



Group Consolidated Income Statement

year ended 31 March 2018

	Note	Pre- Exceptional 2018 £m	Exceptional (Note 2) 2018 £m	Total 2018 £m	Pre- Exceptional 2017 £m	Exceptional (Note 2) 2017 £m	Total 2017 £m
Group revenue	1	739.3	-	739.3	701.3	-	701.3
Cost of sales		(515.5)	-	(515.5)	(487.1)	(9.8)	(496.9)
Gross profit		223.8	-	223.8	214.2	(9.8)	204.4
Other administration costs		(26.8)	(1.8)	(28.6)	(26.6)	9.2	(17.4)
Group operating profit		197.0	(1.8)	195.2	187.6	(0.6)	187.0
Share of operating profit in JV's		14.4	-	14.4	16.0	-	16.0
Income from other investments	3	0.9	-	0.9	4.1	-	4.1
Earnings before interest and tax		212.3	(1.8)	210.5	207.7	(0.6)	207.1
Interest income	4	3.3	-	3.3	2.0	-	2.0
Interest payable and similar charges	4	(23.7)	-	(23.7)	(20.1)	-	(20.1)
Other finance income	4	4.6	-	4.6	-	-	-
Profit on ordinary activities before taxation	5	196.5	(1.8)	194.7	189.6	(0.6)	189.0
Taxation on profit on ordinary activities	7	(40.8)	-	(40.8)	(31.0)	(0.4)	(31.4)
Profit on ordinary activities after taxation		155.7	(1.8)	153.9	158.6	(1.0)	157.6
Attributable to non-controlling interests		(67.8)	0.5	(67.3)	(67.1)	0.5	(66.6)
Profit for the financial year attributable to parent		87.9	(1.3)	86.6	91.5	(0.5)	91.0

All the activities of the Group are classified as continuing.

The notes and accounting policies on pages 49 to 88 form an integral part of these financial statements.



Group Statement of Comprehensive Income

year ended 31 March 2018

	2018 £m	2017 £m
Profit for the year attributable to owner	86.6	91.0
Profit for the year attributable to non-controlling interests	67.3	66.6
	153.9	157.6
Other comprehensive income		
Items that will not be reclassified to profit or loss		
Actuarial gain/(loss) on pension schemes		
Group	11.0	(9.8)
Associates and joint ventures	7.3	(6.5)
Non-controlling interests	3.6	(5.1)
Movement in deferred tax on pension schemes		
Group	(1.4)	1.8
Associates and joint ventures	(1.2)	1.2
Non-controlling interests	(1.1)	0.5
Pension fees paid direct to Pension Fund	(0.4)	(0.8)
Revaluation reserve movement	0.2	0.2
Movement in foreign investment	-	2.0
Non-controlling interest share of movement in foreign investment	-	(2.0)
Items that will be or have been reclassified to profit or loss		
Exchange differences on foreign operations		
Group	(11.3)	13.4
Associates and joint ventures	(1.4)	2.5
Non-controlling interests	(7.1)	2.4
Exchange difference on foreign dividend	0.3	(12.9)
Movement on deferred tax taken straight to reserves		
Group	(2.9)	1.1
Non-controlling interests	(0.7)	0.5
Share based payment movements	-	(0.9)
Non-controlling interest share of Share based payment movements	(0.2)	0.6
Subsidiary prior year adjustment	-	(0.3)
Non-controlling interest share of Subsidiary prior year adjustment	-	0.3
Cash flow hedge reserve movement	(8.2)	(25.8)
Cash flow hedge amounts recycled	29.9	12.6
Movement on financial instruments taken straight to reserves	(8.5)	4.7
Non-controlling interests share of movement on financial instruments taken straight to reserves	8.5	(4.7)
Other comprehensive income/(loss) attributable to parent	13.4	(17.5)
Other comprehensive income/(loss) attributable to non-controlling interest	3.0	(7.5)
Total other comprehensive income/(loss) for the year	16.4	(25.0)
Total comprehensive income for the year, net of tax	170.3	132.6
Attributable to parent	100.0	73.5
Attributable to non-controlling interest	70.3	59.1
Total	170.3	132.6

The notes and accounting policies on pages 49 to 88 form an integral part of these financial statements.



Statement of Financial Position

as at 31 March 2018

	Note	Company		Group	
		2018 £m	2017 £m	2018 £m	2017 £m
Non-current assets					
Property, plant and equipment	10	-	-	500.1	429.6
Intangible assets	9	-	-	408.4	391.9
Investment in subsidiaries	11	305.9	306.7	-	-
Investment in joint ventures	11	-	-	61.1	51.6
Other investments	11	-	-	8.9	8.3
Derivative financial instruments	19	-	-	14.1	44.2
Deferred tax assets	20	-	-	29.7	30.0
Post-employment benefit surplus	28	-	-	16.1	-
Total non-current assets		305.9	306.7	1,038.4	955.6
Current assets					
Inventories	12	-	-	520.6	456.9
Trade and other receivables	14	13.0	1.4	173.6	160.5
Assets held for sale	13	-	-	0.9	1.1
Derivative financial instruments	19	-	-	12.7	0.7
Cash and cash equivalents		1.4	2.2	152.2	89.9
Current tax asset	14	0.3	0.2	5.6	5.4
Total current assets		14.7	3.8	865.6	714.5
Total assets		320.6	310.5	1,904.0	1,670.1



Statement of Financial Position (continued)

	Note	2018 £m	Company 2017 £m	2018 £m	Group 2017 £m
Equity and liabilities					
Share capital	21	6.3	6.4	6.3	6.4
Share premium		0.5	0.5	0.5	0.5
Merger reserve		-	-	29.5	29.5
Capital reserve		-	-	35.8	35.8
Capital redemption reserve		1.3	1.2	1.3	1.2
Revaluation reserve		-	-	6.9	7.1
Liability for share based payments		3.7	5.5	3.7	5.5
Retained earnings		234.1	182.3	349.9	299.4
Cash flow hedge reserve	23	(0.1)	(0.9)	(4.4)	(26.1)
Equity attributable to owners of the parent		245.8	195.0	429.5	359.3
Non-controlling interests		-	-	351.1	325.7
Total equity		245.8	195.0	780.6	685.0
Non-current liabilities					
Borrowings	16	24.8	74.7	564.3	494.6
Post-employment benefit obligation	28	-	-	-	10.4
Deferred tax liabilities	20	3.5	3.2	118.1	107.4
Derivative financial instruments	19	-	0.5	1.7	9.6
Deferred consideration	15	-	-	24.6	-
Non-current liabilities		28.3	78.4	708.7	622.0
Current liabilities					
Trade and other payables	15	6.2	6.4	49.2	56.0
Borrowings	16	39.9	29.8	162.1	130.5
Derivative financial instruments	19	0.1	0.4	2.9	17.3
Current tax liabilities	15	-	-	23.8	16.0
Other liabilities	15	0.3	0.5	176.7	143.3
Total current liabilities		46.5	37.1	414.7	363.1
Total liabilities		74.8	115.5	1,123.4	985.1
Total equity and liabilities		320.6	310.5	1,904.0	1,670.1

In the year to 31 March 2018, The Edrington Group Company made a profit of £78.9m (2017: £34.0m).

The notes and accounting policies on pages 49 to 88 form an integral part of these financial statements.

The consolidated financial statements of The Edrington Group Limited (registered number SC036374) were approved by the board of directors and authorised for issue on 15 June 2018. They were signed on behalf of the board by:

I B Curle
Director

P A Hyde
Director



Group Cash Flow Statement

year ended 31 March 2018

	2018 £m	2017 £m
Operating activities		
Operating profit	195.2	187.0
Adjustments for:		
Depreciation	17.6	16.1
Amortisation	4.8	4.7
Gain on sale of fixed assets	(1.1)	(0.3)
Non-cash impact of write off of goodwill	1.8	1.1
Non-cash impact of pension curtailment	-	(13.4)
Non-cash impact of exceptional tangible asset write down	-	5.4
Operating cash flows before movements in working capital	218.3	200.6
Increase in inventories	(12.2)	(9.3)
Increase in receivables	(14.2)	(17.9)
Increase in payables	26.4	26.0
Share based payment charge	-	3.3
Employer pension contributions paid	(14.4)	(14.3)
Other non-cash movements	(4.9)	(8.3)
Cash generated by operations	199.0	180.1
Tax on profit paid	(29.7)	(26.2)
Net cash from operating activities	169.3	153.9
Investing activities		
Interest received	3.3	2.0
Dividends received	0.2	0.3
Dividends received from joint ventures	5.5	5.1
Purchase of tangible fixed assets	(110.1)	(107.7)
Purchase of intangible fixed assets	(2.4)	(5.9)
Sale of tangible fixed assets	3.8	2.4
Acquisition of subsidiary	(32.9)	(2.2)
Net cash acquired on acquisition	2.0	1.1
Net cash used in investing activities	(130.6)	(104.9)
Financing activities		
Interest paid	(23.9)	(19.0)
Purchase of own shares	(5.8)	(6.5)
Dividends paid to non-controlling interests in subsidiaries	(44.9)	(25.3)
Equity dividends paid	(24.4)	(23.4)
Drawdown of bank loans	261.6	157.3
Repayment of bank loans	(130.7)	(114.6)
Net cash generated from/(used in) financing activities	31.9	(31.5)
Net increase in cash and cash equivalents	70.6	17.5
Cash and cash equivalents at beginning of year	83.6	59.7
Effect of foreign exchange rate changes	(5.1)	6.4
Cash and cash equivalents at end of year (note 25)	149.1	83.6

The notes and accounting policies on pages 49 to 88 form an integral part of these financial statements.



Consolidated Statement of Changes in Equity

year ended 31 March 2018

Group	Share capital £m	Share premium £m	Merger reserve £m	Capital reserve £m	Capital redemption reserve £m	Revaluation reserve £m	Liability for share based payments £m	Retained earnings £m	Cash flow hedge reserve £m	Total attributable to owners of parent £m	Non-controlling interests £m	Total equity £m
Balance at 1 April 2017	6.4	0.5	29.5	35.8	1.2	7.1	5.5	299.4	(26.1)	359.3	325.7	685.0
Dividends (note 8)	-	-	-	-	-	-	-	(24.4)	-	(24.4)	(44.9)	(69.3)
Issue of share capital under share-based payment	-	-	-	-	-	-	(1.8)	-	-	(1.8)	-	(1.8)
Buy back of shares	(0.1)	-	-	-	0.1	-	-	(3.4)	-	(3.4)	-	(3.4)
Transaction with owners	(0.1)	-	-	-	0.1	-	(1.8)	(27.8)	-	(29.6)	(44.9)	(74.5)
Profit for the year	-	-	-	-	-	-	-	86.6	-	86.6	67.3	153.9
Other comprehensive income	-	-	-	-	-	-	-	(8.3)	-	(8.3)	3.0	(5.3)
Cash flow hedge reserve (note 23)	-	-	-	-	-	-	-	-	21.7	21.7	-	21.7
Revaluation reserve	-	-	-	-	-	(0.2)	-	-	-	(0.2)	-	(0.2)
Total comprehensive income for the year	-	-	-	-	-	(0.2)	-	78.3	21.7	99.8	70.3	170.1
Balance at 31 March 2018	6.3	0.5	29.5	35.8	1.3	6.9	3.7	349.9	(4.4)	429.5	351.1	780.6



Consolidated Statement of Changes in Equity (continued)

Group	Share capital £m	Share premium £m	Merger reserve £m	Capital reserve £m	Capital redemption reserve £m	Revaluation reserve £m	Liability for share based payments £m	Retained earnings £m	Cash flow hedge reserve £m	Total attributable to owners of parent £m	Non-controlling interests £m	Total equity £m
Balance at 1 April 2016	6.4	0.5	29.5	35.8	1.2	7.3	2.1	242.9	(12.9)	312.8	291.9	604.7
Dividends (note 8)	-	-	-	-	-	-	-	(23.1)	-	(23.1)	(25.3)	(48.4)
Issue of share capital under share-based payment	-	-	-	-	-	-	3.4	-	-	3.4	-	3.4
Buy back and cancellation of shares	-	-	-	-	-	-	-	(7.1)	-	(7.1)	-	(7.1)
Transaction with owners	-	-	-	-	-	-	3.4	(30.2)	-	(26.8)	(25.3)	(52.1)
Profit for the year	-	-	-	-	-	-	-	91.0	-	91.0	66.6	157.6
Other comprehensive income	-	-	-	-	-	-	-	(4.3)	-	(4.3)	(7.5)	(11.8)
Cash flow hedge reserve (note 23)	-	-	-	-	-	-	-	-	(13.2)	(13.2)	-	(13.2)
Revaluation reserve	-	-	-	-	-	(0.2)	-	-	-	(0.2)	-	(0.2)
Total comprehensive income for the year	-	-	-	-	-	(0.2)	-	86.7	(13.2)	73.3	59.1	132.4
Balance at 31 March 2017	6.4	0.5	29.5	35.8	1.2	7.1	5.5	299.4	(26.1)	359.3	325.7	685.0

The notes and accounting policies on pages 49 to 88 form an integral part of these financial statements.



Company Statement of Changes in Equity

year ended 31 March 2018

Company	Notes	Share capital £m	Share premium £m	Capital redemption reserve £m	Liability for share based payments £m	Cash flow hedge reserve £m	Retained earnings £m	Total equity £m
Balance at 1 April 2017		6.4	0.5	1.2	5.5	(0.9)	182.3	195.0
Profit for the period		-	-	-	-	-	78.9	78.9
Cash flow hedge reserve	23	-	-	-	-	0.8	-	0.8
Total comprehensive income for the period		-	-	-	-	0.8	78.9	79.7
Dividends		-	-	-	-	-	(25.5)	(25.5)
Own shares acquired in the period		-	-	-	(1.8)	-	-	(1.8)
Buy back and cancellation of shares		(0.1)	-	0.1	-	-	(1.6)	(1.6)
		(0.1)	-	0.1	(1.8)	-	(27.1)	(28.9)
Balance at 31 March 2018		6.3	0.5	1.3	3.7	(0.1)	234.1	245.8

Company	Notes	Share capital £m	Share premium £m	Capital redemption reserve £m	Liability for share based payments £m	Cash flow hedge reserve £m	Retained earnings £m	Total equity £m
Balance at 1 April 2016		6.4	0.5	1.2	2.1	(0.8)	178.7	188.1
Profit for the period		-	-	-	-	-	34.0	34.0
Cash flow hedge reserve	23	-	-	-	-	(0.1)	-	(0.1)
Total comprehensive income for the period		-	-	-	-	(0.1)	34.0	33.9
Dividends		-	-	-	-	-	(24.3)	(24.3)
Own shares acquired in the period		-	-	-	3.4	-	-	3.4
Buy back and cancellation of shares		-	-	-	-	-	(6.1)	(6.1)
		-	-	-	3.4	-	(30.4)	(27.0)
Balance at 31 March 2017		6.4	0.5	1.2	5.5	(0.9)	182.3	195.0

The notes and accounting policies on pages 49 to 88 form an integral part of these financial statements.