	2014 £000	2013 £000
Wages and salaries	9,879	11,051
Social security costs	1,127	1,200
Other pension costs	296	329
	11,302	12,580

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

	2014 No.	2013 No.
Selling and distribution staff	169	183
Administrative staff	70	69
	239	252

6. Directors' remuneration

	2014 £000	2013 £000
Remuneration	562	799
Company pension contributions to defined contribution pension schemes	45	66

During the year retirement benefits were accruing to 2 directors (2013 - 3) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £268,000 (2013 - £270,000).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £27,000 (2013 - £26,000).

On 1 May 2013, M Saunders exercised 80,000 options at an exercise price of £3.29.

7. Interest receivable

	2014 £000	2013 £000
Other interest receivable	-	3

Notes to the Financial Statements
For the year ended 31 March 2014

8. Interest payable

	2014 £000	2013 £000
On bank loans and overdrafts	**267**	431

9. Taxation

	2014 £000	2013 £000
Analysis of tax charge/(credit) in the year		
Current tax (see note below)		
UK corporation tax charge on profit for the year	**227**	-
Adjustments in respect of prior periods	**-**	(2)
Total current tax	**227**	(2)
Deferred tax		
Origination and reversal of timing differences	**21**	(40)
Adjustments in respect of prior periods	**-**	3
Total deferred tax (see note 18)	**21**	(37)
Tax on profit on ordinary activities	**248**	(39)

Notes to the Financial Statements
For the year ended 31 March 2014

9. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2013 - lower than) the standard rate of corporation tax in the UK of 23% (2013 - 24%). The differences are explained below:

	2014	2013
	£000	£000
Profit on ordinary activities before tax	**296**	621
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 23% (2013 - 24%)	**68**	149
Effects of:		
Non-tax deductible amortisation of goodwill and impairment	**132**	139
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	**34**	58
Capital allowances for year in excess of depreciation	**(6)**	46
Utilisation of tax losses	**-**	24
Adjustments to tax charge in respect of prior periods	**-**	(2)
Other timing differences leading to an increase (decrease) in taxation	**(1)**	(1)
Substantial Shareholding Exemption	**-**	(415)
Current tax charge/(credit) for the year (see note above)	**227**	(2)

Notes to the Financial Statements

For the year ended 31 March 2014

10. Earnings per share

The basic earnings per ordinary share is calculated by dividing profit for the year by the weighted average number of equity shares outstanding during the year.

The diluted earnings per ordinary share is calculated by dividing profit for the year by the weighted average number of equity shares outstanding during the year (after adjusting both figures for the effect of dilutive potential ordinary shares).

Basic earnings per share for 2014 is 3.6 pence (2013 - 40.9 pence) and diluted earnings per share for 2014 is 3.1 pence (2013 - 34.4 pence). The calculation of basic and diluted earnings per ordinary share is based upon the following data:

	2014	2013
	£000	£000
Earnings for the purposes of basic and diluted earnings per share	**63**	690

	2014	2013
	No.	No.
Basic weighted average number of shares	**1,768,014**	1,688,014

	2014	2013
	No.	No.
Weighted average number of shares for the purposes of diluted earnings per share	**2,008,340**	2,008,340

	2014	2013
	No.	No.
Reconciliation of basic weighted average number of shares to weighted average number of shares for the purposes of diluted earnings per share		
Basic weighted average number of shares	**1,768,014**	1,688,014
Share options in issue for the whole year (see note 19)	**186,250**	266,250
Weighted average number of share options issued in year	**-**	-
Weighted average number of exit options cancelled in year	**-**	-
Weighted average number of ordinary B shares issued in 2013	**36,051**	36,051
Weighted average number of ordinary C shares issued in 2013	**18,025**	18,025
Weighted average number of shares for the purposes of diluted earnings per share	**2,008,340**	2,008,340

Notes to the Financial Statements
For the year ended 31 March 2014

11. Intangible fixed assets

	Goodwill
Group	**£000**
Cost	
At 1 April 2013 and 31 March 2014	**11,527**
Amortisation	
At 1 April 2013	**3,359**
Charge for the year	**577**
At 31 March 2014	**3,936**
Net book value	
At 31 March 2014	**7,591**
At 31 March 2013	8,168

Notes to the Financial Statements
For the year ended 31 March 2014

12. Tangible fixed assets

Group	Freehold property £000	Property improvements £000	Motor vehicles £000	Fixtures, fittings and equipment £000	Total £000
Cost or valuation					
At 1 April 2013	2,825	1,761	155	3,483	8,224
Additions	-	17	-	943	960
At 31 March 2014	2,825	1,778	155	4,426	9,184
Depreciation					
At 1 April 2013	-	1,447	41	2,415	3,903
Charge for the year	-	67	23	694	784
At 31 March 2014	-	1,514	64	3,109	4,687
Net book value					
At 31 March 2014	2,825	264	91	1,317	4,497
At 31 March 2013	2,825	314	114	1,068	4,321

Included in Freehold Property is freehold land and buildings at valuation of £2,825,000 (2013 - £2,825,000), (cost £700,000 (2013 - £700,000)) which is not depreciated.

Cost or valuation at 31 March 2014 is as follows:

Group	Land and buildings £000
At cost	-
At valuation:	
Existing use, market value at 31 March 2013	2,825
	2,825

If the land and buildings had not been included at valuation they would have been included under the historical cost convention as follows:

Group	2014 £000	2013 £000
Cost	700	700
Accumulated depreciation	-	-
Net book value	700	700

Notes to the Financial Statements
For the year ended 31 March 2014

13. Fixed asset investments

Subsidiary undertakings

The following were subsidiary undertakings of the company:

Name	Class of shares	Holding
Bibendum Wine Limited	Ordinary	100%
Mixbury Trading Company Limited***	Ordinary	100%
The Yorkshire Fine Wine Company Limited***	Ordinary	100%
Instil Drinks Company Limited***	Ordinary	100%
European Wine Partnership LLP ***	Ordinary	70%
The Wondering Wine Company Limited	Ordinary	90%

The aggregate of the share capital and reserves as at 31 March 2014 and of the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

Name	Aggregate of share capital and reserves £000	Profit/(loss) £000
Bibendum Wine Limited	**15,203**	**1,025**
Mixbury Trading Company Limited***	-	-
The Yorkshire Fine Wine Company Limited***	-	-
Instil Drinks Company Limited***	-	-
European Wine Partnership LLP ***	-	-
The Wondering Wine Company Limited	**(562)**	**(151)**

*** Held by Bibendum Wine Limited

Company	Investments in subsidiary companies £000
Cost or valuation	
At 1 April 2013 and 31 March 2014	**21,505**
Net book value	
At 31 March 2014	**21,505**
At 31 March 2013	21,505

Details of the principal subsidiaries can be found under note number 14.

14. Principal subsidiaries

Company name	Country	Percentage Shareholding	Description
Bibendum Wine Limited	England	100%	Wine distribution
The Wondering Wine Company Limited	England	90%	Selling of wine at events

Notes to the Financial Statements

For the year ended 31 March 2014

15. Stocks

	Group		Company	
	2014	2013	**2014**	2013
	£000	£000	**£000**	£000
Finished goods and goods for resale	**12,432**	14,419	**-**	-

16. Debtors

	Group		Company	
	2014	2013	**2014**	2013
	£000	£000	**£000**	£000
Trade debtors	**24,762**	28,933	**-**	-
Other debtors	**237**	396	**-**	-
Prepayments and accrued income	**1,611**	5,017	**-**	-
Deferred tax asset (see note 18)	**96**	117	**-**	-
	26,706	34,463	**-**	-

Included within other debtors is a balance of £153,000 (2013 - £153,000) due from the Employee Benefit Trust in more than one year.

17. Creditors:
Amounts falling due within one year

	Group		Company	
	2014	2013	**2014**	2013
	£000	£000	**£000**	£000
Bank loans and overdrafts	**9,596**	14,326	**-**	-
Trade creditors	**18,894**	21,815	**-**	-
Amounts owed to group undertakings	**-**	-	**1,494**	1,732
Other taxation and social security	**3,896**	2,104	**-**	-
Other creditors	**216**	222	**-**	-
Accruals and deferred income	**4,380**	8,040	**43**	62
	36,982	46,507	**1,537**	1,794

The bank loan and overdraft are secured by a fixed and floating charge over all the current and future assets of Bibendum Wine Limited, as well as over the freehold land and buildings of the group. Interest is charged at a rate related to The Royal Bank of Scotland base rate.

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For the year ended 31 March 2014

18. Deferred taxation

	Group		Company	
	2014	2013	**2014**	2013
	£000	£000	**£000**	£000
At beginning of year	**117**	131	-	-
(Charge for)/released during the year (P&L)	**(21)**	37	-	-
Other movement (P&L)	-	(51)	-	-
At end of year	**96**	117	-	-

The deferred taxation balance is made up as follows:

	Group		Company	
	2014	2013	**2014**	2013
	£000	£000	**£000**	£000
Accelerated capital allowances	**88**	107	-	-
Other timing differences	**8**	10	-	-
	96	117	-	-

19. Share capital

	2014	2013
	£000	£000
Allotted, called up and fully paid		
1,768,014 (2013 - 1,688,014) ordinary A shares of £1 each	**1,768**	1,688
72,500 ordinary B shares of £0.10 each	**7**	7
36,250 ordinary C shares of £0.10 each	**4**	4
	1,779	1,699

80,000 ordinary A shares were issued at £3.29 per share in the year, giving rise to an increase in share capital of £80,000 and in increase in share premium of £183,200.

Options on shares have been issued under the Executive Share Option Scheme. The number of shares under options are as follows:

Date first exerciseable	**Date on which the exercise period ends**	**Exercise price per ordinary share**	**Number of ordinary shares**
31 August 2007	31 August 2014	£3.50	21,250
14 July 2009	14 July 2016	£5.50	40,000
13 December 2009	13 December 2016	£7.00	85,000
30 March 2012	30 March 2022	£7.00	40,000

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For the year ended 31 March 2014

20. Reserves

Group	Share premium account £000	Revaluation reserve £000	Profit and loss account £000
At 1 April 2013	16,121	595	2,317
Profit for the financial year	-	-	63
Dividends: Equity capital	-	-	(514)
Premium on shares issued during the year	183	-	-
At 31 March 2014	16,304	595	1,866

Company	Share premium account £000	Profit and loss account £000
At 1 April 2013	16,121	1,894
Profit for the financial year	-	550
Dividends: Equity capital	-	(514)
Premium on shares issued during the year	183	-
At 31 March 2014	16,304	1,930

Notes to the Financial Statements

For the year ended 31 March 2014

21. Reconciliation of movement in shareholders' funds

Group	2014 £000	2013 £000
Opening shareholders' funds	**20,732**	20,310
Profit for the financial year	**63**	690
Dividends (Note 22)	**(514)**	(674)
Shares issued during the year	**80**	11
Share premium on shares issued (net of expenses)	**183**	-
Other recognised gains and losses during the year	**-**	395
Closing shareholders' funds	**20,544**	20,732

Company	2014 £000	2013 £000
Opening shareholders' funds	**19,714**	17,914
Profit for the financial year	**550**	2,463
Dividends (Note 22)	**(514)**	(674)
Shares issued during the year	**80**	11
Share premium on shares issued (net of expenses)	**183**	-
Closing shareholders' funds	**20,013**	19,714

The company has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own Profit and loss account.

The profit for the year dealt with in the accounts of the company was £550,000 (2013 - £2,463,000).

22. Dividends

	2014 £000	2013 £000
Dividends paid on equity capital	**514**	674

23. Minority interests

Equity	£000
At 1 April 2013	**(41)**
Proportion of profit/(loss) after taxation for the year	**(15)**
At 31 March 2014	**(56)**

Notes to the Financial Statements

For the year ended 31 March 2014

24. Net cash flow from operating activities

	2014 £000	2013 £000
Operating profit/(loss)	**563**	(681)
Amortisation of intangible fixed assets	**577**	625
Depreciation of tangible fixed assets	**784**	711
Decrease in stocks	**1,987**	1,557
Decrease in debtors	**7,627**	2,555
Decrease in creditors	**(4,795)**	(3,543)
Net cash inflow from operating activities	**6,743**	1,224

25. Analysis of cash flows for headings netted in cash flow statement

	2014 £000	2013 £000
Returns on investments and servicing of finance		
Interest received	-	3
Interest paid	**(267)**	(431)
Dividends received	-	63
Net cash outflow from returns on investments and servicing of finance	**(267)**	(365)

	2014 £000	2013 £000
Taxation		
Corporation tax	**(118)**	(542)

	2014 £000	2013 £000
Capital expenditure and financial investment		
Purchase of tangible fixed assets	**(960)**	(889)

	2014 £000	2013 £000
Acquisitions and disposals		
Purchase of fixed asset investments	-	(188)
Sale of fixed asset investments	-	6,095
Cash transferred on sale of fixed asset investments	-	(264)
Net cash inflow from acquisitions and disposals	-	5,643

Notes to the Financial Statements

For the year ended 31 March 2014

25. Analysis of cash flows for headings netted in cash flow statement (continued)

	2014 £000	2013 £000
Financing		
Issue of ordinary shares	263	11
Repayment of loans	-	(51)
Net cash inflow/(outflow) from financing	263	(40)

26. Analysis of changes in net debt

	1 April 2013 £000	Cash flow £000	Other non-cash changes £000	31 March 2014 £000
Cash at bank and in hand	5,827	417	-	6,244
Bank overdraft	(14,326)	4,730	-	(9,596)
Net debt	(8,499)	5,147	-	(3,352)

27. Pension commitments

The group operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the group in an independently administered fund. The pension cost charge represents contributions payable by the group to the fund and amounted to £292,000 (2013 - £329,000). Contributions totalling £40,000 (2013 - £45,000) were payable to the fund at the balance sheet date and are included in other creditors.

28. Operating lease commitments

At 31 March 2014 the group had annual commitments under non-cancellable operating leases as follows:

	Land and buildings		Other	
	2014	2013	2014	2013
Group	£000	£000	£000	£000
Expiry date:				
Within 1 year	-	-	135	38
Between 2 and 5 years	-	-	83	184
After more than 5 years	127	127	-	-
	127	127	218	222

Notes to the Financial Statements

For the year ended 31 March 2014

29. Other financial commitments

At 31 March 2014, the group had entered into forward foreign exchange purchase contracts with a value amounting to £21,804,118 (2013 - £6,660,595). The unrecognised loss on these contracts at 31 March was £462,540 (2012: gain £386,558).

30. Related party transactions

An amount of £153,000 (2013 - £153,000) in respect of shares sold by the Bibendum Wine Employee Share Option Plan is due from the Employee Benefit Trust. Of this amount, £56,000 (2013 - £56,000) is due from a director to the Employee Benefit Trust.

During the year, Bibendum Wine Limited sold wine totalling £183,509 (2013 - £134,545) to The Wondering Wine Company Limited, a 90% subsidiary of Bibendum Wine Holdings Limited. At 31 March 2014, the outstanding balance due to Bibendum Wine Limited was £837,720 (2013 - £623,790). No amounts were written off in the year.

The company has taken advantage of the exemption in FRS 8 from disclosing transactions with wholly owned members of the Bibendum group.