Financial Statements

IN THIS SECTION

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF C&C GROUP PLC

OPINIONS AND CONCLUSIONS ARISING FROM OUR AUDIT

1 OUR OPINION ON THE FINANCIAL STATEMENTS IS UNMODIFIED

We have audited the financial statements of C&C Group plc for the year ended 29 February 2016 set out on pages 98 to 184 which comprise the Group Income Statement, the Group Statement of Comprehensive Income, the Group and Company Balance Sheets, the Group Cash Flow Statement, the Group and Company Statement of Changes in Equity, and the related notes. The financial reporting framework that has been applied in their preparation is Irish law and International Financial Reporting Standards (IFRS) as adopted by the European Union, and, as regards the Company financial statements, as applied in accordance with FRS 101 Reduced Disclosure Framework ("FRS 101") and the provisions of the Companies Act 2014. Our audit was conducted in accordance with International Standards on Auditing (ISAs) (UK & Ireland).

In our opinion:

- the Group financial statements give a true and fair view of the assets, liabilities and financial position of the Group as at 29 February 2016 and of its profit for the year then ended;
- the Company statement of financial position gives a true and fair view of the assets, liabilities and financial position of the Company as at 29 February 2016;
- the Group financial statements have been properly prepared in accordance with IFRS as adopted by the European Union;
- the Company financial statements have been properly prepared in accordance with FRS 101 as applied in accordance with the provisions of the Companies Act 2014; and
- the Group financial statements and Company financial statements have been properly prepared in accordance with the requirements of the Companies Act 2014 and, as regards the Group financial statements, Article 4 of the IAS Regulation.

2 OUR ASSESSMENT OF RISKS OF MATERIAL MISSTATEMENT

The risks of material misstatement detailed in this section of this report are those risks that we have deemed, in our professional judgement, to have had the greatest effect on: the overall audit strategy; the allocation of resources in our audit; and directing the efforts of the engagement team. Our audit procedures relating to these risks were designed in the context of our audit of the financial statements as a whole. Our opinion on the financial statements is not modified with respect to any of these risks, and we do not express an opinion on these individual risks.

In arriving at our audit opinion above on the Group financial statements, the risks of material misstatement that had the greatest effect on our Group audit were as follows:

Impairment assessment of intangibles and goodwill contained in the North America operating segment – Year end balance of €147.1 million (2015: Year end balance of €143.5 million after impairment charge of €150 million recorded in the prior year)

Refer to pages 65 and 66 (Audit Committee Report), page 110 (accounting policy) and note 12 to the financial statements.

The risk

As detailed in the accounting policy note on page 110, an impairment review of intangible assets and goodwill is performed annually by the Group. During the prior year an impairment charge of €150 million was recorded against the carrying value of these assets. There is a risk that the carrying value of the intangible assets and goodwill in the North America operating segment may not be recovered from future cashflows. There is inherent uncertainty involved in preparing forecasts and discounted future cash flow projections for this purpose and significant judgement is involved in relation to the assumptions used in the Group's goodwill impairment model for the purposes of assessing the carrying value of the assets.

Our response

In this area, our audit procedures included, amongst others, reviewing the appropriateness of management's identification of cash generating units ("CGUs") within the North America operating segment and the allocation of intangible assets, which are largely brands arising from acquisitions, to these CGUs, evaluating the assumptions and methodologies used by the Group, in particular those relating to revenue growth, operating profit and the discount rate and terminal growth rate applied to the forecasted cash flows in the model. We compared the Group's assumptions with externally derived data as well as our own assessment in relation to key inputs into the model. We challenged the sensitivity analysis performed by management and performed our own sensitivity analysis in relation to the key assumptions. We also assessed whether the disclosures in note 12 presented the Group's assumptions in relation to goodwill impairment and whether sensitivities of the outcome of the impairment assessment appropriately reflected the risks inherent in the valuation of goodwill.

We also performed similar procedures, to those outlined above, to management's assessment of the carrying value of intangible assets and goodwill allocated to the Group's other operating segments and the related disclosures.

We considered the difference between the market capitalisation of the Group and the book value of the Group's net assets which indicated that the market capitalisation exceeded the book value by €426 million at 29 February 2016 (2015: €573 million).

Carrying value of Property, Plant and Equipment ('PP&E') – €190.3 million (2015: €218.9 million)
Refer to pages 65 and 66 (Audit Committee Report), pages 111 to 112 (accounting policy) and note 11 to the financial statements.

The risk
The Group carries its land and buildings and plant and machinery at fair value. The freehold land and buildings in Ireland, Portugal and North America and certain assets in the UK are valued using a market approach. The Group's remaining land and buildings assets in the UK, and its plant and machinery in Ireland, the UK and the US are valued using the Depreciated Replacement Cost (DRC) method.

During the prior year the fair value of the majority of the Group's PP&E assets were determined by independent external property and plant valuation experts whilst certain assets were subject to internal valuations.

Such valuations were determined internally in the current year and significant judgement is exercised in determining the appropriate assumptions underlying the valuation, including amongst others, market based assumptions, plant replacement costs and plant utilisation levels.

During the year the Group announced the closure and proposed disposal of certain of its facilities in Ireland and England. The Group has engaged independent property experts to value these assets.

There is inherent uncertainty involved in preparing valuations when there is a lack of liquidity in the market and benchmark data for similar assets in similar locations given the specialised nature of the Group's assets.

Our response
In relation to land and buildings and plant and machinery internally valued by management, our audit procedures included assessing and challenging the key assumptions underpinning the valuations. We considered whether the assumptions were consistent with external market information, where available.

In relation to the Group's land and buildings and plant and machinery which was valued externally, we inspected the valuation reports performed by the external valuation experts, in order to assess the integrity of the data and key assumptions underpinning the valuations. We challenged the assumptions underlying the valuations prepared by the valuers and considered whether the assumptions were consistent with external market information, where available. We also assessed the independence and qualifications of the valuers.

3 OUR APPLICATION OF MATERIALITY AND AN OVERVIEW OF THE SCOPE OF OUR AUDIT

The materiality for the Group financial statements as a whole was set at €4.75 million (2015: €5.5 million). This has been calculated using a benchmark of 5% of Group profit before taxation as normalised for non-recurring items, which we have determined, in our professional judgement, to be one of the principal benchmarks within the financial statements relevant to members of the Company in assessing financial performance. We believe that materiality for the financial statements as a whole is more appropriately determined based on profit before tax excluding exceptional items which, based on the Group's exceptional items accounting policy set out on page 108, reflects a measure of profit before tax excluding items of income and expenditure which, by virtue of their scale and nature, are separately highlighted by the Group in its financial reporting.

We report to the Audit Committee all corrected and uncorrected misstatements we identified through our audit in excess of €250,000 (2015: €275,000), in addition to other audit misstatements below that threshold that we believe warranted reporting on qualitative grounds.

The structure of the Group's finance function is such that certain transactions and balances are accounted for by the Group finance team, with the remainder accounted for in the operating units. We performed audit procedures, including those in relation to the significant risks set out above, on those transactions and balances accounted for at operating unit and Group level. In relation to the operating units, audits for Group reporting purposes were performed at each of the key operating units of the Group. These audits covered 99.9% of Group revenue, 99.8% of Group profit before tax and 99.8% of Group total assets.

The audits undertaken for Group reporting purposes at the key operating units of the Group were all performed to component materiality levels set by the Group audit team. These component materiality levels were set individually and ranged from €0.6 million to €3.6 million.

Detailed audit instructions were sent to all the auditors in all of the identified locations. These instructions covered the significant audit areas that should be covered by these audits (which included the relevant risks of material misstatement detailed above) and set out the information required to be reported to the Group audit team. Members of the Group audit engagement team including the Group Engagement Partner attended the closing meetings for each of the significant operating components in person or by telephone at which the results of the business unit audit were discussed with local and Group management. Members of the Group audit engagement team and the Group Engagement Partner attended the closing meeting at which the results of all operating units were discussed with the Group's Chief Financial Officer and senior members of the Group finance team.

One subsidiary was not in scope for Group reporting purposes. For this subsidiary, we performed other procedures to confirm there were no significant risks of material misstatements to the Group financial statements.

4 WE HAVE NOTHING TO REPORT ON THE DISCLOSURES OF PRINCIPAL RISKS

Based on the knowledge we acquired during our audit, we have nothing material to add or draw attention to in relation to:

- the Directors' statement of principal risks and uncertainties on pages 24, 25 and 26, concerning the principal risks, their management, and based on that statement, the directors' assessment and expectations of the Group's continuing operations over 3 years to 2019;
- the disclosures in the significant accounting policies to the financial statements concerning the use of the going concern basis of accounting.

5 WE HAVE NOTHING TO REPORT IN RESPECT OF MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

ISAs (UK and Ireland) require that we report to you if, based on the knowledge we acquired during our audit, we have identified information in the annual report that contains a material inconsistency with either that knowledge or the financial statements, a material misstatement of fact, or that is otherwise misleading.
In particular, we are required to report to you if:

- we have identified any inconsistencies between the knowledge we acquired during our audit and the directors' statement that they consider the annual report is fair, balanced and understandable and provides the information necessary for shareholders to assess the entity's performance, business model and strategy; or
- the Report of the Audit Committee does not appropriately disclose those matters that we communicated to the Audit Committee.

The Listing Rules of the Irish Stock Exchange require us to review:

- the directors' statement, set out on page 71, in relation to going concern;
- the part of the Directors' Statement on Corporate Governance on pages 60 to 64 relating to the Company's compliance with the provisions of the UK Corporate Governance Code and the provisions of the Irish Corporate Governance Annex specified for our review; and
- certain elements of disclosures to shareholders by the Board in the Report on Directors' Remuneration.

In addition, the Companies Act requires us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by law are not made.

6 OUR CONCLUSIONS ON OTHER MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY THE COMPANIES 2014 ARE SET OUT BELOW

We have obtained all the information and explanations which we consider necessary for the purposes of our audit.
In our opinion the accounting records of the Company were sufficient to permit the financial statements to be readily and properly audited and the financial statements are in agreement with the accounting records.

In our opinion the information given in the Directors' Report is consistent with the financial statements and the description in the Directors' Statement of Corporate Governance of the main features of the internal control and risk management systems in relation to the process for preparing the Group financial statements is consistent with the Group financial statements.

In addition, we report in relation to information given in the Corporate Governance statement on pages 60 to 71 that:

- based on knowledge and understanding of the Company and its environment obtained in the course of the audit, no material misstatements in the information identified above have come to our attention.
- based on our work undertaken in the course of our audit, in our opinion:
  - the description of the main features of the internal control and risk management systems in relation to the voting rights and other matters required by the European Communities (Takeover Bids (Directive 2004/25/EC)) Regulations 2006, and specified by the Companies Act 2014 for our consideration, are consistent with the financial statements and have been prepared in accordance with the Companies Act 2014.
  - The Corporate Governance statement contains the information required by the Companies Act 2014.

Basis of our report, responsibilities and restrictions on use

As explained more fully in the Statement of Directors' Responsibilities set out on pages 91 and 92, 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 Group and Company financial statements in accordance with applicable law and International Standards on Auditing (ISAs) (UK and Ireland). Those standards require us to comply with the Financial Reporting Council's Ethical Standards for Auditors.

An audit undertaken in accordance with ISAs (UK and Ireland) involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the Group's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements.

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing our audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Whilst an audit conducted in accordance with ISAs (UK and Ireland) is designed to provide reasonable assurance of identifying material misstatements or omissions it is not guaranteed to do so. Rather the auditor plans the audit to determine the extent of testing needed to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements does not exceed materiality for the financial statements as a whole. This testing requires us to conduct significant audit work on a broad range of assets, liabilities, income and expenses as well as devoting significant time of the most experienced members of the audit team, in particular the engagement partner responsible for the audit, to subjective areas of accounting and reporting.

Our report is made solely to the Company's members, as a body, in accordance with Section 391 of the Companies Act 2014. 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.

11 May 2016
Cliona Mullen
for and on behalf of

KPMG

Chartered Accountants, Statutory Audit Firm
1 Stokes Place
St. Stephen's Green
Dublin 2
Ireland

GROUP INCOME STATEMENT

FOR THE YEAR ENDED 29 FEBRUARY 2016

	Notes	Year ended 29 February 2016 Before exceptional items €m	Exceptional items (note 5) €m	Total €m	Year ended 28 February 2015 Before exceptional items €m	Exceptional items (note 5) €m	Total €m
Revenue	1	**946.9**	**-**	**946.9**	986.5	-	986.5
Excise duties		**(284.3)**	**-**	**(284.3)**	(302.6)	-	(302.6)
Net revenue	1	**662.6**	**-**	**662.6**	683.9	-	683.9
Operating costs	2	**(559.4)**	**(38.4)**	**(597.8)**	(568.9)	(173.4)	(742.3)
Operating profit/(loss)	1	**103.2**	**(38.4)**	**64.8**	115.0	(173.4)	(58.4)
Finance income	6	**0.2**	**-**	**0.2**	0.2	-	0.2
Finance expense	6	**(8.8)**	**-**	**(8.8)**	(9.0)	(0.6)	(9.6)
Share of equity accounted investees' profit/(loss) after tax	13	**-**	**0.1**	**0.1**	(0.1)	0.1	-
Profit/(loss) before tax		**94.6**	**(38.3)**	**56.3**	106.1	(173.9)	(67.8)
Income tax (expense)/credit	7	**(13.8)**	**4.9**	**(8.9)**	(14.6)	1.4	(13.2)
Profit/(loss) for the year attributable to equity shareholders		**80.8**	**(33.4)**	**47.4**	91.5	(172.5)	(81.0)
Basic earnings per share (cent)	9			**14.4**			(24.5)
Diluted earnings per share (cent)	9			**14.2**			(24.5)

GROUP STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 29 FEBRUARY 2016

	Notes	2016 €m	2015 €m
Other comprehensive income:			
Items that may be reclassified to Income Statement in subsequent years:			
Foreign currency translation differences arising on the net investment in foreign operations	6	**(20.9)**	76.4
Foreign currency reserve recycled to Income Statement on deemed disposal of equity accounted investee	6	**(0.1)**	(0.1)
Foreign currency translation differences arising on foreign currency borrowings designated as net investment hedges	6	**-**	(3.0)
Gain on revaluation of property, plant & equipment	11	**-**	5.3
Deferred tax on gain on revaluation of property, plant & equipment	20	**-**	(0.2)
Items that will not be reclassified to Income Statement in subsequent years:			
Actuarial loss on retirement benefit obligations	21	**(5.1)**	(20.7)
Deferred tax on actuarial loss on retirement benefit obligations	20	**0.6**	2.6
Net (loss)/profit recognised directly within Other Comprehensive Income		**(25.5)**	60.3
Profit/(loss) for the year attributable to equity shareholders		**47.4**	(81.0)
Comprehensive income/(expense) for the year attributable to equity shareholders		**21.9**	(20.7)

GROUP BALANCE SHEET

AS AT 29 FEBRUARY 2016

	Notes	2016 €m	2015 €m
ASSETS			
Non-current assets			
Property, plant & equipment	11	**180.0**	218.9
Goodwill & intangible assets	12	**644.1**	652.2
Equity accounted investees	13	**0.3**	0.9
Retirement benefit obligations	21	**4.7**	3.7
Deferred tax assets	20	**4.4**	5.0
Trade & other receivables	15	**46.0**	46.2
		879.5	926.9
Current assets			
Assets held for resale	11	**10.3**	-
Inventories	14	**85.9**	93.5
Trade & other receivables	15	**94.1**	148.2
Cash & cash equivalents		**197.3**	181.9
		387.6	423.6
TOTAL ASSETS		**1,267.1**	1,350.5
EQUITY			
Equity share capital	23	**3.3**	3.5
Share premium	23	**127.8**	122.5
Other reserves	23	**121.0**	141.8
Treasury shares	23	**(39.2)**	(39.8)
Retained income		**471.8**	545.2
Total equity		**684.7**	773.2
LIABILITIES			
Non-current liabilities			
Interest bearing loans & borrowings	18	**361.1**	339.7
Derivative financial instruments	22	**-**	0.2
Retirement benefit obligations	21	**22.7**	37.3
Provisions	17	**6.3**	8.4
Deferred tax liabilities	20	**5.5**	6.7
		395.6	392.3
Current liabilities			
Interest bearing loans & borrowings	18	**0.2**	-
Retirement benefit obligations	21	**10.0**	-
Trade & other payables	16	**160.9**	176.1
Provisions	17	**12.6**	3.8
Current tax liabilities		**3.1**	5.1
		186.8	185.0
Total liabilities		**582.4**	577.3
TOTAL EQUITY & LIABILITIES		**1,267.1**	1,350.5

On behalf of the Board

Sir B Stewart
Chairman Group

S Glancey
Chief Executive Officer

GROUP CASH FLOW STATEMENT

FOR THE YEAR ENDED 29 FEBRUARY 2016

	Notes	2016 €m	2015 €m
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit/(loss) for the year attributable to equity shareholders		**47.4**	(81.0)
Finance income		**(0.2)**	(0.2)
Finance expense		**8.8**	9.6
Income tax expense		**8.9**	13.2
Impairment of intangible assets		**-**	150.0
Profit on share of equity accounted investee		**(0.1)**	-
Revaluation/impairment of property, plant & equipment		**16.0**	13.8
Impairment of investment in equity accounted investee		**-**	2.0
Depreciation of property, plant & equipment		**19.1**	24.6
Amortisation of intangible assets		**0.3**	0.3
Net profit on disposal of property, plant & equipment		**(0.2)**	(4.4)
Charge for equity settled share-based payments		**0.5**	0.2
Pension contributions paid less amount charged to income statement		**(11.0)**	(8.3)
		89.5	119.8
Decrease/(increase) in inventories		**4.3**	(6.3)
Decrease in trade & other receivables		**45.9**	11.9
Decrease in trade & other payables		**(8.2)**	(15.6)
Increase/(decrease) in provisions		**7.0**	(1.5)
		138.5	108.3
Interest received		**0.2**	0.2
Interest and similar costs paid		**(5.9)**	(9.3)
Income taxes paid		**(10.2)**	(12.8)
Net cash inflow from operating activities		**122.6**	86.4
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant & equipment		**(9.7)**	(21.9)
Net proceeds on disposal of property, plant & equipment		**0.5**	17.8
Acquisition of business	10	**(3.3)**	(13.6)
Acquisition of equity accounted investee(s)	10, 13	**-**	(0.5)
Net cash outflow from investing activities		**(12.5)**	(18.2)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from exercise of share options		**0.5**	1.0
Drawdown of debt		**25.0**	335.8
Repayment of debt		**(0.1)**	(337.6)
Payment of issue costs		**-**	(2.0)
Shares purchased under share buyback programme		**(76.6)**	(30.0)
Dividends paid		**(34.8)**	(29.5)
Net cash outflow from financing activities		**(86.0)**	(62.3)
Net increase in cash & cash equivalents		**24.1**	5.9
Cash & cash equivalents at beginning of year		**181.9**	162.8
Translation adjustment		**(8.7)**	13.2
Cash & cash equivalents at end of year		**197.3**	181.9

A reconciliation of cash & cash equivalents to net debt is presented in note 19 to the financial statements.

On behalf of the Board

Sir B Stewart
Chairman Group

S Glancey
Chief Executive Officer

GROUP STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 29 FEBRUARY 2016

	Equity share capital €m	Share premium €m	Capital redemption reserve €m	Capital reserve €m	Share-based payments reserve €m	Currency translation reserve €m	Revaluation reserve €m	Treasury shares €m	Retained income €m	Total €m
At 28 February 2014	3.5	115.8	0.5	24.9	7.1	27.6	3.8	(10.3)	679.2	852.1
Loss for the year attributable to equity shareholders	-	-	-	-	-	-	-	-	(81.0)	(81.0)
Other comprehensive income/(expense)	-	-	-	-	-	73.3	5.3	-	(18.3)	60.3
Total comprehensive income/(expense)	-	-	-	-	-	73.3	5.3	-	(99.3)	(20.7)
Dividend on ordinary shares	-	5.7	-	-	-	-	-	-	(35.1)	(29.4)
Exercised share options	-	1.0	-	-	-	-	-	-	-	1.0
Reclassification of share-based payments reserve	-	-	-	-	(0.9)	-	-	-	0.9	-
Joint Share Ownership Plan	-	-	-	-	-	-	-	0.5	(0.5)	-
Shares purchased under share buyback programme	-	-	-	-	-	-	-	(30.0)	-	(30.0)
Equity settled share-based payments	-	-	-	-	0.2	-	-	-	-	0.2
Total transactions with owners	-	6.7	-	-	(0.7)	-	-	(29.5)	(34.7)	(58.2)
At 28 February 2015	3.5	122.5	0.5	24.9	6.4	100.9	9.1	(39.8)	545.2	773.2
Profit for the year attributable to equity shareholders	-	-	-	-	-	-	-	-	47.4	**47.4**
Other comprehensive expense	-	-	-	-	-	(21.0)	-	-	(4.5)	**(25.5)**
Total comprehensive (expense)/income	-	-	-	-	-	(21.0)	-	-	42.9	**21.9**
Dividend on ordinary shares	-	4.8	-	-	-	-	-	-	(39.6)	**(34.8)**
Exercised share options	-	0.5	-	-	-	-	-	-	-	**0.5**
Reclassification of share-based payments reserve	-	-	-	-	(0.5)	-	-	-	0.5	**-**
Joint Share Ownership Plan	-	-	-	-	-	-	-	0.6	(0.6)	**-**
Shares purchased under share buyback programme and subsequently cancelled	(0.2)	-	0.2	-	-	-	-	-	(76.6)	**(76.6)**
Equity settled share-based payments	-	-	-	-	0.5	-	-	-	-	**0.5**
Total transactions with owners	(0.2)	5.3	0.2	-	-	-	-	0.6	(116.3)	**(110.4)**
At 29 February 2016	**3.3**	**127.8**	**0.7**	**24.9**	**6.4**	**79.9**	**9.1**	**(39.2)**	**471.8**	**684.7**

COMPANY BALANCE SHEET

AS AT 29 FEBRUARY 2016

	Notes	2016 €m	Restated 2015 €m
ASSETS			
Non-current assets			
Financial assets	13	**978.6**	978.1
Trade & other receivables	15	**1.2**	2.0
		979.8	980.1
Current assets			
Trade & other receivables	15	**238.7**	239.1
Cash & cash equivalents		**-**	-
		238.7	239.1
TOTAL ASSETS		**1,218.5**	1,219.2
EQUITY			
Equity share capital	23	**3.3**	3.5
Share premium	23	**829.7**	824.4
Other reserves	23	**6.2**	6.0
Retained income		**105.5**	221.9
Total equity		**944.7**	1,055.8
LIABILITIES			
Current liabilities			
Trade & other payables	16	**273.8**	163.4
Total liabilities		**273.8**	163.4
TOTAL EQUITY & LIABILITIES		**1,218.5**	1,219.2

On behalf of the Board

Sir B Stewart
Chairman Group

S Glancey
Chief Executive Officer

COMPANY STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 29 FEBRUARY 2016

	Equity share capital €m	Share premium €m	Capital redemption reserve €m	Share-based payments reserve €m	Retained income €m	Total €m
Company						
At 28 February 2014	3.5	817.7	0.5	6.2	70.6	898.5
Profit for the year attributable to equity shareholders	-	-	-	-	185.5	185.5
Total	-	-	-	-	185.5	185.5
Dividend on ordinary shares	-	5.7	-	-	(35.1)	(29.4)
Exercised share options	-	1.0	-	-	-	1.0
Reclassification of share-based payments reserve	-	-	-	(0.9)	0.9	-
Equity settled share-based payments	-	-	-	0.2	-	0.2
Total	-	6.7	-	(0.7)	(34.2)	(28.2)
At 28 February 2015	3.5	824.4	0.5	5.5	221.9	1,055.8
Loss for the year attributable to equity shareholders	-	-	-	-	(0.7)	**(0.7)**
Total	-	-	-	-	(0.7)	**(0.7)**
Dividend on ordinary shares	-	4.8	-	-	(39.6)	**(34.8)**
Exercised share options	-	0.5	-	-	-	**0.5**
Shares purchased under share buyback programme and subsequently cancelled	(0.2)	-	0.2	-	(76.6)	**(76.6)**
Reclassification of share-based payments reserve	-	-	-	(0.5)	0.5	**-**
Equity settled share-based payments	-	-	-	0.5	-	**0.5**
Total	(0.2)	5.3	0.2	-	(115.7)	**(110.4)**
At 29 February 2016	**3.3**	**829.7**	**0.7**	**5.5**	**105.5**	**944.7**

On behalf of the Board

Sir B Stewart
Chairman Group

S Glancey
Chief Executive Officer

STATEMENT OF ACCOUNTING POLICIES

FOR THE YEAR ENDED 29 FEBRUARY 2016

SIGNIFICANT ACCOUNTING POLICIES

C&C Group plc (the 'Company') is a company incorporated and tax resident in Ireland. The Group's financial statements for the year ended 29 February 2016 consolidate the individual financial statements of the Company and all subsidiary undertakings (together referred to as "the Group") together with the Group's share of the results and net assets of equity accounted investees for the period ended 29 February 2016.

The Company and Group financial statements, together the "financial statements", were authorised for issue by the Directors on 11 May 2016.

The accounting policies applied in the preparation of the financial statements for the year ended 29 February 2016 are set out below. These have been applied consistently for all periods presented in these financial statements and by all Group entities.

STATEMENT OF COMPLIANCE

The Group financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs), which comprise standards and interpretations approved by the International Accounting Standards Board (IASB), as adopted by the EU and as applied in accordance with Companies Acts 2014. The individual financial statements of the Company have been prepared in accordance with FRS 101 Reduced Disclosure Framework ("FRS 101") which permits a company that publishes its company and Group financial statements together to take advantage of the exemption in Section 304 of the Companies Act 2014 from presenting its individual profit and loss account and cash flow statement to the Annual General Meeting and from filing it with the Register of Companies. Following the publication of FRS 100, 'Application of financial reporting requirements', by the Financial Reporting Council, the Company elected to adopt FRS 101 in the preparation of the Company and subsidiary financial statements. This is the first year that the Company has presented financial statements complying with FRS 101. Comparative financial statements presented comply with FRS 101.

The Company's date of transition to FRS 101 is 1 March 2014. There were no adjustments to the total equity of the Company as at 1 March 2014 or 28 February 2015 and profit for the financial year ending 28 February 2015 between IFRS as previously reported and FRS 101.

In these financial statements, the Company has applied the exemptions available under FRS 101 in respect of the following disclosures:

- A cash flow statement and related notes;
- Comparative period reconciliations for share capital, tangible fixed assets and intangible assets;
- Disclosures in respect of transactions with wholly owned subsidiaries;
- Disclosures in respect of capital management;
- The effects of new but not yet effective IFRSs;
- An additional Balance Sheet for the beginning of the earliest comparative period following the transition to FRS101; and
- Disclosures in respect of Key Management Personnel.

As the consolidated financial statements of the Company include the equivalent disclosures, the Company has also taken exemptions under FRS 101 available in respect of the following disclosures:

- IFRS 2 'Share-Based Payments' in respect of group settled share-based payments;
- Certain disclosures required by IAS 36 'Impairment of Assets' in respect of the impairment of goodwill and indefinite life intangible assets;
- Certain disclosures required by IFRS 3 'Business Combinations' in respect of business combinations undertaken by the Company.

Changes in accounting policies and disclosures

IFRSs as adopted by the EU applied by the Company and Group in the preparation of these financial statements are those that were effective for accounting periods ending on or before 29 February 2016. The IASB have issued the following standards, policies, interpretations and amendments which were effective for the Group for the first time in the year ended 29 February 2016:

- Annual improvements to IFRSs 2010-2012 Cycle – various standards
- Annual improvements to IFRSs 2011-2013 Cycle – various standards
- Defined Benefit Plans: Employee Contributions (Amendments to IAS 19)

The adoption of the above annual improvements did not have a significant impact on the Group's consolidated financial statements.

New standards and interpretations not yet adopted
A number of new standards, amendments to standards and interpretations are not yet effective for the year ended 29 February 2016, and have not been applied in preparing these consolidated financial statements.

These following new standards, amendments and interpretations are either not expected to have a material impact on the consolidated financial statements once applied or are still under assessment by the Group.

Accounting standard/interpretation (Effective date^)
(a) Not expected to have a material impact on the consolidated financial statements:
- IFRS 14, 'Regulatory Deferral Accounts' (1 January 2016)
- Amendments to IFRS 10, IFRS 12 and IAS 28: Investment Entities – Applying the Consolidation (1 January 2016)
- Amendments to IAS 12: Recognition of Deferred Tax Assets for Unrealised Losses (1 January 2017)
- Amendments to IAS 7: Disclosure Initiative (1 January 2017)

(b) Subject to ongoing assessment by the Group
- IFRS 15 – *Revenue from contracts with customers** (1 January 2018 or earlier). IFRS 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognised. It replaces existing revenue recognition guidance, including IAS 18 Revenue, IAS 11 Construction Contracts and IFRIC 13 Customer Loyalty Programmes. IFRS 15 provides a new five step model to be applied to revenue arising from contracts with customers. The principles in IFRS 15 provide a more structured approach to measuring and recognising revenue, and will also result in additional disclosures in future years.
- IFRS 9 – *Financial Instruments** (1 January 2018 or earlier). IFRS 9, published in July 2014, replaces the existing guidance in IAS 39 Financial Instruments: Recognition and Measurement. IFRS 9 includes revised guidance on the classification and measurement of financial instruments, including a new expected credit loss model for calculating impairment on financial assets, and the new general hedge accounting requirements. It also carries forward the guidance on recognition and derecognition of financial instruments from IAS 39.
- IFRS 16 – *Leases** (1 January 2019 or earlier). IFRS 16, published in July 2016, eliminates the classification of leases as either operating leases or finance leases for a lessee. Leases will be capitalised by recognising the present value of the lease assets, similar to a finance lease under the existing standard.

(c) Amendments to existing standards effective for the year ending 28 February 2017
The following are amendments to existing standards and interpretations that are effective for the Group's financial year from 1 March 2016:
- Amendments to IAS 27: Equity Method in Separate Financial Statements*
- Amendments to IAS 1: Disclosure Initiative*
- Annual Improvements to IFRSs 2012–2014 Cycle*
- Amendments to IAS 16 and IAS 38: Clarification of Acceptable Methods of Depreciation and Amortisation*
- Amendments to IFRS 11: Accounting for Acquisitions of Interests in Joint Operations*
- Amendments to IAS 16 and IAS 41: Bearer Plants*
- Amendments to IAS 19: Defined Benefit Plans: Employee Contributions*
- Annual Improvements to IFRSs 2010–2012 Cycle*

* Not EU endorsed at the time of approval of financial statements
^ the effective dates relate to financial period beginning on and after those dates and are those applying to EU endorsed IFRS if later than the IASB effective dates.

The Directors do not believe that the above amendments will have a significant impact on Group reporting.

IFRSs as adopted by the EU applied by the Company and Group in the preparation of these financial statements are those that were effective for accounting periods ending on or before 29 February 2016. The accounting policies adopted are consistent with those of the previous year except for the following new and amended IFRS and IFRIC interpretations adopted by the Group and Company in these financial statements:

BASIS OF PREPARATION

The Group and the individual financial statements of the Company are prepared on the going concern and historical cost basis except for the measurement at fair value of intangible assets acquired on the acquisition of a company or business, retirement benefit obligations, the revaluation of certain items of property, plant & equipment, share options at date of grant and derivative financial instruments. The accounting policies have been applied consistently by Group entities and for all periods presented.

The financial statements are presented in Euro millions to one decimal place.

The preparation of financial statements in conformity with IFRSs as adopted by the EU requires the use of certain critical accounting estimates. In addition, it requires management to exercise judgement in the process of applying the Group and Company's accounting policies. The areas involving a high degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements relate primarily to:

- the determination of the fair value and the useful economic life of assets & liabilities, and intangible assets acquired on the acquisition of a company or business (note 10),
- the determination of carrying value of land (note 11),
- the determination of carrying value or depreciated replacement cost, useful economic life and residual values in respect of the Group's buildings, plant & machinery (note 11),
- the assessment of goodwill and intangible assets for impairment (note 12), and
- accounting for retirement benefit obligations (note 21).

These are discussed in more detail in the accounting policies and/or notes to the financial statements as referenced above. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

BASIS OF CONSOLIDATION

The Group's financial statements consolidate the financial statements of the Company and all subsidiary undertakings together with the Group's share of the results and net assets of equity accounted investees for the period ended 29 February 2016.

(i) Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

On 30 April 2004, the Group, previously headed by C&C Group International Holdings Limited, underwent a re-organisation by virtue of which C&C Group International Holdings Limited's shareholders in their entirety exchanged their shares for shares in C&C Group plc, a newly formed company, which then became the ultimate parent company of the Group. Notwithstanding the change in the legal parent of the Group, this transaction has been accounted for as a reverse acquisition and the consolidated financial statements are prepared on the basis of the new legal parent having been acquired by the existing Group except that the capital structure shown is that of the legal parent.

(ii) Investments in associates and jointly controlled entities (equity accounted investees)

The Group's interests in equity accounted investees comprise interests in associates and a joint venture.

Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies. A joint venture is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Interests in associates and joint ventures are accounted for using the equity method. They are initially recognised at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and Other Comprehensive Income of equity accounted investees, until the date on which significant influence or joint control ceases.

(iii) Transactions eliminated on consolidation
All inter-company balances and transactions, including unrealised gains arising from inter-group transactions, have been eliminated in full. Unrealised losses are eliminated in the same manner as unrealised gains except to the extent that they provide evidence of impairment.

(iv) Company Financial Statements
Investments in subsidiaries are carried at cost less provision for impairment. Dividend income is recognised when the right to receive payment is established.

REVENUE RECOGNITION
Revenue comprises the fair value of goods supplied to external customers exclusive of inter-company sales and value added tax, after allowing for discounts, rebates, allowances for customer loyalty and other pricing related allowances and incentives. Provision is made for returns where appropriate. Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group, that it can be reliably measured, and that the significant risks and rewards of ownership of the goods have passed to the buyer. This is normally deemed to occur on delivery except in the case of international customers where it is normally deemed to occur on despatch.

EXCISE DUTY
Excise duty is levied at the point of production in the case of the Group's manufactured products and at the point of importation in the case of imported products in the relevant jurisdictions in which the Group operates. As the Group's manufacturing and warehousing facilities are Revenue approved and registered excise facilities, the excise duty liability generally crystallises on transfer of product from duty in suspense to duty paid status which normally coincides with the point of sale.

NET REVENUE
Net revenue is defined by the Group as Revenue less Excise duty. Excise duties, which represent a significant proportion of Revenue, are set by external regulators over which the Group has no control and are generally passed on to the consumer, consequently the Directors consider that the disclosure of Net Revenue enhances the transparency and provides a more meaningful analysis of underlying sales performance.

EXCEPTIONAL ITEMS
The Group has adopted an accounting policy and Income Statement format that seeks to highlight significant items of income and expense within the Group results for the year. The Directors believe that this presentation provides a more helpful analysis. Such items may include significant restructuring and integration costs, significant past service and curtailment gains/costs realised under the Group's defined benefit pension schemes, profits or losses on disposal or termination of operations, litigation costs and settlements, profit or loss on disposal of investments, significant impairment of assets, acquisition related costs and unforeseen gains/losses arising on derivative financial instruments. The Directors use judgement in assessing the particular items which by virtue of their scale and nature are disclosed in the Income Statement and related notes as exceptional items.

FINANCE INCOME AND EXPENSES
Finance income comprises interest income on funds invested and gains on hedging instruments that are recognised in the Income Statement. Interest income is recognised as it accrues in the Income Statement, using the effective interest method.

Finance expenses comprise interest expense on borrowings, interest expense on sale of trade receivables, bank guarantee fees, amortisation of borrowing issue costs, changes in the fair value of financial assets or liabilities which are accounted for at fair value through the Income Statement, losses on hedging instruments that are recognised in the Income Statement, gains or losses relating to the effective portion of interest rate swaps hedging variable rate borrowings, ineffective portion of changes in the fair value of cash flow hedges, impairment losses recognised on financial assets and unwinding the discount on provisions. All borrowing costs are recognised in the Income Statement using the effective interest method.

RESEARCH AND DEVELOPMENT

Expenditure on research that is not related to specific product development is recognised in the Income Statement as incurred.

Expenditure on the development of new or substantially improved products or processes is capitalised if the product or process is technically feasible and commercially viable.

GOVERNMENT GRANTS

Grants are recognised at their fair value when there is a reasonable assurance that the grant will be received and all attaching conditions have been complied with.

Capital grants received and receivable by the Group are credited to government grants and are amortised to the Income Statement on a straight-line basis over the expected useful lives of the assets to which they relate.

Revenue grants are recognised as income over the periods necessary to match the grant on a systematic basis to the costs that it is intended to compensate.

DISCONTINUED OPERATIONS

A discontinued operation is a component of the Group's business that represents a separate major line of business, geographical area of operations or is material to Revenue, Net revenue or Operating profit and has been disposed of or is held for sale. When an operation is classified as a discontinued operation, the comparative Income Statement is restated as if the operation had been discontinued from the start of the earliest period presented.

SEGMENTAL REPORTING

Operating segments are reported in a manner consistent with the internal organisational and management structure of the Group and the internal financial information provided to the Chief Operating Decision-Maker (the executive directors comprising Stephen Glancey, Kenny Neison and Joris Brams) who is responsible for the allocation of resources and the monitoring and assessment of performance of each of the operating segments. The Group has determined that it has five reportable operating segments.

The analysis by segment includes both items directly attributable to a segment and those, including central overheads that are allocated on a reasonable basis to those segments in internal financial reporting packages.

FOREIGN CURRENCY TRANSLATION

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The consolidated financial statements are presented in Euro, which is the presentation currency of the Group and both the presentation and functional currency of the Company.

Transactions in foreign currencies are translated into the functional currency of each entity at the foreign exchange rate ruling at the date of the transaction. Non-monetary assets carried at historic cost are not subsequently retranslated. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated into functional currencies at the foreign exchange rate ruling at that date. Foreign exchange movements arising on translation are recognised in the Income Statement with the exception of all monetary items designated as a hedge of a net investment in a foreign operation, which are recognised in the consolidated financial statements in Other Comprehensive Income until the disposal of the net investment, at which time they are recognised in the Income Statement for the year.

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on consolidation, are translated to Euro at the foreign exchange rates ruling at the reporting date. The revenues and expenses of foreign operations are translated to Euro at the average exchange rate for the financial period where that represents a reasonable approximation of actual rates. Foreign exchange movements arising on translation of the net investment in a foreign operation, including those arising on long-term intra group loans for which settlement is neither planned nor likely to happen in the foreseeable future and as a consequence are deemed quasi equity in nature, are recognised directly in Other Comprehensive Income in the consolidated financial statements in the foreign currency translation reserve. The portion of exchange gains or losses on foreign currency borrowings or derivatives used to provide a hedge against a net investment in a foreign operation that is designated as a hedge of those investments, is recognised directly in Other Comprehensive Income to the extent that they are determined to be effective. The ineffective portion is recognised immediately in the Income Statement for the year.

Any movements that have arisen since 1 March 2004, the date of transition to IFRS, are recognised in the currency translation reserve and are recycled through the Income Statement on disposal of the related business. Translation differences that arose before the date of transition to IFRS as adopted by the EU in respect of all non-Euro denominated operations are not presented separately.

BUSINESS COMBINATIONS

The purchase method of accounting is employed in accounting for the acquisition of subsidiaries by the Group. The fair value of consideration for a business combination is measured as the aggregate of the fair value at the date of exchange of assets acquired and liabilities incurred or assumed in exchange for control, together with the fair value of existing equity interests in the acquired business and the recognised amount of any non-controlling interests. Costs directly attributable to the acquisition of a business as defined by IFRS 3 (2008) *Business Combinations* are expensed in the period in which the costs are incurred and the services are received. Where a business combination agreement provides for an adjustment to the consideration contingent on future events, the amount of the estimate adjustment is included in the consideration at the acquisition date to the extent that it can be reliably measured. To the extent that settlement of all or any part of the consideration for a business combination is deferred, the fair value of the deferred component is determined through discounting the amounts payable to their present value at the date of exchange. The discount component is unwound as an interest charge in the Income Statement over the life of the obligation.

Acquisitions prior to 1 March 2011

For acquisitions prior to 1 March 2011, transaction costs, other than those associated with the issue of debt or equity securities, that the Group incurred in connection with business combinations were capitalised as part of the cost of the acquisition in line with IFRS 3 (2004) *Business Combinations*.

GOODWILL

Goodwill is the excess of the fair value of the consideration paid over the fair value of the identifiable assets, liabilities and contingent liabilities in a business combination and relates to the future economic benefits arising from assets that are not capable of being individually identified and separately recognised.

As at the date of acquisition any goodwill acquired is allocated to each operating segment (which may comprise more than one cash generating unit) expected to benefit from the combination's synergies. Impairment is determined by assessing the recoverable amount of the operating segment to which the goodwill relates. These operating segments represent the lowest level within the Group at which goodwill is monitored for internal management purposes.

Where goodwill forms part of an operating segment and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured on the basis of the relative values of the operation disposed of and the proportion of the business segment retained.

INTANGIBLE ASSETS (OTHER THAN GOODWILL) ARISING ON BUSINESS COMBINATIONS

An intangible asset, which is a non-monetary asset without a physical substance, is capitalised separately from goodwill as part of a business combination at cost (fair value at date of acquisition) to the extent that it is probable that the expected future economic benefits attributable to the asset will flow to the Group and that its fair value can be reliably measured. Acquired brands and other intangible assets are deemed to be identifiable and recognised when they are controlled through contractual or other legal rights, or are separable from the rest of the business, regardless of whether those rights are transferable or separable from the Group or from other rights and obligations.

Subsequent to initial recognition, intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses. The carrying values of intangible assets considered to have an indefinite useful economic life are reviewed for indicators of impairment regularly and are subject to impairment testing on an annual basis unless events or changes in circumstances indicate that the carrying values may not be recoverable and impairment testing is required earlier.

The amortisation charge on intangible assets considered to have finite lives is calculated to write-off the book value of the asset over its useful life on a straight-line basis on the assumption of zero residual value.

PROPERTY, PLANT & EQUIPMENT

Property (comprising land and buildings) is recognised at estimated fair value with the changes in the value of the property reflected in Other Comprehensive Income, to the extent it does not reverse previously recognised losses, or as an impairment loss in the Income Statement to the extent it does not reverse previously recognised revaluation gains. The fair value is based on estimated market value at the valuation date, being the estimated amount for which a property could be exchanged in an arm's length transaction, to the extent that an active market exists. Such valuations are determined based on benchmarking against comparable transactions for similar properties in similar locations as those of the Group or on the use of valuation techniques including the use of market yields on comparable properties. If no active market exists or there are no other observable comparative transactions, the fair value may be determined using a valuation technique known as a Depreciated Replacement Cost approach.

Plant & machinery is carried at its revalued amount. In view of the specialised nature of the Group's plant & machinery and the lack of comparable market-based evidence of similar plant sold, upon which to base a market approach of fair value, the Group uses a Depreciated Replacement Cost approach to determine a fair value for such assets.

Depreciated Replacement Cost is assessed, firstly, by the identification of the gross replacement cost for each class of plant & machinery. A depreciation factor derived from both the physical and functional obsolescence of each class of asset, taking into account estimated residual values at the end of the life of each class of asset, is then applied to the gross replacement cost to determine the net replacement cost. An economic obsolescence factor, which is derived based on current and anticipated capacity or utilisation of each class of plant & machinery as a function of total available production capacity, is applied to determine the Depreciated Replacement Cost.

Motor vehicles & other equipment are stated at cost less accumulated depreciation and impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. When parts of an item of property, plant & equipment have different useful lives, they are accounted for as separate items (major components) of property, plant & equipment. Subsequent costs are included in an asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group.

Property, plant & equipment, other than freehold land and assets under construction, which are not depreciated, were depreciated using the following rates which are calculated to write-off the value of the asset, less the estimated residual value, over its expected useful life:

Land and Buildings	
Land	n/a
Buildings - ROI, US, Portugal, Wallaces Express	2% straight-line
Buildings – UK (excluding Wallaces Express)	2% reducing balance

Plant and Machinery	
Storage tanks	10% reducing balance
Other plant & machinery	15-30% reducing balance

Motor vehicles and other equipment	
Motor vehicles	15% straight-line
Other equipment incl returnable bottles, cases and kegs	5-25% straight-line

The residual value and useful lives of property, plant & equipment are reviewed and adjusted if appropriate at each reporting date to take account of any changes that could affect prospective depreciation charges and asset carrying values. When determining useful economic lives, the principal factors the Group takes into account are the intensity at which the assets are expected to be used, expected requirements for the equipment and technological developments.

On disposal of property, plant & equipment the cost or valuation and related accumulated depreciation and impairments are removed from the Balance Sheet and the net amount, less any proceeds, is taken to the Income Statement and any amounts included within the revaluation reserve transferred to the retained income reserve.

The carrying amounts of the Group's property, plant & equipment are reviewed at each balance sheet date to determine whether there is any indication of impairment. An impairment loss is recognised when the carrying amount of an asset or its cash generation unit exceeds its recoverable amount (being the greater of fair value less costs to sell and value in use). Impairment losses are debited directly to equity under the heading of revaluation reserve to the extent of any credit balance existing in the revaluation reserve account in respect of that asset with the remaining balance recognised in the Income Statement.

A revaluation surplus is credited directly to Other Comprehensive Income and accumulated in equity under the heading of revaluation reserve, unless it reverses a revaluation decrease on the same asset previously recognised as an expense, where it is first credited to the Income Statement to the extent of the previous write down.

INVENTORIES

Inventories are stated at the lower of cost and net realisable value. Cost includes all expenditure incurred in acquiring the inventories and bringing them to their present location and condition and is based on the first-in first-out principle.

In the case of finished goods and work in progress, cost includes direct production costs and the appropriate share of production overheads plus excise duties, where appropriate. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to complete the sale.

Provision is made for slow-moving or obsolete stock where appropriate.

PROVISIONS

A provision is recognised in the Balance Sheet when the Group has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are measured at the Directors' best estimate of the expenditure required to settle the obligation at the balance sheet date and are discounted to present value at an appropriate rate if the effect of the time value of money is deemed material. The carrying amount of the provision increases in each period to reflect the passage of time and the unwinding of the discount. The increase in the provision due to the passage of time is recognised in the Income Statement within finance expense.

A contingent liability is not recognised but is disclosed where the existence of the obligation will only be confirmed by future events or where it is not probable that an outflow of resources will be required to settle the obligation or where the amount of the obligation cannot be measured with reasonable reliability. Contingent assets are not recognised but are disclosed where an inflow of economic benefits is probable. Provisions are not recognised for future operating losses, however, provisions are recognised for onerous contracts where the unavoidable cost exceeds the expected benefit.

Due to the inherent uncertainty with respect to such matters, the value of each provision is based on the best information available at the time, including advice obtained from third party experts, and is reviewed by the Directors on a periodic basis with the potential financial exposure reassessed. Revisions to the valuation of a provision are recognised in the period in which such a determination is made and such revisions could have a material impact on the financial performance of the Group.

LEASES

Where the Group has entered into lease arrangements on land & buildings the lease payments are allocated between land & buildings and each component is assessed separately to determine whether it is a finance or operating lease.

Finance leases, which transfer to the Group substantially all the risks and rewards of ownership of the leased asset, are recognised in property, plant & equipment at the inception of the lease at the fair value of the leased asset or, if lower, the present value of the minimum lease payments. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation. Lease payments are apportioned between finance charges and a reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged to the Income Statement as part of finance expense.

Leases where the lessor retains substantially all the risks and benefits of ownership of the assets are classified as operating leases. Operating lease payments are recognised as an expense in the Income Statement on a straight-line basis over the lease term.

RETIREMENT BENEFIT OBLIGATIONS

The Group operates a number of defined contribution and defined benefit pension schemes.

Obligations to the defined contribution pension schemes are recognised as an expense in the Income Statement as the related employee service is received. Under these schemes, the Group has no obligation, either legal or constructive, to pay further contributions in the event that the fund does not hold sufficient assets to meet its benefit commitments.

The liabilities and costs associated with the Group's defined benefit pension schemes, all of which are funded and administered under trusts which are separate from the Group, are assessed on the basis of the projected unit credit method by professionally qualified actuaries and are arrived at using actuarial assumptions based on market expectations at the reporting date. The discount rates employed in determining the present value of the schemes' liabilities are determined by reference to market yields, at the reporting date, on high-quality corporate bonds of a currency and term consistent with the currency and term of the associated post-employment benefit obligations. The fair value of scheme assets is based on market price information, measured at bid value for publicly quoted securities.

The resultant defined benefit pension net surplus or deficit is shown within either current liabilities, non-current assets or non-current liabilities on the face of the Group Balance Sheet and comprises the total for each plan of the present value of the defined benefit obligation less the fair value of plan assets out of which the obligations are to be settled directly. The assumptions (disclosed in note 21) underlying these valuations are updated at each reporting period date based on current economic conditions and expectations (discount rates, salary inflation and mortality rates) and reflect any changes to the terms and conditions of the post retirement pension plans. The deferred tax liabilities and assets arising on pension scheme surpluses and deficits are disclosed separately within deferred tax assets or liabilities, as appropriate.

When the benefits of a defined benefit scheme are improved, the portion of the increased benefit relating to the past service of employees is recognised as an expense immediately in the Income Statement.

The expected increase in the present value of scheme liabilities arising from employee service in the current period is recognised in arriving at operating profit or loss together with the net interest expense/(income) on the net defined benefit liability/(asset). Differences between the actual return on plan assets and the interest income, experience gains and losses on scheme liabilities, together with the effect of changes in the current or prior assumptions underlying the liabilities are recognised in Other Comprehensive Income. The amounts recognised in the Income Statement and Statement of Other Comprehensive Income and the valuation of the defined benefit pension net surplus or deficit are sensitive to the assumptions used. While management believe that the assumptions used are appropriate, differences in actual experience or changes in assumptions may affect the valuation of retirement benefit obligations and expenses recognised in future accounting periods.

Company

The Company has no direct employees and is not the sponsoring employer for any of the Group's defined benefit pension schemes. There is no stated policy within the Group in relation to the obligations of Group companies to contribute to scheme deficits. Group companies make contributions to the schemes as requested by the sponsoring employers.

SHARE-BASED PAYMENTS

The Group operates a number of Share Option Schemes, Performance Share Plans and cash settled award schemes, listed below:-

- Executive Share Option Scheme (the 'ESOS'),
- Long-Term Incentive Plan (Part I) (the 'LTIP (Part I)'),
- Joint Share Ownership Plan (the 'JSOP'),
- Restricted Share Award Scheme,
- Recruitment and Retention Plan,
- Long-term Incentive Plan (Part II) (the 'LTIP (Part II)'), and
- Partnership and Matching Share Schemes.

Equity settled share-based payment transactions

Group share schemes allow certain employees to acquire shares in the Company. The fair value of share entitlements granted is recognised as an employee expense in the Income Statement with a corresponding increase in equity, while the cost of acquiring shares on the open market to satisfy the Group's obligations under the Partnership and Matching Share Schemes is recognised in the Income Statement as incurred.

To date, share options granted by the Company under the ESOS and share entitlements (represented by nominal cost options) granted under the LTIP (Part II) are subject to non-market vesting conditions only.

An element of the share entitlements (represented by nominal-cost options) granted by the Company under the LTIP (Part I), the Recruitment and Retention Plan and the Restricted Share Award Scheme and some of the Interests granted under the Joint Share Ownership Plan are subject to market vesting conditions with or without non-market vesting conditions whilst the remainder are subject to non-market vesting conditions only, the details of which are set out in note 4. Market conditions are incorporated into the calculation of fair value of share/Interest entitlements as at the grant date. Non-market vesting conditions are not taken into account when estimating such fair value.

The expense for the share entitlements shown in the Income Statement is based on the fair value of the total number of entitlements expected to vest and is allocated to accounting periods on a straight-line basis over the vesting period. The cumulative charge to the Income Statement at each reporting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. It is reversed only where entitlements do not vest because all non-market performance conditions have not been met or where an employee in receipt of share entitlements leaves the Group before the end of the vesting period and forfeits those options in consequence. Awards with market based performance conditions are treated as vesting irrespective of whether or not the market condition is satisfied, provided that all other performance and/or service conditions are satisfied. No reversal is recorded for failure to vest as a result of market conditions not being met.

The proceeds received by the Company net of any directly attributable transaction costs on the vesting of share entitlements met by the issue of new shares are credited to share capital and share premium when the share entitlements are exercised. Amounts included in the share-based payments reserve are transferred to retained income when vested options are exercised, forfeited post vesting or lapse.

The dilutive effect of outstanding options, to the extent that they are to be settled by the issue of new shares and to the extent that the vesting conditions would have been satisfied if the end of the reporting period was the end of the contingency period, is reflected as additional share dilution in the determination of diluted earnings per share.

Cash settled share-based payment transactions

The fair value of the amount payable to employees in respect of share appreciation rights that are settled in cash is recognised as an expense in the Income Statement with a corresponding increase in liabilities, over the period that the employees become unconditionally entitled to the payment. The liability is re-measured at each reporting date and at settlement date based on the fair value of the share appreciation rights. Any changes are recognised as an employee benefit expense in the Income Statement.

INCOME TAX

Current tax expense represents the expected tax amount to be paid in respect of taxable income for the current year and is based on reported profit and the expected statutory tax rates, reliefs and allowances applicable in the jurisdictions in which the Group operates. Current tax for the current and prior years, to the extent that it is unpaid, is recognised as a liability in the Balance Sheet.

Deferred tax is provided on the basis of the Balance Sheet liability method on all temporary differences at the reporting date. Temporary differences are defined as the difference between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets and liabilities are not subject to discounting and are measured at the tax rates that are expected to apply in the period in which the asset is recovered or the liability is settled based on tax rates and tax laws that have been enacted or substantively enacted at the balance sheet date.

Deferred tax assets and liabilities are recognised for all temporary differences except where they arise from:-

- the initial recognition of goodwill or the initial recognition of an asset or a liability in a transaction that is not a business combination and affects neither the accounting profit or loss nor the taxable profit or loss at the time of the transaction, or,
- temporary differences associated with investments in subsidiaries where the timing of the reversal of the temporary difference is subject to the Group's control and it is probable that a reversal will not be recognised in the foreseeable future.

Deferred tax assets in respect of deductible temporary differences are recognised only to the extent that it is probable that taxable profits or taxable temporary differences will be available against which to offset these items. The recognition or non-recognition of deferred tax assets as appropriate also requires judgement as it involves an assessment of the future recoverability of those assets. The recognition of deferred tax assets is based on management's judgement and estimate of the most probable amount of future taxable profits and taking into consideration applicable tax legislation in the relevant jurisdiction. The carrying amounts of deferred tax assets are subject to review at each reporting date and are reduced to the extent that future taxable profits are considered to be insufficient to allow all or part of the deferred tax asset to be utilised.

Deferred tax and current tax are recognised as a component of the tax expense in the Income Statement except to the extent that they relate to items recognised directly in Other Comprehensive Income or equity (for example, certain derivative financial instruments and actuarial gains and losses on defined benefit pension schemes), in which case the related tax is also recognised in Other Comprehensive Income or equity.

The Group is subject to income tax in a number of jurisdictions, and judgement is required in determining the worldwide provision for taxes. There are many transactions and calculations during the ordinary course of business, for which the ultimate tax determination is uncertain and the complexity of the tax treatment may be such that the final tax charge may not be determined until a formal resolution has been reached with the relevant tax authority which may take extended time periods to conclude. The ultimate tax charge may, therefore be different from that which initially is reflected in the Group's consolidated tax charge and provision and any such differences could have a material impact on the Group's income tax charge and consequently financial performance. The determination of the provision for income tax is based on management's understanding of the relevant tax law and judgement as to the appropriate tax charge, and management believe that all assumptions and estimates used are reasonable and reflective of the tax legislation in jurisdictions in which the Group operates. Where the final tax charge is different from the amounts that were initially recorded, such differences are recognised in the income tax provision in the period in which such determination is made.

FINANCIAL INSTRUMENTS

Trade & other receivables

Trade receivables are initially recognised at fair value (which usually equals the original invoice value) and are subsequently measured at amortised cost. A provision for impairment of trade receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows. Movements in provisions are recognised in the Income Statement. Bad debts are written-off against the provision when no further prospect of collection exists.

Cash & cash equivalents

Cash & cash equivalents in the Balance Sheet comprise cash at bank and in hand and short term deposits with an original maturity of three months or less. Bank overdrafts that are repayable on demand and form part of the Group's cash management are included as a component of cash & cash equivalents for the purpose of the statement of cash flows.

Advances to customers

Advances to customers, which can be categorised as either an advance of discount or a repayment/annuity loan conditional on the achievement of contractual sales targets, are initially recognised at fair value, amortised to the Income Statement (and classified within sales discounts as a reduction in revenue) over the relevant period to which the customer commitment is made, and subsequently carried at amortised cost less an impairment allowance. Where there is a volume target the amortisation of the advance is included in sales discounts as a reduction to revenue. A provision for impairment is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the agreement with the customer. The amount of the provision is determined by the difference between the asset's carrying amount and the present value of the estimated future cash flows or recognition of the estimated amortisation of advances.

Trade & other payables

Trade & other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest rate method, unless the maturity date is less than six months.

Interest-bearing loans & borrowings

Interest-bearing loans & borrowings are recognised initially at fair value less attributable transaction costs and are subsequently measured at amortised cost with any difference between the amount originally recognised and redemption value being recognised in the Income Statement over the period of the borrowings on an effective interest rate basis. Where the early refinancing of a loan results in a significant change in the present value of the expected cash flows, the original loan is de-recognised and the replacement loan is recognised at fair value.

Derivative financial instruments

The Group uses derivative financial instruments (principally interest rate swaps and forward foreign exchange contracts) to hedge its exposure to interest rate and foreign exchange risks arising from operational and financing activities. The Group does not enter into speculative transactions.

Derivative financial instruments are measured at fair value at each reporting date. The fair value of interest rate swaps is the estimated amount that the Group would receive or pay to terminate the swap at the reporting date, taking into account current market interest and currency exchange rates where relevant and the current creditworthiness of the swap counterparties. The fair value of forward exchange contracts is calculated by reference to current forward exchange rates for contracts with similar maturity and credit profiles and equates to the market price at the balance sheet date.

Gains or losses on re-measurement to fair value are recognised immediately in the Income Statement except where derivatives are designated and qualify for cashflow hedge accounting in which case recognition of any resultant gain or loss is recognised through Other Comprehensive Income.

Derivative financial instruments entered into by the Group are for the purposes of hedge accounting classified as cash flow hedges which hedge exposure to fluctuations in future cash flows derived from a particular risk associated with a recognised asset, liability, a firm commitment or a highly probable forecast transaction.

The Group documents at the inception of the transaction the relationship between hedging instruments and hedged items, as well as its risk management objectives and strategy for undertaking various hedging transactions. The Group also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in fair values or cash flows of hedged items.

Where a derivative financial instrument is designated as a hedge of the variability in cash flows of a recognised liability, a firm commitment or a highly probable forecasted transaction, the effective part of any gain or loss on the derivative financial instrument is recognised as a separate component of Other Comprehensive Income with the ineffective portion being reported in the Income Statement. The associated gains or losses that had previously been recognised in Other Comprehensive Income are transferred to the Income Statement contemporaneously with the materialisation of the hedged transaction, except when a firm commitment or forecast transaction results in the recognition of a non-financial asset or a non-financial liability, in which case the cumulative gain or loss is removed from Other Comprehensive Income and included in the initial measurement of the asset or liability.

Hedge accounting is discontinued when the hedging instrument expires or is sold, is terminated or exercised, or no longer qualifies for hedge accounting. For situations where the hedging instrument no longer qualifies for hedge accounting, the cumulative gain or loss on the hedging instrument that remains recognised directly in equity from the period when the hedge was effective shall remain separately recognised in equity until the expected forecast transaction occurs. If a hedged transaction is no longer expected to occur, the net cumulative gain or loss recognised in Other Comprehensive Income is transferred to the Income Statement in the period.

Net investment hedging
Any gain or loss on the effective portion of a hedge of a net investment in a foreign operation using a foreign currency denominated monetary liability is recognised in Other Comprehensive Income while the gain or loss on the ineffective portion is recognised immediately in the Income Statement. Cumulative gains and losses remain in Other Comprehensive Income until disposal of the net investment in the foreign operation at which point the related differences are transferred to the Income Statement as part of the overall gain or loss on disposal.

SHARE CAPITAL/PREMIUM
Ordinary shares are classified as equity instruments. Incremental costs directly attributable to the issuance of new shares are shown in equity as a deduction from the gross proceeds.

Treasury shares
Equity share capital issued under its Joint Share Ownership Plan, which is held in trust by an Employee Trust is classified as treasury shares on consolidation until such time as the Interests vest and the participants acquire the shares from the Trust or the Interests lapse and the shares are cancelled or disposed of by the Trust.

Own shares acquired under share buyback programme
The cost of ordinary shares purchased by a subsidiary of the Group on the open market is recorded as a deduction from equity on the face of the Group Balance Sheet. When these shares are cancelled, an amount equal to the nominal value of any shares cancelled is included within the capital redemption reserve fund and the cost is deducted from retained earnings.

Dividends
Final dividends on ordinary shares are recognised as a liability in the financial statements only after they have been approved at an annual general meeting of the Company. Interim dividends on ordinary shares are recognised when they are paid.

COMPANY FINANCIAL ASSETS
The change in legal parent of the Group on 30 April 2004, as disclosed in detail in that year's annual report, was accounted for as a reverse acquisition. This transaction gave rise to a financial asset in the Company's accounts, which relates to the fair value at that date of its investment in subsidiaries. Financial assets are reviewed for impairment if there are any indications that the carrying value may not be recoverable.

Share options granted to employees of subsidiary companies are accounted for as an increase in the carrying value of the investment in subsidiaries and the share-based payment reserve.

1. SEGMENTAL REPORTING

The Group's business activity is the manufacturing, marketing and distribution of alcoholic and soft drinks. Five operating segments have been identified in the current period; Ireland, Scotland, C&C Brands, North America and Export.

The Group continually reviews and updates the manner in which it monitors and controls its financial operations resulting in changes in the manner in which information is classified and reported to the Chief Operating Decision Maker ("CODM"). The CODM, identified as the executive Directors comprising Stephen Glancey, Kenny Neison and Joris Brams, assesses and monitors the operating results of segments separately via internal management reports in order to effectively manage the business and allocate resources.

The identified business segments are as follows:-

(i) Ireland
This segment includes the financial results from sale of own branded products in the Island of Ireland, principally Bulmers, Tennent's, Magners, Clonmel 1650, Heverlee, Caledonia Smooth, Roundstone Irish Ale, Finches and Tipperary Water. It also includes the financial results from beer and wines and spirits distribution and wholesaling following the acquisition of Gleeson, and the results from sale of third party brands as permitted under the terms of a distribution agreement with AB InBev.

(ii) Scotland
This segment includes the results from sale of the Group's own branded products in Scotland, with Tennent's, Heverlee, Caledonia Best and Magners the principal brands. It also includes the financial results from third party brand distribution and wholesaling in Scotland following the acquisition of the Wallaces Express wholesale business.

(iii) C&C Brands
This segment includes the results from sale of the Group's own branded products in England & Wales, principally Magners, Tennent's, Chaplin & Cork's and K Cider. It also includes the distribution of the Italian lager Menabrea and the production and distribution of private label cider products in England & Wales.

(iv) North America
This segment includes the results from sale of the Group's cider and beer products, principally Woodchuck, Magners, Blackthorn, Hornsby's and Tennent's in the United States and Canada.

(v) Export
This segment includes the sale and distribution of the Group's own branded products, principally Magners, Gaymers, Blackthorn, Hornsby's and Tennent's outside of Ireland, Scotland, England & Wales and North America. It also includes the sale of some third party brands.

The analysis by segment includes both items directly attributable to a segment and those, including central overheads, which are allocated on a reasonable basis in presenting information to the CODM.

Inter-segmental revenue is not material and thus not subject to separate disclosure.

(a) Reporting segment disclosures

	2016 Revenue €m	2016 Net revenue €m	2016 Operating profit €m	2015 Revenue €m	2015 Net revenue €m	2015 Operating profit €m
Ireland	**358.1**	**261.6**	**49.0**	403.2	286.9	59.1
Scotland	**339.8**	**227.4**	**37.9**	332.2	223.6	39.2
C&C Brands	**177.0**	**103.8**	**10.5**	182.0	107.0	10.4
North America	**47.5**	**45.3**	**0.6**	47.5	45.3	1.5
Export	**24.5**	**24.5**	**5.2**	21.6	21.1	4.8
Total before exceptional items	**946.9**	**662.6**	**103.2**	986.5	683.9	115.0
Exceptional items (note 5)	**-**	**-**	**(38.4)***	-	-	(173.4)**
Total	**946.9**	**662.6**	**64.8**	986.5	683.9	(58.4)

* Of the exceptional loss in the current year, €12.9m relates to Ireland, €4.5m relates to Scotland, €19.7m relates to C&C Brands, €1.1m relates to North America and €0.2m relates to Export.
** Of the exceptional loss in the prior year, €1.7m relates to Ireland, €5.8m relates to Scotland, €13.3m relates to C&C Brands, €151.7m relates to North America and €0.9m remains unallocated.

Total assets for the period ended 29 February 2016 amounted to €1,267.1m (2015: €1,350.5m).

(b) Other operating segment information

	2016 Capital expenditure €m	2016 Depreciation /amortisation /impairment €m	2015 Capital expenditure €m	2015 Depreciation /amortisation /impairment €m
Ireland	**6.0**	**7.5**	5.3	7.7
Scotland	**1.7**	**6.7**	7.5	9.5
C&C Brands	**0.2**	**2.7**	2.4	9.2
North America	**0.4**	**2.0**	6.6	151.3
Export	**0.5**	**0.5**	0.7	0.5
Total	**8.8**	**19.4**	22.5	178.2

(c) Geographical analysis of revenue and net revenue

	Revenue		Net revenue	
	2016	2015	2016	2015
	€m	€m	€m	€m
Ireland	**358.1**	403.2	**261.6**	286.9
Scotland	**339.8**	332.2	**227.4**	223.6
England and Wales*	**177.0**	182.0	**103.8**	107.0
US and Canada**	**47.5**	47.5	**45.3**	45.3
Other***	**24.5**	21.6	**24.5**	21.1
Total	**946.9**	986.5	**662.6**	683.9

* England and Wales reflects the C&C Brands segment.
** US and Canada reflects the North America segment.
***Other reflects the Export segment, being all other geographical locations excluding Ireland, Scotland, England, Wales, the US and Canada.

The geographical analysis of revenue and net revenue is based on the location of the third party customers.

(d) Geographical analysis of non-current assets

	Ireland	Scotland	England and Wales*	US and Canada**	Other***	Total
	€m	€m	€m	€m	€m	€m
29 February 2016						
Property, plant & equipment	**60.3**	**67.1**	**16.1**	**30.8**	**5.7**	**180.0**
Goodwill & intangible assets	**156.2**	**135.6**	**189.2**	**147.1**	**16.0**	**644.1**
Equity accounted investees	**-**	**0.3**	**-**	**-**	**-**	**0.3**
Retirement benefit obligations	**4.7**	**-**	**-**	**-**	**-**	**4.7**
Deferred tax assets	**4.4**	**-**	**-**	**-**	**-**	**4.4**
Trade & other receivables	**15.0**	**29.7**	**1.3**	**-**	**-**	**46.0**
Total	**240.6**	**232.7**	**206.6**	**177.9**	**21.7**	**879.5**

	Ireland	Scotland	England and Wales*	US and Canada**	Other***	Total
	€m	€m	€m	€m	€m	€m
28 February 2015						
Property, plant & equipment	64.8	77.4	39.3	31.6	5.8	218.9
Goodwill & intangible assets	156.3	145.1	191.3	143.5	16.0	652.2
Equity accounted investees	-	0.9	-	-	-	0.9
Retirement benefit obligations	3.7	-	-	-	-	3.7
Deferred tax assets	5.0	-	-	-	-	5.0
Trade & other receivables	14.9	29.9	1.4	-	-	46.2
Total	244.7	253.3	232.0	175.1	21.8	926.9

* England and Wales reflects the C&C Brands segment.
** US and Canada reflects the North America segment.
***Other reflects the Export segment, being all other geographical locations excluding Ireland, Scotland, England, Wales, the US and Canada.

The geographical analysis of non-current assets, with the exception of Goodwill & intangible assets, is based on the geographical location of the assets. The geographical analysis of Goodwill & intangible assets is allocated based on the country of destination of sales at date of application of IFRS 8 *Operating Segments* or date of acquisition, if later.

2. OPERATING COSTS

	2016 Before exceptional items €m	2016 Exceptional items (note 5) €m	2016 Total €m	2015 Before exceptional items €m	2015 Exceptional items (note 5) €m	2015 Total €m
Raw material cost of goods sold/bought in finished goods	**335.7**	**-**	**335.7**	342.3	-	342.3
Inventory write-down/(recovered) (note 14)	**3.8**	**-**	**3.8**	4.3	(0.3)	4.0
Employee remuneration (note 3)	**85.2**	**14.5**	**99.7**	84.9	2.8	87.7
Direct brand marketing	**34.6**	**-**	**34.6**	32.8	-	32.8
Other operating, selling and administration costs	**65.8**	**7.9**	**73.7**	72.1	7.9	80.0
Depreciation (note 11)	**19.1**	**-**	**19.1**	24.6	-	24.6
Amortisation (note 12)	**0.3**	**-**	**0.3**	0.3	-	0.3
Net profit on disposal of property, plant & equipment	**(0.2)**	**-**	**(0.2)**	(3.6)	(0.8)	(4.4)
Research and development costs	**0.1**	**-**	**0.1**	0.3	-	0.3
Auditors remuneration (note a)	**0.7**	**-**	**0.7**	0.6	-	0.6
Impairment of intangible assets (note 12)	**-**	**-**	**-**	-	150.0	150.0
Revaluation/impairment of property, plant & machinery (note 11)	**-**	**16.0**	**16.0**	-	13.8	13.8
Operating lease rentals:						
- land & buildings	**5.8**	**-**	**5.8**	5.7	-	5.7
- plant & machinery	**1.0**	**-**	**1.0**	0.9	-	0.9
- other	**7.5**	**-**	**7.5**	3.7	-	3.7
Total operating expenses	**559.4**	**38.4**	**597.8**	568.9	173.4	742.3

(a) Auditor remuneration: The remuneration of the Group's statutory auditor, being the Irish firm of the principal auditor of the Group, KPMG, Chartered Accountants is as follows:-

	2016 €m	2015 €m
Audit of the Group financial statements	**0.4**	0.4
Tax advisory services	**0.3**	0.2
Total	**0.7**	0.6

The audit fee for the audit of the financial statements of the Company was less than €0.1m in the current and prior financial year.

3. EMPLOYEE NUMBERS & REMUNERATION COSTS

The average number of persons employed by the Group (including executive Directors) during the year, analysed by category, was as follows:-

	2016 Number	2015 Number
Sales & marketing	**385**	391
Production & distribution	**1,090**	1,150
Administration	**260**	264
Total	**1,735**	1,805

The actual number of persons employed by the Group as at 29 February 2016 was 1,483 (28 February 2015: 1,771).

The aggregate remuneration costs of these employees can be analysed as follows:-

	2016 €m	2015 €m
Wages, salaries and other short-term employee benefits	**77.7**	74.0
Restructuring costs (note 5)	**14.5**	2.8
Social welfare costs	**7.3**	8.1
Retirement benefit obligations – defined benefit schemes (note 21)	**(4.5)**	(1.9)
Retirement benefit obligations – defined contribution schemes, including pension related expenses	**4.1**	4.7
Equity settled share-based payments (note 4)	**0.5**	0.2
Cash settled share-based payments (note 4)	**(0.1)**	(0.3)
Partnership & matching share schemes (note 4)	**0.2**	0.1
Charged to the Income Statement	**99.7**	87.7
Actuarial loss on retirement benefit obligations recognised in Other Comprehensive Income (note 21)	**5.1**	20.7
Total employee benefits	**104.8**	108.4

4. SHARE-BASED PAYMENTS

Equity settled awards

In April 2004, the Group established an equity settled **Executive Share Option Scheme (ESOS)** under which options to purchase shares in C&C Group plc are granted to certain executive Directors and members of management. Under the terms of the scheme, the options are exercisable at the market price prevailing at the date of the grant of the option. The maximum grant that can normally be made to any individual in any one year is an award of 150% of base salary in that year. Options have been granted under this scheme in each year since 2004.

Under this scheme, options will not normally be exercisable until three years after the date of grant. In addition to continued employment, the options are subject to meeting a specific performance target relating to growth in earnings per share (EPS). EPS is calculated using earnings per share before exceptional items, as disclosed in the financial statements of the Group, subject to any further adjustments approved by the Remuneration Committee. For all awards pre the current financial year the performance target requires that the Group's aggregate EPS in the three financial years to be not less than the aggregate that would have been achieved had base-year EPS grown by 5% per annum in excess of the change in the Irish Consumer Price Index (Irish CPI) during the period, in order for options to vest. If after the relevant three year period (i.e. 3 years from date of grant) the performance target is not met, the options lapse. For awards in the current financial year the performance target requires that if adjusted EPS growth is 3% per annum over the performance period, 50% of the awards vest and if adjusted EPS growth is 6% per annum or more over the performance period (i.e. 3 years from date of grant), the award vests in full. There will be straight-line vesting between both points and no reward for below threshold performance. If after the relevant three year period (i.e. 3 years from date of grant) the performance target is not met, the options lapse. In the current financial year the performance target options awarded in June 2014 were deemed to be not capable of achieving their performance targets and consequently they were deemed to have lapsed in accordance with IFRS 2 *Share-Based Payment*.

In April 2004, the Group established a **Long-Term Incentive Plan (Part I) (LTIP (Part I))** under the terms of which options to purchase shares in C&C Group plc are granted at nominal cost to certain executive Directors and members of management. Under this plan, awards of up to 100% of base salary may normally be granted and up to 200% of base salary in exceptional circumstances. The options will not normally be exercisable until three years after the date of grant.

Options under this scheme were granted in January 2006, in June of each year from 2006 through to 2008 and in each year since 2011. In the current financial year the options granted in June 2014 were deemed to be not capable of achieving their performance targets and consequently they were deemed to have lapsed in accordance with IFRS 2 *Share-Based Payment*.

In addition to the time and continued employment vesting conditions, the Remuneration Committee has adopted performance conditions for the options awarded: (i) during each year from 2011 to 2013; and (ii) during 2014 and 2015; as follows:-

2011- 2013

- With regard to 50% of the award, a performance condition relating to total shareholder return ("TSR") applies and achievement of a financial underpin as mentioned below. 30% of this part of the award vests if the Group's TSR over a three year period equals the median TSR of a comparator group; 100% of this part of the award vests if the Group's TSR over a three year period equals or exceeds the TSR of the upper quartile of the comparator group; for performance between the median and the upper quartile there is straight-line pro-rating between 30% and 100%. None of this part of the award vests if the Group's TSR over a three year period is less than the median TSR of a comparator group. In respect of the TSR condition, a financial underpin applies; the growth in the Group's earnings per share (EPS) over the three year period must be 5% or more per annum in real terms (compared with Irish CPI) over the same period; alternatively the Remuneration Committee must be satisfied that the Group's underlying financial performance warrants that level of vesting; otherwise the award lapses. EPS is calculated using earnings per share before exceptional items, as disclosed in the financial statements of the Group, subject to any further adjustments approved by the Remuneration Committee.
- With regard to the remaining 50% of the award, a performance condition relating to growth in EPS applies. 30% of this part of the award vests if the Group's aggregate EPS in a three year period achieves 4% per annum compound growth in real terms (compared with Irish CPI). 100% of this part of the award vests if the Group's aggregate EPS in a three year period achieves 10% per annum compound growth in real terms. There is straight-line pro-rating between 30% and 100% vesting for performance between 4% and 10% per annum compound real growth. None of this part of the award vests if the real growth in the Group's aggregate EPS in a three year period is less than 4% per annum.

2014-2015

- With regard to 25% of the award, a performance condition relating to total shareholder return ("TSR") applies and achievement of a financial underpin as mentioned below. 30% of this part of the award vests if the Group's TSR over a three year period equals the median TSR of a comparator group; 100% of this part of the award vests if the Group's TSR over a three year period equals or exceeds the TSR of the upper quartile of the comparator group; for performance between the median and the upper quartile there is straight-line pro-rating between 30% and 100%. None of this part of the award vests if the Group's TSR over a three year period is less than the median TSR of a comparator group. In respect of the TSR condition, a financial underpin applies; the growth in the Group's earnings per share (EPS) over the three year period must be 4% or more per annum over the same period; alternatively the Remuneration Committee must be satisfied that the Group's underlying financial performance warrants that level of vesting; otherwise the award lapses. EPS is calculated using earnings per share before exceptional items, as disclosed in the financial statements of the Group, subject to any further adjustments approved by the Remuneration Committee.
- With regard to the remaining 75% of the award, a performance condition relating to growth in EPS applies. 30% of this part of the award vests if the Group's aggregate EPS in a three year period achieves 4% per annum compound growth. 100% of this part of the award vests if the Group's aggregate EPS in a three year period achieves 10% per annum compound growth. There is straight-line pro-rating between 30% and 100% vesting for performance between 4% and 10% per annum compound growth. None of this part of the award vests if the growth in the Group's aggregate EPS in a three year period is less than 4% per annum.

In December 2008, the Group established a **Joint Share Ownership Plan (JSOP)** whereby certain executive Directors and members of management were eligible to participate in the Plan at the discretion of the Remuneration Committee. Under this plan, Interests in the form of a restricted Interest in ordinary shares in the Company were awarded to executive Directors and key members of senior management on payment upfront to the Company of an amount equal to 10% of the initial issue price of the shares on the acquisition of the Interest. The participants are also required to pay a further amount if the tax value of their Interest exceeds the price paid. When the further amount is paid, the Company compensates the participant for the obligation to pay this further amount by paying him an equivalent amount, which is, however, subject to income tax in the hands of the participant.

The vesting of Interests granted were subject to the following conditions. All of the Interests were subject to a time and service vesting condition with one-third of the Interest in the shares vesting on each of the first, second and third anniversary of acquisition, subject to continued employment only. In addition, half of the Interests in the shares were subject to a pre-vesting share price target. In order to benefit from those Interests the Company's share price must have been greater than €2.50 for 13,800,000 of the Interests initially awarded, and €4.00 for an additional 2,200,000 of the Interests initially awarded, for at least 20 days out of 40 consecutive dealing days during the five-year period commencing on the date of acquisition of the Interest. All the Interests have now vested or lapsed.

When an Interest vests, the trustees may, at the request of the participant and on payment of the further amount, if relevant, transfer shares to the participant of equal value to the participant's Interest or the shares may be sold by the trustees, who will account to the participant for the difference between the sale proceeds (less expenses) and the Hurdle Value (balancing 90% of the acquisition price on the acquisition of the Interest).

In February 2010, the Group established a **Restricted Share Award Scheme** under the terms of which options to purchase shares in C&C Group plc at nominal cost were granted to certain members of management, excluding executive Directors. The vesting conditions for these awards were similar to those for the JSOP award. All shares awarded under this scheme have now vested or lapsed.

In June 2010, the Group established a **Recruitment and Retention Plan** under the terms of which options to purchase shares in C&C Group plc at nominal cost are granted to certain members of management, excluding executive Directors.

The performance conditions and/or other terms and conditions for awards granted under this plan are specifically approved by the Board of Directors at the time of each individual award, following a recommendation by the Remuneration Committee.

In May 2012 and May 2013, awards of 1,036,255 and 252,672 respectively, were granted under the Recruitment and Retention Plan subject to continuous employment and the performance condition that the Company's TSR must grow by not less than 25% between 17 May 2012 and 16 May 2014 for the May 2012 awards and between 16 May 2013 and 15 May 2015 for the May 2013 awards. Awards vest in full if the growth in TSR is at least 50% over that period and the Remuneration Committee is satisfied that the extent to which the award vests is appropriate given the general financial performance of the Group over the performance period. Where TSR growth is between 25% and 50% the percentage of the award that vests is calculated on a straight-line basis between 25% and 100%. Options awarded in May 2012 were deemed to have only partially achieved their performance conditions and consequently 65% of the outstanding awards lapsed. Options granted in May 2013 were deemed to be not capable of achieving their performance conditions and consequently the outstanding awards were deemed to have lapsed in the prior financial year under IFRS 2 *Share-Based Payment*.

In May 2014 and January 2015, awards of 823,233 and 283,092 respectively, were granted under the Recruitment and Retention Plan subject to continuous employment. Of the May 2014 awards, 547,382 are subject to continued employment and the achievement of annual performance targets related to the business unit to which each recipient is aligned to. Options will vest in May 2017 on achievement of these conditions. Also in May 2014, an award of 92,111 was made subject to continued employment only, to vest in May 2016 and an award of 183,740 was also made subject to continued employment only to vest in May 2017. An award of 283,092 in January 2015 was subject to continued employment and the achievement of performance targets linked to the business unit of the recipient. These awards lapsed in the current financial year on cessation of employment by the recipient.

In the current financial year, 74,956 awards were granted in July 2015 and 490,387 awards were granted in October 2015 under the Recruitment and Retention plan. Of the July 2015 awards, all are subject to continued employment and the achievement of annual performance targets related to the business unit to which each recipient is aligned to. On achievement of both conditions the awards granted will vest in June 2017. Of the October 2015 awards, all are subject to continued employment and the achievement of specific performance targets related to the business unit to which each recipient is aligned to and also specific performance targets related to the specific role of each recipient. Each award has its own vesting period ranging from May 2016 to October 2018.

Obligations arising under the Restricted Share Award Scheme and the Recruitment and Retention Plan will be satisfied by the purchase of existing shares on the open market. On settlement, any difference between the amount included in the Share-based payment reserve account and the cash paid to purchase the shares is recognised in retained income via the Statement of Changes in Equity.

In May 2011, the Group established a deferred equity settled share bonus scheme, **Long-Term Incentive Plan (Part II) (LTIP (Part II))**, under which shares are awarded to certain employees (excluding executive Directors and senior management) at nominal cost, at the end of the financial year in which the award is granted, if the performance conditions set by the Remuneration Committee are achieved and subject to a two year time vesting period post the end of the relevant financial year. During the financial year ended 29 February 2012, the Remuneration Committee agreed two levels of award linked to operating profit targets. Based on the actual results to 29 February 2012, a right to receive shares at nominal cost equating to 23% of salary was granted to certain employees and a right to receive shares at nominal cost equating to 5% of salary was granted to other employees. The maximum number of shares over which awards were granted under the LTIP (Part II) in the financial year ended 29 February 2012 was set by reference to a share price of €3.55, being the closing share price on 18 May 2011, the date the results for the financial year ended 28 February 2011 were announced. Awards vested in May 2014 and obligations were satisfied by the purchase of existing shares on the open market.

In November 2011, the Group set up **Partnership and Matching Share Schemes** for all ROI and UK based employees of the Group under the approved profit sharing schemes referred to below. Under these schemes, employees can invest in shares in C&C Group plc (partnership shares) that will be matched on a 1:1 basis by the Company ("matching shares") subject to Revenue approved limits. Both the partnership and matching shares are held on behalf of the employee by the Scheme trustee, Capita Corporate Trustees Limited. The shares are purchased on the open market on a monthly basis at the market price prevailing at the date of purchase with any remaining cash amounts carried forward and used in the next share purchase. The shares are held in trust for the participating employee, who has full voting rights and dividend entitlements on both partnership and matching shares. Matching shares may be forfeited and/or tax penalties may apply if the employee leaves the Group or removes their partnership shares within the Revenue-stipulated vesting period. The Revenue stipulated vesting period for matching shares awarded under the ROI scheme is three years and under the UK scheme is five years.

The Group held 298,202 matching shares (596,404 partnership and matching) in trust at 29 February 2016 (2015: 218,455 matching shares and 436,910 partnership and matching shares held).

Cash-settled awards

In May 2012, the Group granted 114,522 cash-settled awards on terms equivalent to the LTIP (Part I). These awards did not achieve their performance targets and consequently lapsed in accordance with IFRS 2 *Share-Based Payment* in the prior financial year.

In December 2012, the Group granted 150,786 cash-settled awards on terms equivalent to the rules of the Recruitment and Retention Plan. The awards were subject to continued employment and performance conditions linked to the achievement of annual performance targets with respect to the business unit to which the participant is aligned to. The operating profit targets were deemed not to have been achieved however and consequently the awards have now lapsed in accordance with IFRS 2 *Share-Based Payment*.

In July 2013, the Group granted 28,279 cash-settled awards on terms equivalent to the rules of the Recruitment and Retention Plan but subject to a time and service vesting condition only. The award will vest in July 2016 subject to the achievement of this condition.

In the prior financial year, the Group granted 16,723 cash-settled awards on terms equivalent to the rules of the Recruitment and Retention Plan. The awards are subject to continued employment and performance conditions linked to the achievement of performance targets with respect to the business unit to which the participant is aligned to. These awards will vest in May 2017 on the achievement of these conditions.

Award valuation

The fair values assigned to the ESOS options granted were computed in accordance with a Black Scholes valuation methodology; the fair value of options awarded under the LTIP (Part I) and Recruitment and Retention Plan were computed in accordance with the stochastic model for the TSR element and the Black Scholes model for the EPS element; the fair value of options awarded under the LTIP (Part II) were computed in accordance with a Black Scholes model; and the fair value of the Interests awarded under the JSOP and the Restricted Share Award Plan were computed using a Monte Carlo simulation model.

As per IFRS 2 *Share-based Payment,* market based vesting conditions, such as the LTIP (Part I) and Recruitment and Retention Plan TSR condition and the share price target conditions in the JSOP and the Restricted Share Award Plan, have been taken into account in establishing the fair value of equity instruments granted. Non-market or performance related conditions were not taken into account in establishing the fair value of equity instruments granted, instead these non-market vesting conditions are taken into account by adjusting the number of equity instruments included in the measurement of the transaction amount so that, ultimately the amount recognised for time and services received as consideration for the equity instruments granted is based on the number of equity instruments that eventually vest, unless the failure to vest is due to failure to meet a market condition.

The main assumptions used in the valuations for equity settled share-based payment awards were as follows:-

	Recruitment & Retention Plan October 2015	Recruitment & Retention Plan July 2015	LTIP (Part I) options granted July 2015	ESOS options granted July 2015	Recruitment & Retention Plan January 2015	LTIP (Part I) options granted June 2014	ESOS options granted June 2014	Recruitment & Retention Plan May 2014	Recruitment & Retention Plan May 2013	LTIP (Part I) options granted May 2013	ESOS options granted May 2013
Fair value at date of grant	€3.27-€3.53	€3.159	€1.7131 - €3.435	€0.4904	€3.29	€2.53-€4.56	€1.01	€1.91-€4.19	€0.96	€2.07-€4.76	€1.647
Exercise price	-	-	-	€3.483	-	-	€4.62	-	-	-	€4.75
Risk free interest rate	-	-	0.98%	1.46%	-	1.34%	1.93%	-	0.00%-0.06%	0.06%	0.36%
Expected volatility	-	-	23.58%	23.77%	-	24.2%	29.2%	-	23.8%	23.4%	47.0%
Expected term until exercise	0.6 - 3 years	2.5 years	3 years	5 years	3 years	3 years	5 years	2-3 years	2-3 years	3 years	5 years
Dividend yield	3.19%	3.35%	-	3.35%	2.94%	-	2.19%	2.31%	1.84%	-	1.84%

Expected volatility is calculated by reference to historic share price movements prior to the date of grant over a period of time commensurate with the expected term until exercise. The dividends which would be paid on a share reduces the fair value of an award since, in not owning the underlying shares, a recipient does not receive the dividend income on these shares. For LTIP (Part I) awards, the participants are entitled to receive dividends, and therefore the dividend yield has been set to zero to reflect this.

The main assumptions used in the valuations of cash-settled share-based payment awards were as follows:-

	Granted May 2014	Granted July 2013
Fair value at date of grant	€4.04	€3.60
Exercise price	-	-
Main assumptions used in determining the fair value at date of grant:		
Expected term until exercise	3 years	3 years
Dividend yield	2.31%	2.27%

Details of the share entitlements and share options granted under these schemes together with the share option expense are as follows:-

Grant date	Vesting period	Number of options/ equity Interests granted	Number outstanding at 29 February 2016	Grant price €	Market value at date of grant €	Fair value at date of grant €	Expense / (income) in Income Statement 2016 €m	2015 €m
Executive Share Option Scheme (ESOS)								
13 May 2009	3 years	4,336,300	160,850	1.94	1.94	0.72	**-**	-
26 May 2010	3 years	803,900	374,600	3.21	3.21	1.21	**-**	-
21 July 2010	3 years	2,944,400	549,900	3.32	3.32	1.16	**-**	-
24 May 2011	3 years	658,930	-	3.61	3.61	1.56	**-**	-
17 May 2012	3 years	534,239	-	3.525	3.525	1.30	**-**	(0.4)
16 May 2013	3 years	115,629	115,629	4.75	4.76	1.647	**-**	(0.1)
27 June 2014	3 years	527,151	527,151	4.621	4.56	1.01	**(0.1)**	0.1
2 July 2015	3 years	768,495	768,495	3.48	3.48	0.4904	**0.1**	-
Long-Term Incentive Plan (Part I)								
29 June 2011	3 years	192,662	-	-	3.53	2.18-3.34	**-**	-
29 February 2012	3 years	328,448	-	-	3.61	1.84-3.46	**-**	0.1
17 May 2012	3 years	614,360	-	-	3.525	1.97-3.24	**-**	(0.9)
16 May 2013	3 years	154,172	154,172	-	4.76	2.07-4.76	**-**	(0.1)
27 June 2014	3 years	539,894	539,894	-	4.56	2.53-4.56	**(0.4)**	0.4
2 July 2015	3 years	558,266	558,266	-	3.48	1.71-3.44	**0.4**	-
Long-Term Incentive Plan (Part II)								
18 May 2011	3 years	154,993	-	-	3.55	3.36	**-**	0.1
Joint Share Ownership Plan (JSOP)								
18 December 2008	1-3 years	12,800,000	5,973,334	1.15	1.315	0.16-0.21	**-**	-
03 June 2009	1-3 years	1,000,000	1,000,000	1.15	2.32	1.01-1.09	**-**	-
17 December 2009	1-3 years	2,200,000	250,000	2.47	2.76	0.11-0.16	**-**	-
Recruitment & Retention Plan								
17 May 2012	2-3 years	1,036,255	112,938	-	3.525	0.58-0.59	**-**	0.1
16 May 2013	2-3 years	252,672	-	-	4.76	0.96	**(0.2)**	0.1
21 May 2014	1-3 years	823,233	478,537	-	4.34	1.91-4.19	**0.5**	0.8
14 January 2015	1-3 years	283,092	-	-	3.40	3.29	**-**	-
2 July 2015	0.6-3 years	74,956	56,724	-	3.435	3.16	**0.1**	-
30 October 2015	2 years	490,387	490,387	-	3.60	3.27-3.53	**0.1**	-
		32,192,434	**12,110,887**				**0.5**	0.2
Cash-settled awards								
17 May 2012	3 years	114,522	-	-	3.525	1.97-3.24	**-**	(0.3)
21 December 2012	1-3 years	150,786	-	-	4.52	4.24	**(0.1)**	-
3 July 2013	3 years	28,279	28,279	-	3.85	3.60	**-**	-
21 May 2014	3 years	16,723	16,723	-	4.34	4.04	**-**	-
		310,310	**45,002**				**(0.1)**	(0.3)
Partnership and Matching Share Schemes			**596,404***				**0.2**	0.1

* Includes both partnership and matching shares.

The amount charged to the Income Statement includes a credit of €0.7m (2015: €1.5m), being the reversal of previously expensed charges on equity settled option schemes which were deemed to have lapsed in the current financial year in accordance with IFRS 2 *Share-Based Payment*.

A summary of activity under the Group's equity settled share option schemes and JSOP together with the weighted average exercise price of the share options is as follows:-

	2016		2015	
	Number of options/ equity Interests	Weighted average exercise price €	Number of options/ equity Interests	Weighted average exercise price €
Outstanding at beginning of year	**12,473,849**	**1.33**	11,362,284	1.34
Granted	**1,892,104**	**1.41**	2,173,370	1.12
Exercised	**(260,732)**	**1.76**	(436,742)	2.17
Forfeited/lapsed	**(1,994,334)**	**1.03**	(625,063)	0.10
Outstanding at end of year	**12,110,887**	**1.38**	12,473,849	1.33

The aggregate number of share options/equity Interests exercisable at 29 February 2016 was 8,421,621 (2015: 8,608,240).

The unvested share options/equity Interests outstanding at 29 February 2016 have a weighted average vesting period outstanding of 1.5 years (2015: 1.5 years). The weighted average contractual life of vested and unvested share options/equity Interests is 2.0 years (2015: 2.1 years).

The weighted average market share price at date of exercise of all share options/equity Interests exercised during the year was €3.69 (2015: €4.35); the average share price for the year was €3.63 (2015: €4.12); and the market share price as at 29 February 2016 was €3.45 (28 February 2015: €3.86).

5. EXCEPTIONAL ITEMS

	2016 Total €m	2015 Total €m
Operating costs		
Restructuring costs	**18.2**	2.8
Revaluation/impairment of property, plant & equipment	**16.0**	13.8
Integration costs	**3.0**	2.2
Impairment of intangible assets	**-**	150.0
Acquisition related expenditure	**0.7**	3.7
Impairment of investment in equity accounted investee	**-**	2.0
Profit on disposal of property, plant & equipment	**-**	(0.8)
Other	**0.5**	(0.3)
	38.4	173.4
Finance expense – impairment of derivative financial instruments re investment in equity accounted investee	**-**	0.6
Foreign currency reclassified on deemed disposal of equity accounted investee	**(0.1)**	(0.1)
Total loss before tax	**38.3**	173.9
Income tax credit	**(4.9)**	(1.4)
Total loss after tax	**33.4**	172.5

(a) Restructuring costs
Restructuring costs of €18.2m were incurred in the current financial year. These restructuring costs comprised of severance costs of €14.5m primarily arising from the Group's announced consolidation of its production sites in Borrisoleigh and Shepton Mallet into the Group's manufacturing site in Clonmel and the consequential reduction in staff numbers as a result of this consolidation and other reorganisation programmes during the year across the Group. Other costs of €3.7m are directly associated with the restructure of the Group's production sites and provide for anticipated closure costs at Borrisoleigh and Shepton Mallet. In the prior financial year the restructuring costs of €2.8m comprised of severance and other initiatives related to the Group's reorganisation programme in England & Wales.

(b) Revaluation of property, plant & equipment
Property (comprising land and buildings) and plant & machinery are valued at fair value on the Balance Sheet and reviewed for impairment on an annual basis. During the current financial year, the Group engaged external valuers Timothy Smith, BSc MRICS, RICS Registered Valuer and Daniel Tompkinson BSc MRICS RICS Registered Valuer - Gerald Eve LLP to value the land and buildings at the Shepton Mallet site; Derek Elston FRCIS RICS Registered Valuer - Elston Sutton Industrial Appraisal Limited to value the plant and equipment at the Shepton Mallet site; Ronan Diamond RICS Registered Valuer (VRS) BSc (Hons) Dip MSCSI MRICS and Brian Gilson RICS Registered Valuer (VRS) Dip Prop Inv MSCSI MRICS FCI Arb - Lisney to value the freehold property at the Borrisoleigh site; and Don Meghen - Lisney to value the plant & machinery at Borrisoleigh. Using the valuation methodologies as outlined in note 11, this resulted in a revaluation loss of €16.0m accounted for in the Income Statement.

In the prior financial year, the Group engaged external valuers Shane O'Beirne RICS Registered Valuer (VRS) BSc (Surv) Dip AVEA MSCSI MRICS and Brian Gilson RICS Registered Valuer (VRS) BSc MSCSI MRICS FCI Arb - Lisney to value the freehold property at the Clonmel site; David Fawcett, FRICS RICS Registered Valuer - Sanderson Weatherall to value the plant and machinery at the Clonmel site; Timothy Smith BSc MRICS RICS Registered Valuer and Joseph Funtek BSc MRICS RICS Registered Valuer – Gerald Eve LLP to value the freehold property at the Shepton Mallet and Wellpark Brewery sites; Derek Elston FRCIS RICS Registered Valuer - Elston Sutton Industrial Appraisal Limited to value the plant and equipment at the Shepton Mallet and Wellpark Brewery site and John Coto, Certified Machine & Equipment appraiser, Alliance Machinery & Equipment Appraisals to value the plant & machinery at the Group's Vermont site. Using the valuation methodologies as outlined in note 11, this resulted in a net revaluation loss of €10.5m accounted for in the Income Statement and a gain of €5.3m accounted for within Other Comprehensive Income. Also during the prior financial year, in light of a material reduction in the utilisation levels of a bottling line located at the Group's cider manufacturing plant at Shepton Mallet, used to bottle both own branded and third party branded product, a decision was taken to impair the bottling line by €3.3m.

(c) Integration costs
During the current financial year the Group incurred costs of €3.0m primarily in relation to the continued integration of the previously acquired Wallaces Express with the Group's existing Scottish business. During the prior financial year, the Group incurred external consultancy fees and other costs of €2.2m directly attributable to the integration of Wallaces Express and Gleeson with the Group's existing businesses.

(d) Impairment of intangible assets
To ensure that goodwill and brands considered to have an indefinite useful economic life are not carried at above their recoverable amount, impairment reviews are performed annually or more frequently if there is an indication that their carrying amount(s) may not be recoverable, comparing the carrying value of the assets with their recoverable amount using value-in-use computations. In the prior financial year, as a result of such a review, the Group impaired the value of its intangible assets with respect to the Group's North American business segment by €150.0m as outlined in more detail in note 12.

(e) Acquisition related expenditure
In the current financial year the Group incurred professional fees of €0.7m associated with the assessment and consideration of strategic opportunities by the Group during the year. In the prior financial year the Group completed the acquisition of Green Light Brands Ltd., Monuriki Drinks Ltd., and Monuriki Sales and Marketing Ltd., (collectively referred to as "Green Light Brands"), on 19 January 2015, for €3.2m. Also during the prior financial year, the Group incurred €0.5m of costs directly attributable to the preliminary approach of the Spirit Pub Group.

(f) Impairment of investment in equity accounted investee
During the prior financial year, the Group impaired its investment in the Maclay Group plc as a result of the Maclay Group plc entering administration proceedings during the prior financial year. This resulted in the impairment in the Group's investment of €2.0m and the impairment of derivative financial instruments of €0.6m which were accounted for within finance expense.

(g) Profit on disposal of property, plant & equipment
In the prior financial year the Group disposed of land & buildings which were surplus to requirements realising a profit of €0.8m.

(h) Other
During the current financial year the Group incurred costs of €0.5m in relation to a one-off shortage in a key process gas. The business was forced to limit production for a period and incur additional costs in sourcing gas due to a plant failure at its key supplier.

During the financial year ended 28 February 2009, the Group's stock holding of apple juice at circa 36 months of forecasted future sales was deemed excessive in light of anticipated future needs, forward purchase commitments and useful life of the stock on hand. Accordingly the Group recorded an impairment charge in relation to excess apple juice stocks. During the prior financial year, some of the previously impaired juice stocks were recovered and used by the Group. As a result this stock was written back to operating profit at its recoverable value resulting in a gain of €0.3m.

(j) Foreign currency reclassified on deemed disposal of equity accounted investee
In the current financial year, on 3 August 2015, the Group acquired the remaining equity share capital of Thistle Pub Company Limited. This purchase followed the acquisition of an initial stake in the business in November 2012. Under IAS 28 *Investments in Associates and Joint Ventures* this necessitated the deemed disposal of the Group's initial investment which was classified as an equity accounted investee and the recognition of the acquisition of control of the business under IFRS 3 *Business Combinations*. The Group recognised a cumulative gain of €0.1m in the foreign currency reserve from date of initial investment which was recycled to the Income Statement following the deemed disposal.

In the prior financial year, on 18 March 2014, the Group announced the acquisition of the remaining 50% equity share capital of Wallaces Express Limited. Under IAS 28 *Investments in Associates and Joint Ventures*, this necessitated the deemed disposal of the Group's initial 50% investment which was classified as an equity accounted investee and the recognition of the acquisition of control of the business under IFRS 3 *Business Combinations*. The Group had recognised €0.1m in the foreign currency reserve which was recycled to the Income Statement in the prior financial year following this deemed disposal.

6. FINANCE INCOME AND EXPENSE

	2016 Total items €m	2015 Before exceptional items €m	2015 Exceptional items €m	2015 Total €m
Recognised in Income Statement				
Finance income:				
Interest income on bank deposits	**(0.2)**	(0.2)	-	(0.2)
Total finance income	**(0.2)**	(0.2)	-	(0.2)
Finance expense:				
Interest expense on interest bearing bank borrowings	**7.6**	8.0	-	8.0
Other finance expense	**0.4**	0.3	-	0.3
Movement on derivative financial instruments	**-**	(0.2)	0.6	0.4
Unwinding of discount on provisions	**0.8**	0.9	-	0.9
Total finance expense	**8.8**	9.0	0.6	9.6
Net finance expense	**8.6**	8.8	0.6	9.4

	2016 €m	2015 €m
Recognised directly in Other Comprehensive Income		
Foreign currency translation differences arising on the net investment in foreign operations	**(20.9)**	76.4
Foreign currency reserve recycled to Income Statement on deemed disposal of equity accounted investee	**(0.1)**	(0.1)
Foreign currency translation differences arising on foreign currency borrowings designated as net investment hedges	**-**	(3.0)
Net (expense)/income recognised directly in Other Comprehensive Income	**(21.0)**	73.3

7. INCOME TAX

(a) Analysis of charge in year recognised in the Income Statement

	2016 €m	2015 €m
Current tax:		
Irish corporation tax	**1.7**	4.5
Foreign corporation tax	**6.9**	7.4
Adjustment in respect of previous years	**(0.1)**	(0.1)
	8.5	11.8
Deferred tax:		
Irish	**1.4**	2.8
Foreign	**(1.0)**	(1.1)
Adjustment in respect of previous years	**-**	(0.3)
	0.4	1.4
Total income tax expense recognised in Income Statement	**8.9**	13.2
Relating to continuing operations		
- continuing operations before exceptional items	**13.8**	14.6
- continuing operations exceptional items	**(4.9)**	(1.4)
Total	**8.9**	13.2

The tax assessed for the year is different from that calculated at the standard rate of corporation tax in the Republic of Ireland, as explained below.

	2016 €m	2015 €m
Profit/(loss) before tax	**56.3**	(67.8)
Less: Group's share of equity accounted investees' profit after tax	**(0.1)**	-
Adjusted profit/(loss) before tax	**56.2**	(67.8)
Tax at standard rate of corporation tax in the Republic of Ireland of 12.5%	**7.0**	(8.5)
Actual tax charge is affected by the following:		
Expenses not deductible for tax purposes	**0.7**	1.4
Adjustments in respect of prior years	**(0.1)**	(0.4)
Income taxed at rates other than the standard rate of tax	**(0.7)**	(1.1)
Other differences	**0.4**	1.5
Non-recognition of deferred tax assets	**1.6**	1.5
Impairment of intangible assets	**-**	18.8
Total income tax	**8.9**	13.2

(b) Deferred tax recognised directly in Other Comprehensive Income

	2016 €m	2015 €m
Deferred tax arising on movement in defined benefit pension obligations	**(0.6)**	(2.6)
Deferred tax arising on revaluation of property, plant & equipment	**-**	0.2
	(0.6)	(2.4)

(c) Factors that may affect future charges
Future income tax charges may be impacted by changes to the corporation tax rates and/or changes to corporation tax legislation in force in the jurisdictions in which the Group operates.

8. DIVIDENDS

	2016 €m	2015 €m
Dividends paid:		
Final: paid 7.0c per ordinary share in July 2015 (2015: 5.7c paid in July 2014)	**23.6**	19.6
Interim: paid 4.7c per ordinary share in December 2015 (2015: 4.5c paid in December 2014)	**16.0**	15.5
Total equity dividends	**39.6**	35.1
Settled as follows:		
Paid in cash	**34.8**	29.5
Accrued with respect to LTIP (Part I) dividend entitlements	**-**	(0.1)
Scrip dividend	**4.8**	5.7
	39.6	35.1

The Directors have proposed a final dividend of 8.92 cent per share (2015: 7.0 cent), to ordinary shareholders registered at the close of business on 20 May 2016, which is subject to shareholder approval at the Annual General Meeting, giving a proposed total dividend for the year of 13.65 cent per share (2015: 11.5 cent). Using the number of shares in issue at 29 February 2016 and excluding those shares for which it is assumed that the right to dividend will be waived, this would equate to a distribution of €28.0m (2015: €23.6m).

In order to achieve better alignment of the interest of share-based remuneration award recipients with the interests of shareholders, shareholder approval was given at the 2012 AGM to a proposal that awards made in or after 2012 and that vest under the LTIP (Part I) incentive programme should reflect the equivalent value to that which accrues to shareholders by way of dividends during the vesting period. The current year charge for dividends of €39.6m is net of the release of an accrual of less than €0.1m (2015: release of €0.1m) with respect to LTIP (Part I) dividend entitlements which were accrued in previous years but for which the related LTIP (Part I) award was deemed to have lapsed in the current financial year and hence the related dividend entitlement lapsed.

Total dividends of 11.7 cent per ordinary share were recognised as a deduction from the retained income reserve in the year ended 29 February 2016 (2015: 10.2 cent).

Final dividends on ordinary shares are recognised as a liability in the financial statements only after they have been approved at an Annual General Meeting of the Company. Interim dividends on ordinary shares are recognised when they are paid.

9. EARNINGS PER ORDINARY SHARE

Denominator computations

	2016 Number '000	2015 Number '000
Number of shares at beginning of year	**348,547**	346,840
Shares issued in lieu of dividend	**1,312**	1,381
Shares issued in respect of options exercised	**146**	326
Share repurchased and subsequently cancelled	**(20,847)**	-
Number of shares at end of year	**329,158**	348,547

	2016 Number '000	2015 Number '000
Weighted average number of ordinary shares (basic)*	**329,044**	331,075
Adjustment for the effect of conversion of options	**5,316**	5,731
Weighted average number of ordinary shares, including options (diluted)	**334,360**	336,806

* Excludes 16.4m treasury shares (2015: 16.5m).

Profit attributable to ordinary shareholders

	2016 €m	2015 €m
Earnings as reported	**47.4**	(81.0)
Adjustment for exceptional items, net of tax (note 5)	**33.4**	172.5
Earnings as adjusted for exceptional items, net of tax	**80.8**	91.5

	Cent	Cent
Basic earnings per share		
Basic earnings per share	**14.4**	(24.5)
Adjusted basic earnings per share	**24.6**	27.6
Diluted earnings per share		
Diluted earnings per share	**14.2**	(24.0)
Adjusted diluted earnings per share	**24.2**	27.2

Basic earnings per share is calculated by dividing the profit attributable to the ordinary shareholders by the weighted average number of ordinary shares in issue during the year, excluding ordinary shares purchased/issued by the Company and accounted for as treasury shares (at 29 February 2016: 16.4m shares; at 28 February 2015: 16.5m shares).

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all potential dilutive ordinary shares. The average market value of the Company's shares for purposes of calculating the dilutive effect of share options was based on quoted market prices for the period of the year that the options were outstanding.

Employee share awards (excluding awards which were granted under plans where the rules stipulate that obligations must be satisfied by the purchase of existing shares (note 4)), which are performance-based are treated as contingently issuable shares because their issue is contingent upon satisfaction of specified performance conditions in addition to the passage of time and continuous employment. In accordance with IAS 33 *Earnings per Share*, these contingently issuable shares are excluded from the computation of diluted earnings per share where the vesting conditions would not have been satisfied as at the end of the reporting period (2,244,908 at 29 February 2016 and 2,164,448 at 28 February 2015). If dilutive other contingently issuable ordinary shares are included in diluted EPS based on the number of shares that would be issuable if the end of the reporting period was the end of the contingency period.

10. BUSINESS COMBINATIONS

Acquisition of businesses

During the current financial year, on 3 August 2015, the Group announced the acquisition of the remaining equity share capital of Thistle Pub Company Limited. This purchase followed the acquisition of an initial stake in the business in November 2012. As outlined in further detail in note 13, under IAS 28 *Investments in Associates and Joint Ventures* this necessitated the deemed disposal of the Group's initial investment which was classified as an equity accounted investee and the recognition of the acquisition of control of the business under IFRS 3 *Business Combinations*.

In the prior financial year, on 18 March 2014, the Group announced the acquisition of the remaining 50% equity share capital of Wallaces Express, a wholesaler of beverages in Scotland. This purchase followed the acquisition of a 50% stake in the business in March 2013.

The Group also completed the acquisition of Green Light Brands Ltd., Monuriki Drinks Ltd., and Monuriki Sales and Marketing Ltd. (collectively referred to as "Green Light Brands") during the prior financial year, on 19 January 2015, for €3.2m. Green Light Brands was an external consultancy entity that provided sales and marketing services to the Group's Shepton Mallet Cider Mill Brands while Monuriki had provided similar support to the Group's international wines and spirits business. A decision was taken to bring these entities in-house as part of a rationalisation initiative of the Group's sales and marketing structure.

Finally during the prior financial year, the Group finalised its assessment of the fair value of assets and liabilities acquired as part of the acquisition of Biofun Produtos Biológicos do Fundão, Lda ("Biofun"), a producer and seller of fruit concentrates based in the district of Castelo Branco, Portugal, which the Group initially acquired on 2 August 2013.

The book values of the assets and liabilities acquired, from the transactions outlined above, together with the fair value adjustments made to those carrying values, were as follows:-

Thistle Pub Company Limited - year ended 29 February 2016	Initial value assigned €m	Adjustment to initial fair value €m	Revised fair value €m
Property, plant & equipment	6.2	-	**6.2**
Inventories	0.1	-	**0.1**
Trade & other receivables	0.2	(0.2)	**-**
Trade & other payables	(3.6)	(0.2)	**(3.8)**
Interest bearing loans & borrowings	(2.4)	-	**(2.4)**
Net identifiable assets and liabilities acquired	0.5	(0.4)	**0.1**
Satisfied by:			
Cash consideration (paid in current financial year)			**0.1**

Wallaces Express - year ended 28 February 2015	Initial value assigned €m	Adjustment to initial fair value €m	Revised fair value €m
Property, plant & equipment	4.1	(0.7)	**3.4**
Brands & other intangible assets	0.3	0.9	**1.2**
Inventories	9.0	-	**9.0**
Trade & other receivables	9.4	(0.3)	**9.1**
Cash & cash equivalents	2.2	-	**2.2**
Trade & other payables	(8.1)	(0.6)	**(8.7)**
Corporation tax (liability)/asset	(0.1)	0.2	**0.1**
Deferred tax liability	-	(0.1)	**(0.1)**
Net identifiable assets and liabilities acquired	16.8	(0.6)	**16.2**
Goodwill arising on acquisition			**8.5**
			24.7
Satisfied by:			
Cash consideration (paid in prior financial year)			**12.0**
Fair value of initial 50% investment at date of final acquisition			**12.7**
Total consideration			**24.7**
Net cash outflow arising on acquisition			
Cash consideration (paid in prior financial year)			**12.0**
Less: cash & cash equivalents acquired			**(2.2)**
Net cash outflow in prior financial year			**9.8**

Green Light Brands - year ended 28 February 2015	Initial value assigned €m	Adjustment to initial fair value €m	Revised fair value €m
Cash & cash equivalents	0.6	-	**0.6**
Trade & other receivables	0.1	-	**0.1**
Trade & other payables	(0.7)	-	**(0.7)**
Net identifiable assets and liabilities acquired	-	-	**-**
Cost of acquisition			**3.2**
Total consideration			**3.2**
Satisfied by:			
Cash consideration (accrued at 28 February 2015, paid in current financial year)			**3.2**
Less: cash & cash equivalents acquired in prior financial year			**(0.6)**
Net cash outflow in current financial year			**2.6**

Biofun - year ended 28 February 2015	Initial value assigned €m	Adjustment to initial fair value €m	Revised fair value €m
Property, plant & equipment	5.6	(1.0)	**4.6**
Inventories	0.4	(0.2)	**0.2**
Trade & other receivables	1.8	(1.3)	**0.5**
Trade & other payables	(4.4)	(0.3)	**(4.7)**
Interest bearing loans & borrowings	(3.6)	-	**(3.6)**
Deferred tax liability	-	(0.2)	**(0.2)**
Net identifiable assets and liabilities acquired	(0.2)	(3.0)	**(3.2)**
Goodwill arising on acquisition			**3.3**
			0.1
Satisfied by:			
Cash consideration (paid in financial year ended 28 February 2014)			**0.1**
Total consideration			**0.1**

Gleeson - year ended 28 February 2014
In addition, in the prior financial year the Group paid deferred consideration of €4.4m with respect to the Gleeson business in Ireland, which the Group acquired during the financial year ended 28 February 2014.

Post acquisition impact
The post acquisition impact of the Thistle Pub Company Limited acquisition completed during the current financial year on Group operating profit for the current financial year and the post acquisition impact of acquisitions completed during the prior financial year on Group operating profit for that financial year were as follows:-

	2016 €m	2015 €m
Revenue	**2.9**	96.1
Excise duties	**-**	(4.3)
Net revenue	**2.9**	91.8
Operating costs	**(2.5)**	(90.0)
Operating profit	**0.4**	1.8
Finance expense	**(0.2)**	-
Profit before tax	**0.2**	1.8
Income tax expense	**-**	(0.5)
Result from acquired businesses	**0.2**	1.3

The Thistle Pub Company business was acquired on 3 August 2015. The business made a profit of €0.2m in the period since acquisition to 29 February 2016. The revenue, net revenue and operating profit of the Group for the financial year ended 29 February 2016 determined in accordance with IFRS as though the acquisitions effected during that year had been at the beginning of that year would therefore not have been materially different from that reported.

The Wallaces Express business was acquired on 18 March 2014 and consequently the financial results for Wallaces Express consolidated into the Group's financial results for the prior financial year ended 28 February 2015 represent substantially all of that business's financial results for that full financial year. Green Light Brands, which the Group acquired on 19 January 2015, provided sales & marketing support to a subsidiary of the Group, and consequently the Group's financial results for the preceding financial year ended 28 February 2015 would not be materially different had that entity been owned by the Group for that full financial year.

All intra group balances, transactions, income and expenses are eliminated on consolidation in accordance with IFRS 10 *Consolidated Financial Statements.*

Acquisition of equity accounted investees
Details of the Group's investments in equity accounted investees in the current and prior financial year are outlined in note 13.

11. PROPERTY, PLANT & EQUIPMENT

	Freehold land & buildings €m	Plant & machinery €m	Motor vehicles & other equipment €m	Total €m
Group				
Cost or valuation				
At 1 March 2014	89.0	211.7	93.6	394.3
Reclassification	15.5	(13.3)	(2.2)	-
Translation adjustment	11.9	12.7	6.3	30.9
Additions	5.3	7.6	9.6	22.5
Disposals	(0.8)	(0.5)	(35.2)	(36.5)
Revaluation/impairment of property, plant & machinery	(1.7)	(6.8)	-	(8.5)
Acquisition of business Wallaces Express (note 10)	2.0	-	1.4	3.4
At 28 February 2015	121.2	211.4	73.5	406.1
Translation adjustment	**(4.4)**	**(7.0)**	**(4.1)**	**(15.5)**
Additions	**0.4**	**4.0**	**4.4**	**8.8**
Disposals	**-**	**-**	**(2.2)**	**(2.2)**
Revaluation of property, plant & machinery	**(6.9)**	**(9.1)**	**-**	**(16.0)**
Acquisition of business Thistle Pub Company	**5.1**	**1.1**	**-**	**6.2**
At 29 February 2016	**115.4**	**200.4**	**71.6**	**387.4**
Depreciation				
At 1 March 2014	10.2	106.4	58.8	175.4
Reclassification	0.4	-	(0.4)	-
Translation adjustment	0.8	5.2	4.3	10.3
Disposals	-	(0.3)	(22.8)	(23.1)
Charge for the year	1.5	11.4	11.7	24.6
At 28 February 2015	12.9	122.7	51.6	187.2
Translation adjustment	**(0.6)**	**(3.9)**	**(2.8)**	**(7.3)**
Disposals	**-**	**-**	**(1.9)**	**(1.9)**
Charge for the year	**2.1**	**10.3**	**6.7**	**19.1**
At 29 February 2016	**14.4**	**129.1**	**53.6**	**197.1**
Net book value				
At 29 February 2016	**101.0**	**71.3**	**18.0**	**190.3**
Classified within:				
Non-current assets: Property, plant and equipment				180.0
Current assets: Assets held for resale				10.3
				190.3
At 28 February 2015	108.3	88.7	21.9	218.9

No depreciation is charged on freehold land, which had a book value of €16.2m at 29 February 2016 (28 February 2015: €18.4m).

Valuation of freehold land, buildings and plant & machinery - 29 February 2016
In the current financial year, the Group engaged the following external valuers to value the land & buildings and plant & machinery at the Group's facilities in Shepton Mallet, UK and Borrisoleigh, Ireland;

- Timothy Smith, BSc MRICS, RICS Registered Valuer and Daniel Tompkinson BSc MRICS RICS Registered Valuer - Gerald Eve LLP to value the land and buildings at the Shepton Mallet site;
- Derek Elston FRCIS RICS Registered Valuer - Elston Sutton Industrial Appraisal Limited to value the plant and equipment at the Shepton Mallet site;
- Ronan Diamond RICS Registered Valuer (VRS) BSc (Hons) Dip MSCSI MRICS and Brian Gilson RICS Registered Valuer (VRS) Dip Prop Inv MSCSI MRICS FCI Arb - Lisney to value the freehold property at the Borrisoleigh site; and
- Don Meghen - Lisney to value the plant & machinery at Borrisoleigh.

The valuations were in accordance with the requirements of the RICS Valuation - Professional Standards, January 2014 edition and the International Valuation Standards.

The Fair Value of operational land & buildings and plant & machinery in Shepton Mallet was based on the Depreciated Replacement Cost approach in light of the lack of comparative market transactions and on the market approach for the non-operational land & buildings and plant & machinery. The valuation of the land & buildings and plant & machinery in Borrisoleigh was on the basis of market value. Market value is defined as 'the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date'. The market approach was considered to be the most appropriate valuation approach for the non-operational assets in Shepton Mallet, and the assets held in Borrisoleigh, as the Group has announced consolidation of its production sites in Borrisoleigh and Shepton Mallet into the Group's manufacturing site in Clonmel.

In view of the specialised nature of Shepton Mallet operational land & buildings and plant & machinery, a Depreciated Replacement Cost approach was used to assess as Fair Value. IAS 16 *Property, Plant and Equipment* prescribes that where there is no market based evidence of Fair Value because of the specialist nature of the item of property, plant and equipment and the item is rarely sold, except as part of a continuing business, an entity may need to estimate Fair Value using an income or a Depreciated Replacement Cost approach to valuation.

The result of these external valuations, as at 29 February 2016, was a decrease in the value of land and buildings of €6.9m which was expensed to the Income Statement as there was no previously recognised gain in the revaluation reserve against which to offset. The value of plant and machinery decreased by €9.1m as a result of this valuation which was expensed to the Income Statement as there was no previously recognised gain in the revaluation reserve against which to offset.

On the acquisition of Thistle Pub Company the valuation of the land and buildings was on the basis of market value. In April 2016, land and buildings were disposed of for a value consistent with their carrying value as at 29 February 2016.

For all other freehold land & buildings and plant & machinery assets held by the Group an internal valuation was completed by the Directors as at 29 February 2016. As part of their valuation assessment, the Directors considered the following factors and their impact in determining year end valuation of the Group's property, plant & equipment:-

- market fluctuations of land and industrial property prices since the date of the last external valuation. The last external valuation date for each Group site is as follows: year ended 28 February 2015: Clonmel - freehold property, Clonmel - plant and machinery, Wellpark - freehold property, Wellpark - plant and machinery, Vermont - plant and machinery, Wallaces Express - freehold property; year ended 28 February 2014: Portugal - freehold property, Portugal - plant and machinery, Gleeson - freehold property, Gleeson - plant and machinery,
- fluctuations driven by market commodity prices, of the gross replacement cost of property, plant & machinery,
- projected asset utilisation rates based on FY2017 budgeted/forecasted production volumes,
- changes to functional and physical obsolescence of plant & machinery beyond that which would normally be expected, and continued appropriateness of the assumed useful lives of property, plant & machinery.

Having considered the above variables, the Directors estimate that the changes arising from market fluctuations and anticipated utilisation rates would not result in a material change to the valuation of the carrying value of these items of property, plant & equipment and hence no adjustment to their carrying value was deemed necessary.

Valuation of freehold land, buildings and plant & machinery - 28 February 2015

In the prior financial year, the Group engaged the following external valuers to value the land & buildings and plant & machinery at the Group's facilities in Clonmel, Wellpark, Shepton Mallet, Wallaces Express and Vermont;

- Shane O'Beirne RICS Registered Valuer (VRS) BSc (Surv) Dip AVEA MSCSI MRICS and Brian Gilson RICS Registered Valuer (VRS) BSc MSCSI MRICS FCI Arb - Lisney to value the freehold property at the Clonmel site;
- David Fawcett, FRICS RICS Registered Valuer - Sanderson Weatherall to value the plant and machinery at the Clonmel site;
- Timothy Smith BSc MRICS RICS Registered Valuer and Joseph Funtek BSc MRICS RICS Registered Valuer – Gerald Eve LLP to value the freehold property at the Shepton Mallet and Wellpark Brewery sites;
- Derek Elston FRCIS RICS Registered Valuer - Elston Sutton Industrial Appraisal Limited to value the plant and equipment at the Shepton Mallet and Wellpark Brewery sites;
- John Coto, Certified Machine & Equipment appraiser, Alliance Machinery & Equipment Appraisals to value the plant & machinery at the Group's Vermont site; and
- Martin Clarkson, BSc MRICS, RICS Registered Valuer - Gerald Eve LLP to value the land and buildings acquired on acquisition of Wallaces Express.

The valuations were in accordance with the requirements of the RICS Valuation - Professional Standards, January 2014 edition and the International Valuation Standards.

The valuation of the land & buildings in Clonmel was on the basis of market value, defined as 'the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date' and was subject to the assumption that the property be sold as part of a continuing business. The valuers opinion of Fair Value of the Clonmel properties was primarily derived using comparable recent market transactions on an arm's-length basis. The Fair Value of land & buildings in Shepton Mallet and Wellpark Brewery were derived primarily based on the Depreciated Replacement Cost approach to valuation in light of the lack of comparative recent market transactions.

In view of the specialised nature of the Group's plant & machinery and the lack of comparable market evidence of similar plant being sold as a 'going concern', a Depreciated Replacement Cost approach was used to assess a Fair Value of the Group's plant & machinery. IAS 16 *Property, Plant and Equipment* prescribes that where there is no market based evidence of Fair Value because of the specialist nature of the item of property, plant and equipment and the item is rarely sold, except as part of a continuing business, an entity may need to estimate Fair Value using an income or a Depreciated Replacement Cost approach to valuation.

The result of these external valuations, as at 28 February 2015, was a net increase in the value of land of €2.5m of which €2.7m was credited to the revaluation reserve with respect to an increase in the valuation of that element of the Group's land where there was no revaluation decrease previously recognised on the same asset and €0.2m was expensed to the Income Statement as there was no previously recognised gain in the revaluation reserve against which to offset. The value of buildings decreased by a net €4.2m as a result of this valuation with €2.6m being credited to the revaluation reserve with respect to an increase in the value of an element of the Group's buildings and for which there was no revaluation decrease previously recognised on the same assets. This was offset by a reduction of €6.8m in the value of another element of the Group's buildings which was expensed to the Income Statement as there was no previously recognised gain in the revaluation reserve against which to offset. The value of plant & machinery was written down by a cumulative €3.5m which was expensed to the Income Statement as there was no previously recognised gain in the revaluation reserve against which to offset.

Also during the year ended 28 February 2015, in light of a material reduction in the utilisation levels of a bottling line located at its cider manufacturing plant at Shepton Mallet used to bottle both own branded and third party branded product, a decision was taken to impair the bottling line by €3.3m.

On the acquisition of Wallaces Express the valuation of the land and buildings was on the basis of market value, defined as 'the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date' and was subject to the assumption that the property be sold as part of a continuing business. The valuers opinion of Fair Value of the Wallaces Express properties was primarily derived using comparable recent market transactions on an arm's-length basis. This revaluation gave rise to a reduction in the carrying value of the land and buildings of €0.7m on acquisition in FY2015 as outlined in note 10.

For all other freehold land, buildings and plant & machinery assets held by the Group an internal valuation was completed by the Directors as at 28 February 2015. As part of their valuation assessment, the Directors considered the following factors and their impact in determining year end valuation of the Group's property, plant & equipment:-

- Market fluctuations of land and industrial property prices since the date of the last external valuation. The last external valuation date for each group site is as follows: year ended 28 February 2014: Portugal - freehold property, Portugal - plant and machinery, Gleeson - freehold property, Gleeson - plant and machinery; year ended 28 February 2013: Vermont - plant and machinery,
- fluctuations driven by market commodity prices, of the gross replacement cost of property, plant & machinery,
- projected asset utilisation rates based on FY2016 budgeted/forecasted production volumes,
- changes to functional and physical obsolescence of plant & machinery beyond that which would normally be expected, and continued appropriateness of the assumed useful lives of property, plant & machinery.

Having considered the above variables, the Directors estimated that the changes arising from market fluctuations and anticipated utilisation rates would not result in a material change to the valuation of the carrying value of these items of property, plant & equipment and hence no adjustment to their carrying value was deemed necessary.

Useful Lives

The following useful lives were attributed to the assets:-

Asset category	Useful life
Tanks	30 - 35 years
Process equipment	20 years
Bottling & packaging equipment	15 - 20 years
Process automation	10 years
Buildings	50 years

	Land & buildings €m	Plant & machinery €m	Total €m
Cost or valuation			
Carrying value at 29 February 2016 post revaluation	101.0	71.3	172.3
Carrying value at 29 February 2016 pre revaluation	107.9	80.4	188.3
(Loss) on revaluation	**(6.9)**	**(9.1)**	**(16.0)**
Classified within:			
Income Statement	**(6.9)**	**(9.1)**	**(16.0)**

	Land & buildings €m	Plant & machinery €m	Total €m
Cost or valuation			
Carrying value at 28 February 2015 post revaluation	108.3	88.7	197.0
Carrying value at 28 February 2015 pre revaluation	110.0	92.2	202.2
(Loss) on revaluation	(1.7)	(3.5)	(5.2)
Classified within:			
Income Statement	(7.0)	(3.5)	(10.5)
Other Comprehensive Income	5.3	-	5.3
(Loss) on revaluation	(1.7)	(3.5)	(5.2)

Fair value hierarchy

The valuations of land & buildings and plant & machinery are derived using data from sources which are not widely available to the public and involve a degree of judgement. For these reasons, the valuations of the Group's land & buildings and plant & machinery are classified as 'Level 3' as defined by IFRS 13 *Fair Value Measurement*, and as illustrated below:

	Carrying amount	Quoted prices Level 1	Significant observable Level 2	Significant unobservable Level 3
	€m	€m	€m	€m
Recurring measurements				
Freehold land & buildings measured at market value	65.0	-	-	65.0
Freehold land & buildings measured at depreciated replacement cost	36.0	-	-	36.0
Plant & machinery	71.3	-	-	71.3
At 29 February 2016	**172.3**	**-**	**-**	**172.3**

Measurement techniques

The Group used the following techniques to determine the fair value measurements categorised in Level 3:

- Land & buildings in Ireland, US, Wallaces Express and Portugal and plant & machinery located in Portugal, Borrisoleigh and Shepton Mallet, and all assets held for resale, are valued using a market value approach. The market value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date'.
- Land & buildings and plant & machinery in the UK, and plant & machinery located in Ireland and the US have been valued using the depreciated replacement cost approach. Depreciated replacement cost is assessed, firstly, by the identification of the gross replacement cost for each class of asset at each of the Group's plants. A depreciation factor derived from both the physical and functional obsolescence of each class of asset, taking into account estimated residual values at the end of the life of each class of asset, is then applied to the gross replacement cost to determine the net replacement cost. An economic obsolescence factor, which is derived based on current and anticipated capacity or utilisation of each plant and machinery asset, at each of the Group's plants, as a function of total available production capacity, is applied to determine the depreciated replacement cost.

Unobservable inputs

The significant unobservable inputs used in the market value measurement of land and buildings is as follows:

Valuation technique	Significant unobservable inputs	Range of unobservable inputs - Land ('000)	Range of unobservable inputs - Buildings	Relationship of unobservable inputs to fair value
Comparable market transactions	Price per square foot/acre			The higher the price per square foot/acre, the higher the fair value.
	Republic of Ireland	€13 – €29 per hectare	€47 – €257 per square meter	
	United States	$22 – $75 per acre	$6 – $85 per square foot	
	United Kingdom	£300 to £350 per acre	£10 to £65 per square foot	

The significant unobservable inputs used in the depreciated cost measurement of land & buildings and plant & machinery are as follows:-

Gross replacement cost adjustment	Increase in gross replacement cost of plant and machinery of 0% (2015: 1%), based on discussions with valuers
Economic obsolescence adjustment factor	Economic obsolescence, considered on an asset by asset basis, for each plant, ranging from 0% to 100% (2015: 0% to 100%). The weighted average obsolescence factor by site is as follows: Cidery, Ireland - 43%; Brewery Scotland - 64%; Cidery, England - 57% and Cidery, United States - 87%
Physical and functional obsolescence adjustment factor	Adjustment for changes to physical and functional obsolescence - nil (2015: nil)

The carrying value of plant & machinery in the Group which is valued on the depreciated replacement cost basis, would increase/(decrease) by €3.5m if the economic obsolescence adjustment factor was increased/(decreased) by 5%. If the gross replacement cost was increased/(decreased) by 2% the carrying value of the Group's plant & machinery would increase/(decrease) by €1.4m.

The carrying value of freehold land & buildings which is valued on the depreciated replacement cost basis, would increase/(decrease) by €1.6m if the economic obsolescence adjustment factor was increased/(decreased) by 5%. The estimated carrying value of the same land & buildings would increase/(decrease) by €0.7m if the gross replacement cost was increased/(decreased) by 2%.

The carrying value of freehold land & buildings located in Ireland, the US, Wallaces Express and Portugal would increase/(decrease) by €3.2m if the comparable open market value increased/(decreased) by 5%.

Assets held for resale
As at 29 February 2016, the Group holds property, plant and equipment of €10.3m (FY2015: €nil) as assets held for resale which is comprised of land & buildings of €7.3m and plant & machinery of €3.0m.

Company
The Company has no property, plant & equipment.

12. GOODWILL & INTANGIBLE ASSETS

	Goodwill €m	Brands €m	Other intangible assets €m	Total €m
Cost				
At 28 February 2014	457.3	261.6	3.5	722.4
Translation adjustment	19.2	49.3	0.3	68.8
Acquisition of Wallaces Express (note 10)	8.5	-	1.2	9.7
Acquisition of Biofun	2.1	-	-	2.1
At 28 February 2015	487.1	310.9	5.0	803.0
Translation adjustment	**(3.4)**	**(4.2)**	**(0.2)**	**(7.8)**
At 29 February 2016	**483.7**	**306.7**	**4.8**	**795.2**
Amortisation and impairment				
At 28 February 2014	-	-	0.5	0.5
Amortisation charge for the year	-	-	0.3	0.3
Impairment charge for the year	76.2	73.8	-	150.0
At 28 February 2015	76.2	73.8	0.8	150.8
Amortisation charge for the year	**-**	**-**	**0.3**	**0.3**
At 29 February 2016	**76.2**	**73.8**	**1.1**	**151.1**
Net book value				
At 29 February 2016	**407.5**	**232.9**	**3.7**	**644.1**
At 28 February 2015	410.9	237.1	4.2	652.2

Goodwill
Goodwill has been attributed to reporting segments (as identified under IFRS 8 *Operating Segments*) as follows:-

	Ireland €m	Scotland €m	C&C Brands €m	North America €m	Export €m	Total €m
Cost						
At 28 February 2014	154.5	42.3	175.0	71.6	13.9	457.3
Translation adjustment	-	3.8	1.6	13.8	-	19.2
Acquisition of Wallaces Express	-	8.5	-	-	-	8.5
Acquisition of Biofun	-	-	-	-	2.1	2.1
Impairment of goodwill	-	-	-	(76.2)	-	(76.2)
At 28 February 2015	154.5	54.6	176.6	9.2	16.0	410.9
Translation adjustment	**-**	**(2.4)**	**(1.0)**	**-**	**-**	**(3.4)**
At 29 February 2016	**154.5**	**52.2**	**175.6**	**9.2**	**16.0**	**407.5**

Goodwill consists both of goodwill capitalised under Irish GAAP which at the transition date to IFRS was treated as deemed cost and goodwill that arose on the acquisition of businesses since that date which was capitalised at cost and subsequently at fair value and represents the synergies arising from cost savings and the opportunity to utilise the extended distribution network of the Group to leverage the marketing of acquired products.

In line with IAS 36 *Impairment of Assets* goodwill is allocated to each operating segment (which may comprise more than one cash generating unit) which is expected to benefit from the combination synergies. These operating segments represent the lowest level within the Group at which goodwill is monitored for internal management purposes.

All goodwill is regarded as having an indefinite life and is not subject to amortisation under IFRS but is subject to an annual impairment assessment.

Brands
Brands have been attributed to reporting segments (as identified under IFRS 8 *Operating Segments*) as follows:-

	Scotland €m	C&C Brands €m	North America €m	Total €m
At 28 February 2014	78.0	13.0	170.6	261.6
Translation adjustment	10.1	1.7	37.5	49.3
Impairment of brands	-	-	(73.8)	(73.8)
At 28 February 2015	88.1	14.7	134.3	237.1
Translation adjustment	**(6.7)**	**(1.1)**	**3.6**	**(4.2)**
At 29 February 2016	**81.4**	**13.6**	**137.9**	**232.9**

Capitalised brands include the Tennent's beer brands and the Gaymers cider brands acquired during the financial year ended 28 February 2010, the Hornsby's cider brand acquired during the year ended 29 February 2012 and the Vermont Hard Cider Company cider brands and Waverley wine brands acquired during the financial year ended 28 February 2013.

The Tennent's, Gaymers and Vermont Hard Cider Company brands were valued at fair value on the date of acquisition in accordance with the requirements of IFRS 3 (2004) *Business Combinations* by independent professional valuers. The Hornsby's cider brand and Waverley wine brands were valued at cost.

Capitalised brands are regarded as having indefinite useful economic lives and therefore have not been amortised. The brands are protected by trademarks, which are renewable indefinitely in all major markets where they are sold and it is the Group's policy to support them with the appropriate level of brand advertising. In addition, there are not believed to be any legal, regulatory or contractual provisions that limit the useful lives of these brands. Accordingly, the Directors believe that it is appropriate that the brands be treated as having indefinite lives for accounting purposes.

No intangible assets were acquired by way of government grant, there is no title restriction on any of the capitalised intangible assets and no intangible assets are pledged as security. There are no contractual commitments in relation to the acquisition of intangible assets at year end.

Other intangible assets

Other intangible assets have been attributed to reporting segments (as identified under IFRS 8 *Operating Segments*) as follows:-

	Ireland €m	Scotland €m	Total €m
Cost			
At 28 February 2014	2.0	1.5	3.5
Translation adjustment	-	0.3	0.3
Acquisition of Wallaces Express	-	1.2	1.2
At 28 February 2015	2.0	3.0	5.0
Translation adjustment	**-**	**(0.2)**	**(0.2)**
At 29 February 2016	**2.0**	**2.8**	**4.8**
Amortisation			
At 28 February 2014	0.1	0.4	0.5
Amortisation charge for the year	0.1	0.2	0.3
At 28 February 2015	0.2	0.6	0.8
Amortisation charge for the year	**0.1**	**0.2**	**0.3**
At 29 February 2016	**0.3**	**0.8**	**1.1**
Net book value			
At 29 February 2016	**1.7**	**2.0**	**3.7**
At 28 February 2015	1.8	2.4	4.2

Other intangible assets comprise the fair value of trade relationships acquired as part of the acquisition of Wallaces Express during the prior financial year, the Gleeson trade relationships acquired during the financial year ended 28 February 2014 and 20 year distribution rights for third party beer products acquired as part of the acquisition of the Tennent's business during the financial year ended 28 February 2010. These were valued at fair value on the date of acquisition in accordance with the requirements of IFRS 3 (2004) *Business Combinations* by independent professional valuers. The intangible assets have a finite life and are subject to amortisation on a straight-line basis. The amortisation charge for the year ended 29 February 2016 with respect to intangible assets was €0.3m (2015: €0.3m).

Impairment testing

To ensure that goodwill and brands that are considered to have an indefinite useful economic life are not carried at above their recoverable amount, impairment reviews are performed comparing the carrying value of the assets with their recoverable amount using value-in-use computations. Impairment testing is performed annually or more frequently if there is an indication that the carrying amount may not be recoverable. Where the value-in-use exceeds the carrying value of the asset, the asset is not impaired.

As permitted by IAS 36 *Impairment of Assets*, the value of the Group's intangible assets (goodwill and brands) has been allocated to groups of cash generating units (referred to in this note as a business segment), which are not larger than an operating segment determined in accordance with IFRS 8 *Operating Segments*. These business segments represent the lowest levels within the Group at which the associated goodwill and indefinite life brands are monitored for management purposes.

The recoverable amount is calculated in respect of each business segment using value-in-use computations based on estimated future cash flows discounted to present value using a discount rate appropriate to each cash generating unit and terminal values calculated on the assumption that cash flows continue in perpetuity.

The key assumptions used in the value-in-use computations are:-

- Expected volume, net revenue and operating profit growth rates - cash flows for each business segment are based on detailed financial budgets and plans, formally approved by the Board, for years one to three; these cash flows are extrapolated out for years four and five;
- Long-term growth rate - cash flows after the first five years were extrapolated using a long-term growth rate, on the assumption that cash flows for the first five years will increase at a nominal growth rate in perpetuity;
- Discount rate.

The key assumptions were based on management assessment of anticipated market conditions for each business segment. A terminal growth rate of 1.25%-1.75% (2015: 2.0%-2.5%) in perpetuity was assumed based on an assessment of the likely long-term growth prospects for the sectors and geographies in which the Group operates. The resulting cash flows were discounted to present value using a range of discount rates between 6.5%-9.8% (2015: 8%-10%); these rates are in line with the Group's estimated pre-tax weighted average cost of capital for the three main geographies in which the Group operates (Ireland, Great Britain and North America), arrived at using the Capital Asset Pricing Model.

In formulating the budget and three year plan the Group takes into account historical experience, an appreciation of its core strengths and weaknesses in the markets in which it operates and external factors such as macro economic factors, inflation expectations by geography, regulation and expected changes in regulation (such as expected changes to duty rates and minimum pricing), market growth rates, sales price trend, competitor activity, market share targets and strategic plans and initiatives.

The Group has performed the detailed impairment testing calculations by business segment with the following discount rates being applied:

Market	Discount rate 2016	Discount rate 2015	Terminal growth rate 2016	Terminal growth rate 2015
Ireland	**9.8%**	8.1% - 9.8%	**1.25%**	2.5%
Scotland	**6.5%**	7.6% - 8.1%	**1.25%**	2.5%
C&C Brands	**6.5%**	8.1%	**1.25%**	2.5%
North America	**6.7%**	7.6%	**1.75%**	2.0%
Export	**6.7%**	7.6%	**1.75%**	2.5%

The impairment testing carried out at 29 February 2016 identified headroom in the recoverable amount of all of the Group's Goodwill & intangible assets.

In the prior financial year, the impairment testing carried out by the Group led to an impairment charge of €150.0m with respect to the Group's North American business segment. This impairment charge in the prior financial year resulted in the write-down of the carrying value of the brands of €73.8m and goodwill of €76.2m. Competitive intensity increased markedly in the US market during the prior financial year, with new entrants from global and domestic brewers and a growing craft cider movement. As a consequence the Group's share of the category came under pressure and this led to the rebasing of the Group's profit expectations, and terminal growth rate for the US business which resulted in the impairment charge in the prior financial year. All other segments had sufficient headroom in the prior financial year.

In the current financial year the Group announced a long-term partnership agreement in the US with Pabst Brewing Company ("Pabst") for the sale and distribution of the Group's cider brands within the US. The agreement will take effect from 1 March 2016. The partnership will substantially strengthen the Group's route to market in the US by leveraging Pabst's extensive distribution and sales platform. Under the terms of the partnership, Pabst has an option to acquire C&C Group's US Cider Brands and related assets, subject to any shareholder and regulatory approval. The option is exercisable from 2017. Consideration, which is not to be below US$150.0m, will be determined at the time of the exercise of the option.

Sensitivity analysis
The impairment testing carried out at 29 February 2016 identified headroom in the recoverable amount of the brands and goodwill compared to their carrying values in all business segments. In the prior financial year the impairment testing carried out as at 28 February 2015 identified headroom in the recoverable amount of the brands and goodwill compared to their carrying values in all business segments excluding North America. The testing identified an impairment charge in North America of €150.0m.

The key sensitivities for the impairment testing are net revenue and operating profit assumptions, discount rates applied to the resulting cash flows and the expected long-term growth rates.

The value-in-use calculations indicate significant headroom in respect of the Ireland and Scotland operating segments. In the case of C&C Brands, the level of headroom, while significantly less than the headroom in the Ireland and Scotland operating segments, is in excess of €102.7m. The level of headroom in the North America segment, primarily arising as a consequence of revised expectations of the performance of the segment going forward in light of the Pabst arrangement as outlined above, is in excess of €48.0m.

For C&C Brands, an increase and a decrease in the operating profit assumption applied by 2.5% would impact the headroom by €6.0m. For North America, an increase and a decrease in the operating profit assumption by 2.5% would impact the headroom by €5.5m.

For C&C Brands, an increase in the discount rate assumption by 0.25% would decrease the headroom by €17.0m and a decrease by 0.25% would increase the headroom by €18.7m. For North America, an increase in the discount rate assumption by 0.25% would decrease the headroom by €8.9m and a decrease by 0.25% would increase the headroom by €9.8m.

For C&C Brands, an increase in the terminal growth rate assumption by 0.25% would increase the headroom by €13.9m and a decrease by 0.25% would decrease the headroom by €12.6m. For North America, an increase in the terminal growth rate by 0.25% would increase the headroom by €10.1m and a decrease by 0.25% would decrease the headroom by €9.2m.

Therefore the Group concludes that no reasonable movement in any of the underlying assumptions would result in an impairment in any of the Group's business segments.

13. EQUITY ACCOUNTED INVESTEES/FINANCIAL ASSETS

(a) Equity accounted investees - Group

	Drygate Brewing Company Limited	Wallaces Express Limited	Maclay Group plc	Thistle Pub Company	Total
	€m	€m	€m	€m	€m
Investment in equity accounted investees					
Carrying amount at 1 March 2014	-	12.6	2.0	0.4	15.0
Purchase price paid	0.5	-	-	-	0.5
Deemed disposal	-	(12.7)	-	-	(12.7)
Impairment	-	-	(2.0)	-	(2.0)
Share of loss after tax	(0.1)	-	-	-	(0.1)
Translation adjustment	-	0.1	-	0.1	0.2
Carrying amount at 28 February 2015	0.4	-	-	0.5	0.9
Share of (loss)/profit after tax	**(0.1)**	**-**	**-**	**0.1**	**-**
Reclassification of loan note	**-**	**-**	**-**	**(0.4)**	**(0.4)**
Impairment of financial liability on disposal	**-**	**-**	**-**	**(0.2)**	**(0.2)**
Carrying amount at 29 February 2016	**0.3**	**-**	**-**	**-**	**0.3**

Drygate Brewing Company Limited

In the prior financial year, the Group entered into a joint venture arrangement with Heather Ale Limited, run by the Williams brothers who are recognised as leading family craft brewers in Scotland, to form a new entity Drygate Brewing Company Limited. The joint venture, which is run independently of the joint venture partners existing businesses, operates a craft brewing and retail facility adjacent to Wellpark brewery. The total investment was €0.5m at the date of investment and €0.4m as at 28 February 2015. The financial result for the current financial year attributable to the Group was a loss of €0.1m.

Wallaces Express Limited

On 22 March 2013, the Group acquired 50% of the equity share capital of Wallaces Express, Scotland's largest wines and spirits wholesaler. In the prior financial year, on 18 March 2014, the Group announced the acquisition of the remaining 50% equity share capital of Wallaces Express. Under IAS 28 *Investments in Associates and Joint Ventures*, this necessitated the deemed disposal of the Group's initial 50% investment which was classified as an equity accounted investee and the recognition of the acquisition of control of the business under IFRS 3 *Business Combinations*.

The Group's share of profits from initial acquisition of the equity accounted investee, on 22 March 2013, to date of deemed disposal on 18 March 2014 was €0.6m. In addition, the Group had recognised €0.1m in the foreign currency reserve which was recycled to the Income Statement in the prior financial year following this deemed disposal.

Maclay Group plc

On 21 March 2012, the Group acquired a 25% equity investment in Maclay Group plc. The Maclay Group plc went into administration during the prior financial year and accordingly the Group fully impaired its investment and related derivative financial instruments in this entity as at 28 February 2015.

Thistle Pub Company Limited

On 3 August 2015, the Group acquired the remaining equity share capital of Thistle Pub Company Limited. This purchase followed the acquisition of an initial stake in the business in November 2012. Under IAS 28 *Investments in Associates and Joint Ventures* this necessitated the deemed disposal of the Group's initial investment which was classified as an equity accounted investee and the recognition of the acquisition of control of the business under IFRS 3 *Business Combinations*.

In the current financial year the Group recognised a profit of €0.1m being the financial result for the current financial year, to date of deemed disposal, attributable to the Group. Also in the current financial year the Group reclassified €0.4m of loan notes which inadvertently had been classified as part of the initial investment and impaired the Group's financial liability of €0.2m with respect to its initial investment in the business on its deemed disposal. In addition the Group had recognised €0.1m in the foreign currency reserve which was recycled to the Income Statement in the current financial year following the deemed disposal.

Other

The Group also has an equity investment in Shanter Inns Limited, Beck & Scott (Services) Limited (Northern Ireland) and The Irish Brewing Company Limited (Ireland). The value of these investments is less than €0.1m in the current and prior financial year.

(b) Financial Assets - Company

	2016 €m	2015 €m
Equity investment in subsidiary undertakings at cost		
At beginning of year	**978.1**	977.9
Capital contribution in respect of share options granted to employees of subsidiary undertakings	**0.5**	0.2
At end of year	**978.6**	978.1

The total expense of €0.5m (2015: €0.2m) attributable to equity settled awards granted to employees of subsidiary undertakings has been included as a capital contribution in financial assets.

In the opinion of the Directors, the shares in the subsidiary undertakings are worth at least the amounts at which they are stated in the Balance Sheet. Details of subsidiary undertakings are set out in note 27.

14. INVENTORIES

	2016 €m	2015 €m
Group		
Raw materials & consumables	**36.9**	40.6
Finished goods & goods for resale	**49.0**	52.9
Total inventories at lower of cost and net realisable value	**85.9**	93.5

Inventory write-down recognised as an expense within operating costs amounted to €3.8m (2015: €4.3m). The inventory write-down in the current financial year is primarily as a result of the write-off of finished goods and packaging stocks in Vermont Hard Cider Company due to rebranding which took place during the year, and the write-off of obsolete stock in various locations. The level of inventory write-down in the prior financial year is impacted by the write-off of inventory in Australia following a change of the Group's distributor and the write-off of packaging stocks in Vermont Hard Cider Company. Previously impaired inventory recovered during the financial year and recognised as exceptional income (note 5) amounted to €nil (2015: €0.3m).

15. TRADE & OTHER RECEIVABLES

	Group		Company	
				Restated*
	2016	2015	2016	2015
	€m	€m	€m	€m
Amounts falling due within one year:				
Trade receivables	**69.6**	122.4	**-**	-
Amounts due from Group undertakings	**-**	-	**238.2**	239.0
Advances to customers	**7.0**	8.5	**-**	-
Prepayments and other receivables	**17.5**	17.3	**0.5**	0.1
	94.1	148.2	**238.7**	239.1
Amounts falling due after one year:				
Advances to customers	**46.0**	46.2	**-**	-
Prepayments and other receivables	**-**	-	**1.2**	2.0
	46.0	46.2	**1.2**	2.0
Total	**140.1**	194.4	**239.9**	241.1

*Company only: amounts due from Group undertakings in the prior financial year have been reclassified from long-term to short-term to reflect the repayment terms attached to these balances.

The aged analysis of trade receivables and advances to customers analysed between amounts that were neither past due nor impaired and amounts past due at 29 February 2016 and 28 February 2015 were as follows:-

	Gross	Impairment	Gross	Impairment
	2016	2016	2015	2015
	€m	€m	€m	€m
Group				
Neither past due nor impaired	**102.2**	-	**158.8**	-
Past due:-				
Past due 0-30 days	**9.4**	(0.3)	**10.8**	(1.1)
Past due 31-120 days	**8.5**	(2.0)	**7.0**	(2.8)
Past due 121-365 days	**8.2**	(3.4)	**8.0**	(4.3)
Past due more than one year	**8.2**	(8.2)	**5.1**	(4.4)
Total	**136.5**	(13.9)	**189.7**	(12.6)

All trade & other receivables and advances to customers are monitored on an on-going basis for evidence of impairment and assessments are undertaken for individual accounts. A provision for impairment with respect to trade and other receivables is created where the Group expects it may not be able to collect all amounts due in accordance with the original terms of the agreement with the customer. An impairment provision is created in relation to advances to customers considered receivable in a period outside that originally contracted. Balances included in the impairment provision are generally written off when there is no expectation of recovery.

Trade receivables are on average receivable within 30 days (2015: 47 days) of the balance sheet date, are unsecured and are not interest-bearing.

The movement in the allowance for impairment in respect of trade receivables and advances to customers during the year was as follows:-

	2016 €m	2015 €m
Group		
At beginning of year	**12.6**	8.5
Recovered during the year	**(2.1)**	(0.8)
Provided during the year	**5.2**	4.1
Written off during the year	**(1.1)**	(0.3)
Translation adjustment	**(0.7)**	1.1
At end of year	**13.9**	12.6

16. TRADE & OTHER PAYABLES

	Group		Company	
	2016 €m	2015 €m	2016 €m	2015 €m
Trade payables	**72.4**	73.5	**-**	-
Payroll taxes & social security	**2.9**	3.3	**-**	-
VAT	**6.5**	11.3	**-**	-
Excise duty	**15.7**	17.1	**-**	-
Deferred consideration re acquisition of business	**-**	3.2	**-**	-
Accruals	**63.4**	67.7	**0.5**	0.4
Amounts due to Group undertakings	**-**	-	**273.3**	163.0
Total	**160.9**	176.1	**273.8**	163.4

The Group's exposure to currency and liquidity risk related to trade & other payables is disclosed in note 22.

Company

The Company has entered into financial guarantee contracts to guarantee the indebtedness of the liabilities of certain of its subsidiary undertakings. As at 29 February 2016, the Directors consider these to be in the nature of insurance contracts and do not consider it probable that the Company will have to make a payment under these guarantees and as such discloses them as a contingent liability as detailed in note 25.

17. PROVISIONS

	Restructuring 2016 €m	Onerous lease 2016 €m	Other 2016 €m	Total 2016 €m	Total 2015 €m
At beginning of year	**2.0**	**10.0**	**0.2**	**12.2**	11.5
Translation adjustment	**(0.5)**	**(0.7)**	**-**	**(1.2)**	1.3
Charged during the year	**18.2**	**-**	**0.1**	**18.3**	2.8
Unwind of discount on provisions	**-**	**0.8**	**-**	**0.8**	0.9
Utilised during the year	**(9.0)**	**(2.1)**	**(0.1)**	**(11.2)**	(4.3)
At end of year	**10.7**	**8.0**	**0.2**	**18.9**	12.2
Classified within:					
Current liabilities				**12.6**	3.8
Non-current liabilities				**6.3**	8.4
				18.9	12.2

Restructuring
The restructuring provision charged during the current financial year primarily relates to severance costs arising from the Group's announced consolidation of its production sites in Borrisoleigh and Shepton Mallet into the Group's manufacturing site in Clonmel and the consequential reduction in head count as a result of this consolidation and other reorganisation programmes during the year across the Group. Also included is a provision for the expected costs from when the Group's operations in Borrisoleigh and Shepton Mallet close until their final disposal. The restructuring provision utilised in the current financial year primarily related to severance costs arising from a reorganisation programme in England & Wales and other reorganisation initiatives across the Group.

Onerous leases
The onerous lease provision relates to two onerous leases in relation to warehousing facilities acquired as part of the acquisition of the Gaymers cider business in 2010. These onerous leases expire in 2017 and 2026 respectively.

Other
Other provisions relate to a provision for the Group's exposure to employee and third party insurance claims. Under the terms of employer and public liability insurance policies, the Group bears a portion of the cost of each claim up to the specified excess. The provision is calculated based on the expected portion of settlement costs to be borne by the Group in respect of specific claims arising before the balance sheet date.

18. INTEREST BEARING LOANS & BORROWINGS

Group	2016 €m	2015 €m
Current assets		
Unsecured bank loans repayable by one repayment on maturity	**(1.0)**	-
Non-current liabilities		
Unsecured bank loans repayable by one repayment on maturity	**359.3**	339.7
Secured bank loans repayable in instalments*	**1.8**	-
Total non-current liabilities	**361.1**	339.7
Current liabilities		
Secured bank loans repayable in instalments*	**0.2**	-
Total borrowings	**360.3**	339.7

* Acquired in current financial year on acquisition of Thistle Pub Company Limited and balance repaid in full post year end.

Outstanding non-current unsecured bank loans are net of unamortised issue costs which are being amortised to the Income Statement over the remaining life of the Group's multi-currency facility. The value of unamortised issue costs at 29 February 2016 was €2.1m (2015: €3.1m) of which €1.1m was netted against non-current unsecured liabilities (2015: €3.1m) and €1.0m is shown as a current asset on the Balance Sheet.

Terms and debt repayment schedule

	Currency	Nominal rates of interest	Year of maturity	2016 Carrying value €m	2015 Carrying value €m
Unsecured bank loans repayable by one repayment on maturity	Multi	Euribor/Libor + 1.0%	2019	**360.4**	342.8
Secured bank loan repayable in instalments*	GBP	Libor + 3.0 %	2018	**2.0**	-
				362.4	342.8

* Acquired in current financial year on acquisition of Thistle Pub Company Limited and balance repaid in full post year end.

Borrowing facilities
The Group manages its borrowing requirements by entering into committed loan facility agreements.

In December 2014, the Group amended and updated its committed €450m multi-currency five year syndicated revolving loan facility with seven banks, namely Bank of Ireland, Bank of Scotland, Barclays Bank, Danske Bank, HSBC, Rabobank, and Ulster Bank, repayable in a single instalment on 22 December 2019. The facility agreement provides for a further €100m in the form of an uncommitted accordion facility and permits the Group to avail of further financial indebtedness, excluding working capital and guarantee facilities, to a maximum value of €150m, subject to agreeing the terms and conditions with the lenders. Consequently the Group is permitted under the terms of the agreement, to have debt capacity of €700m of which €360.4m was drawn at 29 February 2016 (2015: €342.8m).

Under the terms of the agreement, the Group must pay a commitment fee based on 40% of the applicable margin on undrawn committed amounts and variable interest on drawn amounts based on variable Euribor/Libor interest rates plus a margin, the level of which is dependent on the net debt: EBITDA ratio, plus a utilisation fee, the level of which is dependent on percentage utilisation. The Group may select an interest period of one, two, three or six months.

All non-current bank loans drawn under the Group's multi-currency revolving loan facility are guaranteed by a number of the Group's subsidiary undertakings. The facility agreement allows the early repayment of debt without incurring additional charges or penalties. All such non-current bank loans under the Group's multi currency revolving loan facility are repayable in full on change of control of the Group.

The Group's multi-currency debt facility incorporates two financial covenants:

- Interest cover: The ratio of EBITDA to net interest for a period of 12 months ending on each half-year date will not be less than 3.5:1
- Net debt/EBITDA: The ratio of net debt on each half-year date to EBITDA for a period of 12 months ending on a half-year date will not exceed 3.5:1

The Group complied with both covenants throughout the current and prior financial year.

In addition during the current financial year the Group acquired debt following the acquisition of Thistle Pub Company Limited of £1.7m (€2.4m Euro equivalent at date of acquisition) of which £1.6m (€2.0m Euro equivalent at year end rate) remains outstanding at 29 February 2016 however this outstanding balance was repaid in full post year end. As at 29 February 2016, €0.2m of this debt is classified as current in line with the repayment schedule at that point in time. Interest is payable based on variable Libor interest rates plus a margin.

This debt facility incorporates a number of financial covenants as follows:

- Interest cover: The ratio of EBITDA to total interest and EBITDA to senior interest, as defined in the facility agreement, at predetermined dates over the life of the facility must not be less than the respective ratio as outlined in the facility agreement at each point in time
- Loan to value cover: The aggregate drawn amount outstanding as a percentage of the market value of the properties identified in the agreement, shall not at any time be more than 60%, where there are four or more properties
- Cash flow cover: The ratio of EBITDA, as adjusted for a number of specific items where relevant, as defined in the facility agreement, to total debt service at predetermined dates over the life of the facility must not be less than the respective ratio as outlined in the facility agreement at each point in time

Further information about the Group's exposure to interest rate, foreign currency and liquidity risk is disclosed in note 22.

19. ANALYSIS OF NET DEBT

	1 March 2015 €m	Translation adjustment €m	Debt arising on acquisition €m	Cash flow €m	Non-cash changes €m	29 February 2016 €m
Group						
Interest bearing loans & borrowings	**339.7**	**(7.7)**	**2.4**	**24.9**	**1.0**	**360.3***
Cash & cash equivalents	**(181.9)**	**8.7**	**-**	**(24.1)**	**-**	**(197.3)**
	157.8	**1.0**	**2.4**	**0.8**	**1.0**	**163.0**

*Interest bearing loans & borrowings at 29 February 2016 are net of unamortised issue costs of €2.1m of which €1.0m is classified on the balance sheet as a current asset.

	1 March 2014 €m	Translation adjustment €m	Debt arising on acquisition €m	Cash flow €m	Non-cash changes €m	28 February 2015 €m
Group						
Interest bearing loans & borrowings	308.0	34.9	-	(3.8)	0.6	339.7*
Cash & cash equivalents	(162.8)	(13.2)	-	(5.9)	-	(181.9)
	145.2	21.7	-	(9.7)	0.6	157.8

*Interest bearing loans & borrowings at 28 February 2015 are net of unamortised issue costs of €3.1m.

The non-cash change to the Group's interest bearing loans and borrowings in the current and prior financial years relate to the amortisation of issue costs of €1.0m (2015: €0.6m).

	1 March 2015 €m	Cash flow €m	Non-cash changes €m	29 February 2016 €m
Company				
Prepaid issue costs	**(2.0)**	**-**	**0.4**	**(1.6)***
Cash & cash equivalents	**-**	**-**	**-**	**-**
	(2.0)	**-**	**0.4**	**(1.6)**

*Prepaid issues costs at 29 February 2016 amounted to €1.6m of which €0.4m is classified as a current asset on the balance sheet.

	1 March 2014 €m	Cash flow €m	Non-cash changes €m	28 February 2015 €m
Company				
Prepaid issue costs	-	(2.0)	-	(2.0)
Cash & cash equivalents	(0.2)	0.2	-	-
	(0.2)	(1.8)	-	(2.0)

The Company is an original borrower under the terms of the Group's revolving credit facility but is not a borrower in relation to the Group's drawn debt as at 29 February 2016 or 28 February 2015. As outlined in further detail in note 25, the Company, together with a number of its subsidiaries, gave a letter of guarantee to secure its obligations in respect of debt drawn by the Group under the terms of the Group's revolving credit facility agreement. The Company's prepaid issue costs relate to issue costs with respect to the Group's 2014 revolving credit facility; the amortisation of such issue costs was €0.4m in the current financial year (2015: amortisation of less than €0.1m).

20. RECOGNISED DEFERRED TAX ASSETS AND LIABILITIES

	Assets	Liabilities	2016 Net assets/ (liabilities)	Assets	Liabilities	2015 Net assets/ (liabilities)
	€m	€m	€m	€m	€m	€m
Group						
Property, plant & equipment	**-**	**(1.3)**	**(1.3)**	-	(2.9)	(2.9)
Intangible assets	**-**	**(3.3)**	**(3.3)**	-	(3.1)	(3.1)
Retirement benefit obligations	**4.0**	**(0.9)**	**3.1**	4.6	(0.7)	3.9
Trade related items & losses	**0.4**	**-**	**0.4**	0.4	-	0.4
	4.4	**(5.5)**	**(1.1)**	5.0	(6.7)	(1.7)

The Group has not recognised deferred tax in relation to temporary differences applicable to investments in subsidiaries on the basis that the Group can control the timing and the realisation of these temporary differences and it is unlikely that the temporary differences will reverse in the foreseeable future. The aggregate amount of temporary differences applicable to investments in subsidiaries and equity accounted investees in respect of which deferred tax liabilities have not been recognised is immaterial on the basis that the participation exemptions and foreign tax credits should be available such that no material temporary differences arise. There are no other unrecognised deferred tax liabilities.

In addition, no deferred tax asset has been recognised in respect of certain tax losses incurred by the Group on the basis that the recovery is considered unlikely in the foreseeable future. The value of such tax losses is €7.5m in the current financial year (2015: €5.5m). In the event that sufficient taxable profits arise in the relevant jurisdictions in future years, these losses may be utilised. The vast majority of these losses are due to expire in 2035.

Company
The company had no deferred tax assets or liabilities at 29 February 2016 or at 28 February 2015.

Analysis of movement in net deferred tax assets/(liabilities)

	1 March 2015	Recognised in Income Statement	Recognised on acquisition	Recognised in Other Comprehensive Income	Translation adjustment	29 February 2016
	€m	€m	€m	€m	€m	€m
Group						
Property, plant & equipment: ROI	**(0.6)**	**-**	**-**	**-**	**-**	**(0.6)**
Property, plant and equipment: other	**(2.3)**	**1.5**	**-**	**-**	**0.1**	**(0.7)**
Provision for trade related items	**0.4**	**-**	**-**	**-**	**-**	**0.4**
Intangible assets	**(3.1)**	**(0.5)**	**-**	**-**	**0.3**	**(3.3)**
Retirement benefit obligations	**3.9**	**(1.4)**	**-**	**0.6**	**-**	**3.1**
	(1.7)	**(0.4)**	**-**	**0.6**	**0.4**	**(1.1)**

	1 March 2014 €m	Recognised in Income Statement €m	Recognised on acquisition €m	Recognised in Other Comprehensive Income €m	Translation adjustment €m	28 February 2015 €m
Group						
Property, plant & equipment: ROI	0.3	(0.7)	-	(0.2)	-	(0.6)
Property, plant and equipment: other	(3.4)	1.5	(0.1)	-	(0.3)	(2.3)
Provision for trade related items	1.6	(1.3)	-	-	0.1	0.4
Intangible assets	(3.0)	0.3	-	-	(0.4)	(3.1)
Retirement benefit obligations	2.6	(1.2)	-	2.6	(0.1)	3.9
	(1.9)	(1.4)	(0.1)	2.4	(0.7)	(1.7)

21. RETIREMENT BENEFIT OBLIGATIONS

The Group operates a number of defined benefit pension schemes for certain employees, past and present, in the Republic of Ireland (ROI) and in Northern Ireland (NI), all of which provide pension benefits based on final salary and the assets of which are held in separate trustee administered funds. The Group closed its defined benefit pension schemes to new members in April 2007 and provides only defined contribution pension schemes for employees joining the Group since that date. The Group provides permanent health insurance cover for the benefit of certain employees and separately charges this to the Income Statement.

The defined benefit pension scheme assets are held in separate trustee administered funds to meet long-term pension liabilities to past and present employees. The trustees of the funds are required to act in the best interest of the funds' beneficiaries. The appointment of trustees to the funds is determined by the schemes' trust documentation. The Group has a policy in relation to its principal staff pension fund that members of the fund should nominate half of all fund trustees.

There are no active members remaining in the Executive defined benefit pension scheme (2015: no active members). There are 63 active members, representing less than 10% of total membership, in the ROI Staff defined benefit pension scheme (2015: 73 active members) and 4 active members in the NI scheme (2015: 4 active members). The Group's ROI defined benefit pension reform programme concluded during the financial year ended 29 February 2012 with the Pensions Board issuing a directive under Section 50 of the Pensions Act 1990 to remove the mandatory pension increase rule, which guaranteed 3% per annum increase to certain pensions in payment, and to replace it with guaranteed pension increases of 2% per annum for each year 2012 to 2015 and thereafter for all future pension increases to be awarded on a discretionary basis.

In the current financial year the Group offered deferred members of its two ROI defined benefit schemes an opportunity to transfer out of the schemes, giving the deferred member greater control and flexibility over their pension arrangements. The closing liability of the two ROI defined benefit schemes as at 29 February 2016 is a deficit of €32.7m and this includes an obligation to pay €10.0m to deferred members who opted to transfer out of the schemes. This €10.0m liability is classified as a current liability in the financial statements of the Group as at 29 February 2016. The NI defined benefit pension scheme is reporting a surplus of €4.7m as at 29 February 2016.

Actuarial valuations – funding requirements

Independent actuarial valuations of the defined benefit pension schemes are carried out on a triennial basis using the attained age method. The most recent actuarial valuations of the ROI schemes were carried out with an effective date of 1 January 2015 while the date of the most recent actuarial valuation of the NI scheme was 31 December 2014. The actuarial valuations are not available for public inspection; however the results of the valuations are advised to members of the various schemes.

The funding requirements in relation to the Group's ROI defined benefit pension schemes are assessed at each valuation date and are implemented in accordance with the advice of the actuaries. Arising from the formal actuarial valuations of the main schemes the Group has committed to contributions of 22.2% of pensionable salaries along with a deficit contribution of €3.1m per annum until the next valuation date for the Group's Staff defined benefit pension scheme. Assessment of funding requirements for the Group's Executive defined benefit pension scheme is still ongoing.

The 2014 actuarial valuation of the NI defined benefit pension scheme confirmed it was in surplus. As a result of this valuation the Group has committed to paying £0.1m per annum until the next valuation date. The Directors believe this will enable the scheme to meet the Statutory Funding Objective going forward.

The Group is exposed to a number of risks in relation to the funding position of these schemes, namely:-

Asset volatility: It is the Group's intention to pursue a long-term investment policy that emphasises investment in secure monetary assets to provide for the contractual benefits payable to members. The investment portfolio has exposure to equities, other growth assets and fixed interest investments, the returns from which are uncertain and may fluctuate significantly in line with market movements. Assets held are valued at fair value using bid prices where relevant.

Discount rate: The discount rate is the rate of interest used to discount post-employment benefit obligations and is determined by reference to market yields at the balance sheet date on high quality corporate bonds with a currency and term consistent with the currency and estimated term of the Group's post employment benefit obligations. Movements in discount rates have a significant impact on the value of the schemes' liabilities.

Longevity: The value of the defined benefit obligations is influenced by demographic factors such as mortality experience and retirement patterns. Changes to life expectancy have a significant impact on the value of the schemes' liabilities.

Method and assumptions
The schemes' independent actuary, Mercer (Ireland) Limited, has employed the projected unit credit method to determine the present value of the defined benefit obligations arising and the related current service cost.

The financial assumptions that have the most significant impact on the results of the actuarial valuations are those relating to the discount rate used to convert future pension liabilities to current values and the rate of inflation/salary increase. These and other assumptions used to determine the retirement benefit obligations and current service cost under IAS19(R) *Employee Benefits* are set out below.

Mortality rates also have a significant impact on the actuarial valuations, as the number of deaths within the scheme have been too small to analyse and produce any meaningful scheme-specific estimates of future levels of mortality, the rates used have been based on the most up-to-date mortality tables, (the S2PMA CMI 2013 (males) and S2PFA CMI 2013 (females) for the ROI schemes and SPA07M year of birth tables with CMI 2014 projections for the NI scheme) with age ratings and loading factors to allow for future mortality improvements. These tables conform to best practice. The growing trend for people to live longer and the expectation that this will continue has been reflected in the mortality assumptions used for this valuation as indicated below. This assumption will continue to be monitored in light of general trends in mortality experience. Based on these tables, the assumed life expectations on retirement are:-

		ROI		NI	
		2016	2015	2016	2015
Future life expectations at age 65		No. of years	No. of years	No. of years	No. of years
Current retirees – no allowance for future improvements	Male	**23.7**	22.8-23.6	**22.8**	22.9
	Female	**25.7**	24.8-25.6	**24.9**	25.5
Future retirees – with allowance for future improvements	Male	**24.9**	23.9-24.8	**24.9**	25.8
	Female	**26.9**	26.0-26.8	**27.2**	28.4

Scheme liabilities:-
The average age of active members is 47 and 51 years for the ROI Staff and the NI defined benefit pension schemes respectively (the Executive defined benefit pension scheme has no active members), while the average duration of liabilities ranges from 15 to 23 years.

The principal long-term financial assumptions used by the Group's actuaries in the computation of the defined benefit liabilities arising on pension schemes as at 29 February 2016 and 28 February 2015 are as follows:-

	2016		2015	
	ROI	NI	ROI	NI
Salary increases	**0.0%-2.5%**	**3.4%**	0.0%-2.5%	3.5%
Increases to pensions in payment	**1.5%**	**1.7%**	1.5%	1.7%
Discount rate	**1.95%-2.15%**	**3.9%**	1.7-1.9%	3.6%
Inflation rate	**1.5%**	**3.0%**	1.5%	3.1%

A reduction in discount rate used to value the schemes' liabilities by ¼% would increase the valuation of liabilities by €11.3m while an increase in inflation/salary increase expectations of ¼% would increase the valuation of liabilities by €9.7m. The sensitivity is calculated by changing the individual assumption while holding all other assumptions constant.

The pension assets and liabilities on the following pages have been prepared in accordance with IAS19(R) *Employee Benefits*.

a. Impact on Group Income Statement

	2016			2015		
	ROI €m	NI €m	Total €m	ROI €m	NI €m	Total €m
Analysis of defined benefit pension expense:						
Current service cost	**1.0**	**0.1**	**1.1**	0.6	-	0.6
Past service gain	**(0.8)**	**-**	**(0.8)**	(1.8)	(1.3)	(3.1)
Gain on settlement	**(5.4)**	**-**	**(5.4)**	-	-	-
Interest cost on scheme liabilities	**4.2**	**0.3**	**4.5**	6.5	0.3	6.8
Interest income on scheme assets	**(3.5)**	**(0.4)**	**(3.9)**	(5.8)	(0.4)	(6.2)
Total income recognised in Income Statement	**(4.5)**	**-**	**(4.5)**	(0.5)	(1.4)	(1.9)

Analysis of amount recognised in Other Comprehensive Income:

	2016			2015		
	ROI €m	NI €m	Total €m	ROI €m	NI €m	Total €m
Actual return on scheme assets	**(4.4)**	**(0.1)**	**(4.5)**	29.8	1.5	31.3
Expected interest income on scheme assets	**(3.5)**	**(0.4)**	**(3.9)**	(5.8)	(0.4)	(6.2)
Experience gains and losses on scheme liabilities	**(7.5)**	**0.5**	**(7.0)**	0.9	-	0.9
Effect of changes in assumptions on scheme liabilities	**9.7**	**0.6**	**10.3**	(45.6)	(1.1)	(46.7)
Total (expense)/income	**(5.7)**	**0.6**	**(5.1)**	(20.7)	-	(20.7)
Scheme assets	**184.8**	**10.3**	**195.1**	192.6	10.7	203.3
Scheme liabilities	**(217.5)**	**(5.6)**	**(223.1)**	(229.9)	(7.0)	(236.9)
Deficit in scheme	**(32.7)**	**-**	**(32.7)**	(37.3)	-	(37.3)
Surplus in scheme	**-**	**4.7**	**4.7**	-	3.7	3.7

b. Impact on Group Balance Sheet

The retirement benefit obligations (deficit)/surplus at 29 February 2016 and 28 February 2015 is analysed as follows:-

Analysis of net pension deficit:

		2016			2015	
	ROI	NI	Total	ROI	NI	Total
	€m	€m	€m	€m	€m	€m
Bid value of assets at end of year:						
Equity*	**49.1**	**5.3**	**54.4**	58.8	5.5	64.3
Bonds	**84.5**	**5.0**	**89.5**	87.0	5.2	92.2
Property	**10.6**	**-**	**10.6**	8.8	-	8.8
Cash	**0.2**	**-**	**0.2**	10.8	-	10.8
Alternatives	**40.4**	**-**	**40.4**	27.2	-	27.2
	184.8	**10.3**	**195.1**	192.6	10.7	203.3
Actuarial value of scheme liabilities	**(217.5)**	**(5.6)**	**(223.1)**	(229.9)	(7.0)	(236.9)
(Deficit)/surplus in the scheme	**(32.7)**	**4.7**	**(28.0)**	(37.3)	3.7	(33.6)
Related deferred tax asset/(liability)	**4.0**	**(0.9)**	**3.1**	4.6	(0.7)	3.9
Net pension (deficit)/surplus	**(28.7)**	**3.8**	**(24.9)**	(32.7)	3.0	(29.7)

(Deficit)/surplus in the scheme classified within:		
Non-current assets	**4.7**	3.7
Non-current liabilities	**(22.7)**	(37.3)
Current liabilities**	**(10.0)**	-

* The defined benefit pension schemes have a passive self investment in C&C Group plc of €nil (2015: €nil).

** Pension obligation with respect to the settlement out of the scheme of deferred members who elected to transfer out of the scheme as previously outlined. This was settled post year end.

The alternative investment category includes investments in various asset classes including equities, commodities, currencies and funds. The investments are managed by fund managers.

Reconciliation of scheme assets

		2016			2015	
	ROI	NI	Total	ROI	NI	Total
	€m	€m	€m	€m	€m	€m
Assets at beginning of year	**192.6**	**10.7**	**203.3**	163.8	7.6	171.4
Movement in year:						
Translation adjustment	**-**	**(0.8)**	**(0.8)**	-	1.0	1.0
Expected interest income on scheme assets, net of pension levy	**3.5**	**0.4**	**3.9**	5.8	0.4	6.2
Actual return less interest income on scheme assets	**(7.9)**	**(0.5)**	**(8.4)**	24.0	1.1	25.1
Employer contributions	**5.8**	**0.7**	**6.5**	5.7	0.7	6.4
Member contributions	**0.2**	**-**	**0.2**	0.2	-	0.2
Benefit payments	**(9.4)**	**(0.2)**	**(9.6)**	(6.9)	(0.1)	(7.0)
Assets at end of year	**184.8**	**10.3**	**195.1**	192.6	10.7	203.3

The expected employer contributions to fund defined benefit scheme obligations for year ending 29 February 2017 is €3.6m (2016: €6.3m).

The scheme assets had the following investment profile at the year end:-

	2016		2015	
	ROI	NI	ROI	NI
Equities	**26%**	**51%**	30%	51%
Bonds	**46%**	**49%**	45%	49%
Property	**6%**	**-**	5%	-
Cash	**-**	**-**	6%	-
Alternatives	**22%**	**-**	14%	-
	100%	**100%**	100%	100%

Reconciliation of actuarial value of scheme liabilities

	2016			2015		
	ROI	NI	Total	ROI	NI	Total
	€m	€m	€m	€m	€m	€m
Liabilities at beginning of year	**229.9**	**7.0**	**236.9**	186.6	6.2	192.8
Movement in year:						
Translation adjustment	**-**	**(0.5)**	**(0.5)**	-	0.8	0.8
Current service cost	**1.0**	**0.1**	**1.1**	0.6	-	0.6
Past service gain	**(0.8)**	**-**	**(0.8)**	(1.8)	(1.3)	(3.1)
Gain on settlement	**(5.4)**	**-**	**(5.4)**	-	-	-
Interest cost on scheme liabilities	**4.2**	**0.3**	**4.5**	6.5	0.3	6.8
Member contributions	**0.2**	**-**	**0.2**	0.2	-	0.2
Actuarial loss immediately recognised in equity	**(2.2)**	**(1.1)**	**(3.3)**	44.7	1.1	45.8
Benefit payments	**(9.4)**	**(0.2)**	**(9.6)**	(6.9)	(0.1)	(7.0)
Liabilities at end of year	**217.5**	**5.6**	**223.1**	229.9	7.0	236.9

22. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT

The Group's multinational operations expose it to various financial risks in the ordinary course of business that include credit risk, liquidity risk, commodity price risk, currency risk and interest rate risk. This note discusses the Group's exposure to each of these financial risks, summarises the risk management strategy for managing these risks and details the accounting treatment applied to the Group's derivative financial instruments and hedging activities. The note is presented as follows:-

(a) Overview of the Group's risk exposures and management strategy
(b) Financial assets and liabilities as at 29 February 2016 / 28 February 2015 and determination of fair value
(c) Market risk
(d) Credit risk
(e) Liquidity risk
(f) Accounting for derivative financial instruments and hedging activities

(a) Overview of the Group's risk exposures and management strategy

The most significant financial market risks that the Group is exposed to include foreign currency exchange rate risk, commodity price fluctuations, interest rate risk and financial counterparty creditworthiness. There has been no significant change during the financial year to either the financial risks faced by the Group or the Board's approach to the management of these risks.

The Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. This is executed through various committees to which the Board has delegated appropriate levels of authority. An essential part of this framework is the role undertaken by the Audit Committee, supported by the internal audit function, and the Group Chief Financial Officer. The Board, through its Committees, has reviewed the internal control environment and the risk management systems and process for identifying and evaluating the significant risks affecting the business and the policies and procedures by which these risks will be managed effectively. The Board has embedded these structures and procedures throughout the Group and considers these to be a robust and efficient mechanism for creating a culture of risk awareness at every level of management.

The Group's risk management programme seeks to minimise the potential adverse effects, arising from fluctuations in financial markets, on the Group's financial performance in a non speculative manner at a reasonable cost when economically viable to do so. The Group achieves the management of these risks in part, where appropriate, through the use of derivative financial instruments. All derivative financial contracts entered into in this regard are in liquid markets with credit rated parties. Treasury activities are performed within strict terms of reference that have been approved by the Board.

(b) Financial assets and liabilities

The carrying and fair values of financial assets and liabilities by measurement category were as follows:-

Group	Other financial assets €m	Other financial liabilities €m	Carrying value €m	Fair value €m
29 February 2016				
Financial assets:				
Cash & cash equivalents	**197.3**	**-**	**197.3**	**197.3**
Trade receivables	**69.6**	**-**	**69.6**	**69.6**
Advances to customers	**53.0**	**-**	**53.0**	**53.0**
Financial liabilities:				
Interest bearing loans & borrowings	**-**	**(360.3)**	**(360.3)**	**(362.4)**
Trade & other payables	**-**	**(160.9)**	**(160.9)**	**(160.9)**
Provisions		**(18.9)**	**(18.9)**	**(18.9)**
	319.9	**(540.1)**	**(220.2)**	**(222.3)**

Group	Derivative financial instruments €m	Other financial assets €m	Other financial liabilities €m	Carrying value €m	Fair value €m
28 February 2015					
Financial assets:					
Cash & cash equivalents	-	181.9	-	181.9	181.9
Trade receivables	-	122.4	-	122.4	122.4
Advances to customers	-	54.7	-	54.7	54.7
Financial liabilities:					
Interest bearing loans & borrowings	-	-	(339.7)	(339.7)	(342.8)
Derivative financial instruments	(0.2)	-	-	(0.2)	(0.2)
Trade & other payables	-	-	(176.1)	(176.1)	(176.1)
Provisions	-	-	(12.2)	(12.2)	(12.2)
	(0.2)	359.0	(528.0)	(169.2)	(172.3)

Company	Other financial assets €m	Other financial liabilities €m	Carrying value €m	Fair value €m
29 February 2016				
Financial assets:				
Amounts due from Group undertakings	**238.2**	**-**	**238.2**	**238.2**
Financial liabilities:				
Amounts due to Group undertakings	**-**	**(273.3)**	**(273.3)**	**(273.3)**
Trade & other payables	**-**	**(0.5)**	**(0.5)**	**(0.5)**
	238.2	**(273.8)**	**(35.6)**	**(35.6)**

Company	Other financial assets €m	Other financial liabilities €m	Carrying value €m	Fair value €m
28 February 2015				
Financial assets:				
Amounts due from Group undertakings	239.0	-	239.0	239.0
Financial liabilities:				
Amounts due to Group undertakings	-	(163.0)	(163.0)	(163.0)
Trade & other payables	-	(0.4)	(0.4)	(0.4)
	239.0	(163.4)	75.6	75.6

Determination of Fair Value
Set out below are the major methods and assumptions used in estimating the fair values of the Group's financial assets and liabilities. There is no material difference between the fair value of financial assets and liabilities falling due within one year and their carrying amount as due to the short-term maturity of these financial assets and liabilities their carrying amount is deemed to approximate fair value.

Short-term bank deposits and cash & cash equivalents
The nominal amount of all short-term bank deposits and cash & cash equivalents is deemed to reflect fair value at the balance sheet date.

Advances to customers
The nominal amount of all advances to customers, after provision for impairment, is considered to reflect fair value.

Trade & other receivables/payables
The nominal amount of all trade & other receivables/payables after provision for impairment is deemed to reflect fair value at the balance sheet date with the exception of provisions and amounts due from Group undertakings after more than one year which are discounted to fair value.

Derivatives (forward currency contracts, put/call options and interest rate swaps in equity accounted investees)
The fair values of forward currency contracts, put/call options and interest rate swaps are based on market price calculations using financial models.

The Group has adopted the following fair value measurement hierarchy for financial instruments that are measured in the Balance Sheet at fair value:

• Level 1: quoted (unadjusted) prices in active markets for identical assets and liabilities.

The fair value of financial instruments that are not traded in an active market (e.g. over the counter derivatives) are determined using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on entity specific estimates.

• Level 2: other techniques for which all inputs that have a significant effect on the recorded fair value are observable, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

The carrying values of any forward currency contracts held by the Group would be based on fair values arrived at using Level 2 inputs. There were no outstanding derivatives held by the Group as at 29 February 2016 or 28 February 2015.

Interest bearing loans & borrowings
The fair value of all interest bearing loans & borrowings has been calculated by discounting all future cash flows to their present value using a market rate reflecting the Group's cost of borrowing at the balance sheet date. All loans bear interest at floating rates.

(c) Market risk
Market risk is the risk that changes in market prices, such as commodity prices, foreign exchange rates and interest rates, will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

The Group enters into derivative financial contracts, when deemed economically viable to do so, to mitigate risks arising in the ordinary course of business from foreign exchange rate and interest rate movements, and also incurs financial liabilities, in order to manage these market risks. The Group carries out all such transactions within the Treasury policy as set down by the Board of Directors.

Commodity price risk
The Group is exposed to variability in the price of commodities used in the production or in the packaging of finished products, such as apple concentrate, glass, barley, aluminium, polymer, wheat and sugar/glucose. Commodity price risk is managed, where economically viable, through fixed price contracts with suppliers incorporating appropriate commodity hedging and pricing mechanisms. The Group does not directly enter into commodity hedge contracts. The cost of production is also sensitive to variability in the price of energy, primarily gas and electricity. It is Group policy to fix the cost of a certain level of its energy requirement through fixed price contractual arrangements directly with its energy suppliers.

Currency risk

The Company's functional and reporting currency and that of its share capital is Euro. The Euro is also the Group's reporting currency and the currency used for all planning and budgetary purposes. The Group is exposed to currency risk in relation to sales and purchase transactions by Group companies in currencies other than their functional currency (transaction risk), and fluctuations in the Euro value of the Group's net investment in foreign currency (Sterling and US Dollar) denominated subsidiary undertakings (translation risk). Currency exposures for the entire Group are managed and controlled centrally.

The Group seeks to minimise its foreign currency transaction exposure when economically viable by maximising the value of its foreign currency input costs and creating a natural hedge. Group policy is to manage its remaining net exposure by hedging a portion of the projected non-Euro forecast sales revenue up to a maximum of two years ahead. Forward foreign currency contracts are used to manage this risk. The Group does not enter into such derivative financial instruments for speculative purposes. All such derivative contracts entered into are in liquid markets with credit-approved counterparties. Treasury operations are controlled within strict terms of reference that have been approved by the Board.

In addition, the Group has a number of long-term US Dollar and Sterling intra group loans for which settlement is neither planned nor likely to happen in the foreseeable future, and as a consequence of which are deemed quasi equity in nature and are therefore part of the Group's net investment in its foreign operations. The Group does not hedge the translation exposure arising on the translation of the profits of foreign currency subsidiaries.

The net currency gains and losses on transactional currency exposures are recognised in the Income Statement and the changes arising from fluctuations in the Euro value of the Group's net investment in foreign operations are reported separately within Other Comprehensive Income.

The currency profile of the Group and Company's financial instruments subject to transactional exposure as at 29 February 2016 is as follows:-

	Euro	Sterling	USD	CAD/AUD	Not at risk	Total
Group	€m	€m	€m	€m	€m	€m
Cash & cash equivalents	**4.6**	**2.8**	**0.7**	**2.8**	**186.4**	**197.3**
Trade receivables	**1.8**	**1.0**	**0.2**	**0.5**	**66.1**	**69.6**
Advances to customers	**-**	**-**	**-**	**-**	**53.0**	**53.0**
Interest bearing loans & borrowings	**-**	**-**	**-**	**-**	**(360.3)**	**(360.3)**
Trade & other payables	**(0.7)**	**(7.0)**	**-**	**(0.1)**	**(153.1)**	**(160.9)**
Provisions	**-**	**-**	**-**	**-**	**(18.9)**	**(18.9)**
Gross currency exposure	**5.7**	**(3.2)**	**0.9**	**3.2**	**(226.8)**	**(220.2)**

The Group had no outstanding forward foreign currency contracts in place at 29 February 2016 (2015: €nil).

	Sterling	Not at risk	Total
Company	€m	€m	€m
Net amounts due to Group undertakings	**(24.6)**	**(10.5)**	**(35.1)**
Accruals	**-**	**(0.5)**	**(0.5)**
Total	**(24.6)**	**(11.0)**	**(35.6)**

The currency profile of the Group and Company's financial instruments subject to transactional exposure as at 28 February 2015 is as follows:-

Group	Euro €m	Sterling €m	USD €m	CAD/AUD €m	Not at risk €m	Total €m
Cash & cash equivalents	1.0	5.3	0.5	0.7	174.4	181.9
Trade & other receivables	-	0.6	0.3	1.1	120.4	122.4
Advances to customers	-	-	-	-	54.7	54.7
Other derivative financial assets and liabilities	-	-	-	-	(0.2)	(0.2)
Interest bearing loans & borrowings	-	-	-	-	(339.7)	(339.7)
Trade & other payables	(0.6)	(4.7)	(0.3)	(0.7)	(169.8)	(176.1)
Provisions	-	-	-	-	(12.2)	(12.2)
Gross currency exposure	0.4	1.2	0.5	1.1	(172.4)	(169.2)

Company	Sterling €m	Not at risk €m	Total €m
Net amounts due to Group undertakings	(25.6)	101.6	76.0
Accruals	-	(0.4)	(0.4)
Total	(25.6)	101.2	75.6

A 10% strengthening in the Euro against Sterling and the Australian, Canadian and US Dollars, based on outstanding financial assets and liabilities at 29 February 2016, would have a €0.6m negative impact on the Income Statement. A 10% weakening in the Euro against Sterling, and the Australian, Canadian and US Dollars would have a €0.7m positive effect on the Income Statement. This analysis assumes that all other variables, in particular interest rates, remain constant.

Interest rate risk

The interest rate profile of the Group and Company's interest-bearing financial instruments at the reporting date is summarised as follows:-

	Group		Company	
	2016 €m	2015 €m	2016 €m	2015 €m
Variable rate instruments				
Interest bearing loans & borrowings	**(362.4)**	(342.8)	**-**	-
Cash & cash equivalents	**197.3**	181.9	**-**	-
	(165.1)	(160.9)	**-**	-

The Group and Company's exposure to interest rate risk arises principally from its long-term debt obligations. It is Group policy to manage interest cost and exposure to market risk centrally by using interest rate swaps, where deemed appropriate, to give the desired mix of fixed and floating rate debt. The Group has no outstanding interest rate swap contracts at 29 February 2016 or 28 February 2015.

Financial instruments: Cash flow hedges
The Group had no outstanding cash flow hedges as at 29 February 2016 or 28 February 2015.

(d) Credit risk
Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's trade receivables, its cash advances to customers, cash & cash equivalents including deposits with banks and derivative financial instruments contracted with banks. The Group has an indirect exposure to European Sovereigns via its defined benefit pension scheme investment portfolio. In the context of the Group's operations, credit risk is mainly influenced by the individual characteristics of individual counterparties and is not considered particularly concentrated as it primarily arises from a wide and varied customer base; there are no material dependencies or concentrations of individual customers which would warrant disclosure under IFRS 8 *Operating Segments*.

The Group has detailed procedures for monitoring and managing the credit risk related to its trade receivables and advances to customers based on experience, customer track records and historic default rates. Generally, individual 'risk limits' are set by customer and risk is only accepted above such limits in defined circumstances. A strict credit assessment is made of all new applicants who request credit-trading terms. The utilisation and revision, where appropriate, of credit limits is regularly monitored. Impairment provision accounts are used to record impairment losses unless the Group is satisfied that no recovery of the amount owing is possible. At that point, the amount is considered irrecoverable and is written off directly against the trade receivable. The Group also manages credit risk through the use of a receivables purchase arrangement, for an element of its trade receivables. Under the terms of this arrangement, the Group transfers the credit risk, late payment risk and control of the receivables sold. The total receivables sold at 29 February 2016 was €43.3m.

Advances to customers are generally secured by, amongst others, rights over property or intangible assets, such as the right to take possession of the premises of the customer. Interest rates calculated on repayment/annuity advances are generally based on the risk-free rate plus a margin, which takes into account the risk profile of the customer and value of security given. The Group establishes an allowance for impairment of customers advances that represents its estimate of potential future losses.

From time to time, the Group holds significant cash balances, which are invested on a short-term basis and disclosed under cash & cash equivalents in the Balance Sheet. Risk of counterparty default arising on short-term cash deposits is controlled within a framework of dealing primarily with banks who are members of the Group's banking syndicate, and by limiting the credit exposure to any one of these banks or institutions. Management does not expect any counterparty to fail to meet its obligations.

The Company also bears credit risk in relation to amounts owed by Group undertakings and from guarantees provided in respect of the liabilities of wholly owned subsidiaries as disclosed in note 25.

The carrying amount of financial assets, net of impairment provisions represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date was:-

	Group		Company	
	2016	2015	2016	2015
	€m	€m	€m	€m
Trade receivables	**69.6**	122.4	**-**	-
Advances to customers	**53.0**	54.7	**-**	-
Amounts due from Group undertakings	**-**	-	**238.2**	239.0
Cash & cash equivalents	**197.3**	181.9	**-**	-
	319.9	359.0	**238.2**	239.0

The ageing of trade receivables and advances to customers together with an analysis of movement in the Group impairment provisions against these receivables are disclosed in note 15. The Group does not have any significant concentrations of risk.

(e) Liquidity risk

Liquidity risk is the risk that the Group or Company will not be able to meet its financial obligations as they fall due. Liquid resources are defined as the total of cash & cash equivalents. The Group finances its operations through cash generated by the business and medium term bank credit facilities; the Group does not use off-balance sheet special purpose entities as a source of liquidity or financing.

The Group's policy is to ensure that sufficient resources are available either from cash balances, cash flows or committed bank facilities to meet all debt obligations as they fall due. To achieve this, the Group (a) maintains adequate cash or cash equivalent balances; (b) prepares detailed 3 year cash projections; and (c) keeps refinancing options under review. In addition, the Group maintains an overdraft facility that is unsecured.

In December 2014, the Group updated and amended its committed €450m multi-currency five year syndicated revolving loan facility with seven banks, namely Bank of Ireland, Bank of Scotland, Barclays Bank, Danske Bank, HSBC, Rabobank, and Ulster Bank, repayable in a single instalment on 22 December 2019. The facility agreement provides for a further €100m in the form of an uncommitted accordion facility and permits the Group to avail of further financial indebtedness, excluding working capital and guarantee facilities, to a maximum value of €150m, subject to agreeing the terms and conditions with the lenders. Consequently the Group is permitted under the terms of the agreement, to have debt capacity of €700m of which €360.4m was drawn at 29 February 2016 (2015: €342.8m). The current five year multi-currency facility negotiated in February 2012 replaces the Group's previous multi-currency facility which was due to mature in February 2017.

The Group's debt facility incorporates two financial covenants:

- Interest cover: The ratio of EBITDA to net interest for a period of 12 months ending on each half-year date will not be less than 3.5:1
- Net debt/EBITDA: The ratio of net debt on each half-year date to EBITDA for a period of 12 months ending on a half-year date will not exceed 3.5:1

Compliance with these debt covenants is monitored continuously.

During the current year, the group acquired debt following the acquisition of Thistle Pub Company Limited of £1.7m (€2.4m Euro equivalent at date of acquisition) of which £1.6m (€2.0m Euro equivalent at year end rate) remains outstanding at 29 February 2016 however this outstanding balance was repaid in full post year end.

The Group's main liquidity risk relates to maturing debt, however this risk is considered low at year end given the current facility extends to December 2019 as outlined above.

At the year end, the Group had net debt, net of unamortised issue costs, of €163.0m (28 February 2015: €157.8m), with a Net debt/ EBITDA ratio of 1.3:1.

The following are the contractual maturities of financial liabilities, including interest payments and derivatives and excluding the impact of netting arrangements:-

Group	Carrying amount	Contractual cash flows	6 months or less	6-12 months	1-2 years	Greater than 2 years
2016	€m	€m	€m	€m	€m	€m
Interest bearing loans & borrowings	**(360.3)**	**(384.4)**	**(3.0)**	**(3.0)**	**(6.0)**	**(372.4)**
Trade & other payables	**(160.9)**	**(160.9)**	**(160.9)**	**-**	**-**	**-**
Provisions	**(18.9)**	**(22.6)**	**(12.2)**	**(1.1)**	**(0.9)**	**(8.4)**
Total contracted outflows	**(540.1)**	**(567.9)**	**(176.1)**	**(4.1)**	**(6.9)**	**(380.8)**
2015						
Interest bearing loans & borrowings	(339.7)	(371.8)	(2.9)	(2.9)	(5.7)	(360.3)
Trade & other payables	(176.1)	(176.1)	(176.1)	-	-	-
Provisions	(12.2)	(17.1)	(3.4)	(1.1)	(2.5)	(10.1)
Derivative financial instruments	(0.2)	-	-	-	-	-
Total contracted outflows	(528.2)	(565.0)	(182.4)	(4.0)	(8.2)	(370.4)

Company	Carrying amount	Contractual cash flows	6 months or less	6-12 months	1-2 years	Greater than 2 years
2016	€m	€m	€m	€m	€m	€m
Amounts due to Group undertakings	**(273.3)**	**(273.3)**	**(273.3)**	**-**	**-**	**-**
Trade & other payables	**(0.5)**	**(0.5)**	**(0.5)**	**-**	**-**	**-**
Total contracted outflows	**(273.8)**	**(273.8)**	**(273.8)**	**-**	**-**	**-**
2015						
Amounts due to Group undertakings	(163.0)	(163.0)	(163.0)	-	-	-
Trade & other payables	(0.4)	(0.4)	(0.4)	-	-	-
Total contracted outflows	(163.4)	(163.4)	(163.4)	-	-	-

(f) Accounting for derivative financial instruments and hedging activities

	Group		Company	
	2016	2015	2016	2015
Group	€m	€m	€m	€m
Financial liabilities: non-current				
Other derivative financial instruments	-	(0.2)	-	-
	-	(0.2)	-	-

Derivatives are initially recorded at fair value on the date the contract is entered into and subsequently re-measured to fair value at reporting dates. The gain or loss arising on re-measurement is recognised in the Income Statement except where the instrument is a designated hedging instrument under the cash flow hedging model.

23. SHARE CAPITAL AND RESERVES SHARE CAPITAL

	Authorised Number	Allotted and called up Number	Authorised €m	Allotted and called up €m
At 29 February 2016				
Ordinary shares of €0.01 each	**800,000,000**	**329,157,714***	**8.0**	**3.3**
At 28 February 2015				
Ordinary shares of €0.01 each	800,000,000	348,547,138**	8.0	3.5
At 28 February 2014				
Ordinary shares of €0.01 each	800,000,000	346,840,406***	8.0	3.5

* Inclusive of 16.4m treasury shares.
** Inclusive of 16.5m treasury shares.
*** Inclusive of 7.6m treasury shares.

All shares in issue carry equal voting and dividend rights.

Following shareholder approval at the Annual General Meeting on 27 June 2012, where Interests under the Joint Share Ownership Plan have vested and if the participant is a continuing employee and so agrees, the participant is entitled to dividends on the relevant Plan Shares in proportion to his economic interest. The Trustees of the Employee Trust are entitled to the dividends otherwise but have waived their entitlement. In the year to 29 February 2016, dividends of €0.4m were paid to Plan participants (2015: €0.5m).

Reserves
Group

	Allotted and called up Ordinary Shares		Ordinary Shares held by the Trustee of the Employee Trust*	
	2016	2015	2016	2015
	'000	'000	'000	'000
As at 1 March	**348,547**	346,840	**7,473**	7,583
Shares issued in lieu of dividend	**1,312**	1,381	**-**	-
Shares issued in respect of options exercised	**146**	326	**-**	-
Shares cancelled following share buyback programme	**(20,847)**	-	**-**	-
Shares disposed of or transferred to Participants	**-**	-	**(119)**	(110)
As at 29 (28) February	**329,158****	348,547**	**7,354**	7,473

* 130,495 (2015: 249,739) shares are held in the sole name of the Trustee of the Employee Trust.
** Includes 9,205,000 shares bought by the Group during the prior financial year which continue to be held as Treasury shares.

Movements in the year ended 29 February 2016
In July 2015, 663,539 ordinary shares were issued to the holders of ordinary shares who elected to receive additional ordinary shares at a price of €3.68 per share, instead of part or all the cash element of their final dividend entitlement for the year ended 28 February 2015. In December 2015, 647,937 ordinary shares were issued to the holders of ordinary shares who elected to receive additional ordinary shares at a price of €3.67 per share, instead of part or all the cash element of their interim dividend entitlement for the year ended 29 February 2016. During the current financial year 146,000 ordinary shares were issued on the exercise of share options for a net consideration of €0.5m.

All shares held by Kleinwort Benson (Guernsey) Trustees Limited as trustees of the C&C Employee Trust which were neither cancelled nor disposed of by the Trust at 29 February 2016 continue to be included in the treasury share reserve. During the financial year, 119,244 shares were sold by the Trustees and are no longer accounted for as treasury shares.

Also during the current financial year, as part of the Group's capital management strategy, the Group invested €76.6m in an on-market share buyback programme in which it repurchased and subsequently cancelled 20,846,900 of the Group's shares. This was in accordance with shareholder authority granted at the Group's AGM, in July 2015, to make market purchases of up to 10% of its own shares.

Movements in the year ended 28 February 2015
In July 2014, 724,691 ordinary shares were issued to the holders of ordinary shares who elected to receive additional ordinary shares at a price of €4.49 per share, instead of part or all the cash element of their final dividend entitlement for the year ended 28 February 2014. In December 2014, 656,479 ordinary shares were issued to the holders of ordinary shares who elected to receive additional ordinary shares at a price of €3.69 per share, instead of part or all the cash element of their interim dividend entitlement for the year ended 28 February 2015. Also during prior financial year 325,562 ordinary shares were issued on the exercise of share options for a net consideration of €1.0m.

All shares held by Kleinwort Benson (Guernsey) Trustees Limited as trustees of the C&C Employee Trust which were neither cancelled nor disposed of by the Trust at 28 February 2015 continue to be included in the treasury share reserve. During the prior financial year, 109,668 shares were sold by the Trustees and are no longer accounted for as treasury shares.

Also in the prior financial year, as part of the Group's capital management strategy, a subsidiary of the Group invested €30.0m in an on-market share buyback programme, purchasing 9,025,000 of the Company's shares at an average price of €3.29. All shares acquired as part of the on-market share buyback programme are held as treasury shares.

Share premium - Group

The change in legal parent of the Group on 30 April 2004, as disclosed in detail in that year's annual report, was accounted for as a reverse acquisition. This transaction gave rise to a reverse acquisition reserve debit of €703.9m, which, for presentation purposes in the Group financial statements, has been netted against the share premium in the Consolidated Balance Sheet.

Share premium - Company

The share premium, as stated in the Company Balance Sheet, represents the premium recognised on shares issued and amounts to €829.7m as at 29 February 2016 (2015: €824.4m). The current financial year movement relates to the exercise of share options and the issuance of a scrip dividend to those who elected to receive additional ordinary shares in place of a cash dividend.

Capital redemption reserve and capital reserve

These reserves initially arose on the conversion of preference shares into share capital of the Company and other changes and reorganisations of the Group's capital structure. The current financial year movement relates to the on-market share buyback programme undertaken by the Group during the current financial year as outlined in further detail below.

Cash flow hedging reserve

The hedging reserve includes the effective portion of the cumulative net change in the fair value of cash flow hedging instruments related to hedged transactions that have not yet occurred together with any deferred gains or losses on hedging contracts where hedge accounting was discontinued but the forecast transaction was still anticipated to occur.

Share-based payment reserve

The reserve relates to amounts expensed in the Income Statement in connection with share option grants falling within the scope of IFRS 2 *Share-Based Payment*, plus amounts received from participants on award of Interests under the Group's Joint Share Ownership Plan, less reclassifications to retained income following exercise/forfeit post vesting or lapse of such share options and Interests, as set out in note 4.

Currency translation reserve

The translation reserve comprises all foreign exchange differences from 1 March 2004, arising from the translation of the Group's net investment in its non-Euro denominated operations, including the translation of the profits of such operations from the average exchange rate for the year to the exchange rate at the Balance Sheet date, as adjusted for the translation of foreign currency borrowings designated as net investment hedges and long-term intra group loans for which settlement is neither planned nor likely to happen in the foreseeable future, and as a consequence are deemed quasi equity in nature and are therefore part of the Group's net investment in foreign operations.

Revaluation reserve

This reserve originally comprised the gain which arose on the revaluation of land by external valuers during the financial year ended 28 February 2009. A subsequent external valuation of freehold properties and plant & machinery was completed as at 29 February 2012. In the current financial year, an external valuation was completed at the Group's freehold properties and plant & machinery assets in Shepton Mallet and Borrisoleigh. In the prior financial year an external valuation was completed of the Group's freehold properties in Clonmel, Wellpark and Shepton Mallet and of the Group's plant & machinery assets in Clonmel, Wellpark, Shepton Mallet and Vermont.

As a result of the valuation in the current financial year, the carrying value of land and buildings reduced by €6.9m; which was debited directly to the Income Statement. In addition, the carrying value of plant and machinery reduced by €9.1m; which was debited directly to the Income Statement.

As a result of the valuation in the prior financial year, the carrying value of land and buildings reduced by a net €1.7m; of which €7.0m was debited directly to the Income Statement and €5.3m was credited to the revaluation reserve. In addition the value of the Group's plant & machinery decreased by €3.5m as a result of the valuation and this was debited directly to the Income Statement.

Treasury shares
Included in this reserve is where the Company issues equity share capital under its Joint Share Ownership Plan, which is held in trust by the Group's Employee Trust. The consideration paid, 90% by a Group company and 10% by the participants, in respect of these shares is deducted from total shareholders' equity and classified as treasury shares on consolidation until such time as the Interests vest and the participant acquires the shares from the Trust or the Interests lapse and the shares are cancelled or disposed of by the Trust. As outlined in further detail below, also included in the reserve is the prior financial year purchase of 9,025,000 shares at an average price of €3.29 per share under the Group's share buyback programme.

Capital management
The Board's policy is to maintain a strong capital base so as to safeguard the Group's ability: to continue as a going concern for the benefit of shareholders and stakeholders; to maintain investor, creditor and market confidence; and, to sustain the future development of the business through the optimisation of the value of its debt and equity shareholding balance.

The Board considers capital to comprise long-term debt and equity. There are no externally imposed requirements with respect to capital with the exception of a financial covenant in the Group's debt facilities which limits the Net debt:EBITDA ratio to a maximum of 3.5 times. This financial covenant was complied with throughout the year.

The Board periodically reviews the capital structure of the Group, considering the cost of capital and the risks associated with each class of capital. The Board approves any material adjustments to the capital structure in terms of the relative proportions of debt and equity. In order to maintain or adjust the capital structure, the Group may issue new shares, dispose of assets to reduce debt, alter dividend policy by increasing or reducing the dividend paid to shareholders, return capital to shareholders and/or buyback shares. In respect of the financial year ended 29 February 2016, the Company paid an interim dividend on ordinary shares of 4.7c per share (2015: 4.5c per share) and the Directors propose, subject to shareholder approval, that a final dividend of 8.92c per share (2015: 7.0c per share) be paid, bringing the total dividend for the year to 13.65c per share (2015: 11.5c per share).

In addition, as part of the Group's capital management strategy, the Group participated in a share buyback programme during the financial year. At the AGM held on 2 July 2015, shareholders granted the Group authority to make market purchases of up to 10% of its own shares.

The Group invested €75.7m (€76.6m including commission and related fees) as part of this on-market share buyback programme, purchasing 20,846,900 of the Company's shares at an average price of €3.63. The Group's stockbrokers, Investec and Davy, conducted the share buyback programme. All shares acquired as part of the share buyback programme in the current financial year were subsequently cancelled by the Group. In the prior financial year, a subsidiary of the Group invested €30.0m as part of an on-market share buyback programme, purchasing 9,025,000 of the Company's shares at an average price of €3.29. All shares acquired as part of this share buyback programme in the prior financial year are held as Treasury shares.

The Group monitors debt capital on the basis of interest cover and by the ratio of Net debt:EBITDA before exceptional items. In December 2014, the Group updated and amended its committed €450m multi-currency 5 year syndicated revolving facility with 7 banks which is repayable in a single instalment on 22 December 2019.

Company Income Statement
In accordance with Section 304 of the Companies Act 2014, the Income Statement of the Company has not been presented separately in these consolidated financial statements. A loss of €0.7m (2015: €185.5m profit) was recognised in the individual Company Income Statement of C&C Group plc.

24. COMMITMENTS

(a) Capital commitments

At the year end, the following capital commitments authorised by the Board had not been provided for in the financial statements:-

	2016 €m	2015 €m
Contracted	**11.8**	1.3
Not contracted	**10.1**	10.3
	21.9	11.6

The contracted capital commitments at 29 February 2016 primarily relate to commitments at the Group's manufacturing facilities in Clonmel as a result of the announced consolidation of production sites across the Group during the current financial year and the consequential announced investment in enhancing packaging and logistics capabilities at the Group's Clonmel site. Commitments at 28 February 2015 primarily related to IT integration in the Scottish business, packaging line equipment and an energy efficiency project at Wellpark Brewery.

(b) Commitments under operating leases

Future minimum rentals payable under non-cancellable operating leases at the year end are as follows:-

	2016				2015			
	Land & buildings €m	Plant & machinery €m	Other €m	Total €m	Land & buildings €m	Plant & machinery €m	Other €m	Total €m
Payable in less than one year	**5.5**	**0.8**	**6.2**	**12.5**	5.8	0.8	6.9	13.5
Payable between 1 and 5 years	**8.2**	**2.0**	**15.3**	**25.5**	12.8	2.1	22.7	37.6
Payable greater than 5 years	**9.7**	**-**	**-**	**9.7**	12.3	1.8	-	14.1
	23.4	**2.8**	**21.5**	**47.7**	30.9	4.7	29.6	65.2

The land & buildings operating lease commitments primarily relate to two leases of warehousing facilities in the UK acquired as part of the acquisition of the Gaymers cider business in 2010. These leases are due to expire in 2017 and 2026 respectively. A related onerous lease provision is included in Provisions – note 17. The other operating lease commitments primarily relate to on trade assets across the Group.

(c) Other commitments

At the year end, the value of contracts placed for future expenditure was:-

	2016								
	Apple concentrate €m	Glass €m	Marketing €m	Barley €m	Aluminium €m	Polymer €m	Wheat €m	Sugar/ glucose €m	Total* €m
Payable in less than one year	**1.7**	**5.0**	**3.8**	**7.2**	**7.5**	**-**	**0.3**	**11.8**	**37.3**
Payable between 1 and 5 years	**0.4**	**-**	**3.3**	**21.1**	**-**	**-**	**-**	**1.6**	**26.4**
	2.1	**5.0**	**7.1**	**28.3**	**7.5**	**-**	**0.3**	**13.4**	**63.7**

*Commitment obligations range from between 1 month to 48 months.

	2015								
	Apple concentrate	Glass	Marketing	Barley	Aluminium	Polymer	Wheat	Sugar/ glucose	Total
	€m	€m	€m	€m	€m	€m	€m	€m	€m
Payable in less than one year	4.1	7.8	6.0	12.1	6.2	1.0	0.5	13.0	50.7
Payable between 1 and 5 years	-	-	0.8	7.2	2.5	-	-	4.1	14.6
	4.1	7.8	6.8	19.3	8.7	1.0	0.5	17.1	65.3

25. GUARANTEES AND CONTINGENCIES

Where the Company enters into financial guarantee contracts to guarantee the indebtedness of companies within the Group, the Company considers these to be insurance arrangements and accounts for them as such. The Company treats the guarantee contract as a contingent liability until such time as it becomes probable that it will be required to make a payment under the guarantee.

As outlined in note 18, the Group has a multi-currency loan facility in place at year end, which it re-negotiated in December 2014. The Company, together with a number of its subsidiaries, gave a letter of guarantee to secure its obligations in respect of these loans. The actual loans outstanding at 29 February 2016 amounted to €360.4m (2015: €342.8m).

During the prior financial year, a subsidiary of the Group entered into guarantees in favour of HSBC Bank plc, HSBC Asset Finance (UK) Limited and HSBC Equipment Finance Limited whereby it guaranteed drawn debt plus interest charges by Drygate Brewing Company Limited to HSBC Bank PLC of up to £540,000 and to HSBC Asset Finance (UK) and HSBC Equipment Finance Limited of up to £225,000 in aggregate. The guarantees reduce on a pound for pound basis to the extent of capital repayments in respect of the drawn debt and any amounts realised by the bank pursuant to any security provided in respect of the debt. The Guarantee with respect to HSBC Bank plc expires on the earlier of eleven years and three months from the date on which the guarantee became effective, the secured liabilities are repaid, or by mutual agreement with HSBC Bank plc. The Guarantees with HSBC Asset Finance (UK) Limited and HSBC Equipment Finance Limited expire after the secured liabilities are repaid, or by mutual agreement with HSBC Asset Finance (UK) Limited and HSBC Equipment Finance Limited respectively.

Also during the prior financial year a subsidiary of the Group entered into a guarantee with Ulster Bank Limited whereby it guaranteed repayment of a loan plus interest and charges, to a maximum value of €1,150,000, which was drawn by one of its customers. The guarantee expires on the earlier of three years from the date of the first drawdown or the date on which the customer discharges its liability in its entirety.

During the 2014 financial year, a subsidiary of the Group entered into a guarantee in favour of Bank of Scotland plc whereby it guaranteed repayment of a five-year term loan facility of up to €1,000,000 made by Bank of Scotland plc to a customer of a subsidiary of C&C Group plc, together with interest and other charges due under the facility and account charges.

During the 2011 financial year, a subsidiary of the Group, entered into a guarantee with Clydesdale Bank plc whereby it guaranteed £250,000 plus interest and charges of the drawn debt of one of its customers. The guarantee expires on the earlier of: 10 years from the date on which the guarantee becomes effective; or the secured liabilities are repaid; or by mutual agreement with Clydesdale Bank plc.

Invest Northern Ireland funding, in the form of an employment grant of €0.2m was received in the prior financial year. Enterprise Ireland funding of €1.0m has previously been received towards the costs of implementing developmental projects. Scottish Enterprise Board funding of €0.3m had previously been received under the terms of its Regional Selective Assistance Scotland Scheme. All of these funds are fully repayable should the recipient subsidiary of the Group at any time during the term of the agreements be in breach of the terms and conditions of the agreements. The agreements terminate five years from date of the last receipt of funding which in the case of Invest Northern Ireland funding is September 2019, Enterprise Ireland funding is March 2018 and in the case of the Scottish Enterprise Board funding is July 2016.

Under the terms of the Sale and Purchase Agreements with respect to the disposal of the wines and spirits distribution businesses in the year ended to 28 February 2009, the Group had a maximum exposure of €9.6m with respect to the Republic of Ireland business and £1.9m with respect to the Northern Ireland business in relation to warranties undertaken. The time limit for all claims with respect to these warranties expired on 13 June 2010 and 26 August 2010 respectively, except for any claim relating to tax in Northern Ireland where the time limit is seven years from the transaction date and therefore this expired in February 2016.

Under the terms of the Sale and Purchase Agreement with respect to disposal of the Group's Northern Ireland wholesaling business in the year ended 29 February 2012, the Group has a maximum aggregate exposure of £4.3m in relation to warranties. The time limit for notification of all claims with respect to these warranties expired on 3 February 2013, with the exception of any claim relating to tax where the time limit is seven years from the transaction date and is due to expire on 3 August 2018.

Pursuant to the provisions of Section 357 of the Companies Act 2014, the Company has guaranteed the liabilities of certain of its subsidiary undertakings incorporated in the Republic of Ireland for the financial year to 29 February 2016 and as a result such subsidiaries are exempt from certain filing provisions.

26. RELATED PARTY TRANSACTIONS

The principal related party relationships requiring disclosure in the consolidated financial statements of the Group under IAS 24 *Related Party Disclosures* pertain to the existence of subsidiary undertakings and equity accounted investees, transactions entered into by the Group with these subsidiary undertakings and equity accounted investees and the identification and compensation of and transactions with key management personnel.

(a) Group

Transactions

Transactions between the Group and its related parties are made on terms equivalent to those that prevail in arm's length transactions.

Subsidiary undertakings

The consolidated financial statements include the financial statements of the Company and its subsidiaries. A listing of all subsidiaries is provided in note 27. Sales to and purchases from subsidiary undertakings, together with outstanding payables and receivables, are eliminated in the preparation of the consolidated financial statements in accordance with IFRS 10 *Consolidated Financial Statements*.

Equity accounted investees

On 28 November 2012, the Group acquired an equity investment in Thistle Pub Company Limited, a joint venture with Maclay Group plc. The Group subsequently acquired the remaining equity share capital of the Thistle Pub Company Limited business in the current financial year on 3 August 2015. The Group therefore accounts for Thistle Pub Company Limited as a related party from date of the initial equity investment, on 28 November 2012, to date of deemed disposal of this initial investment and subsequent acquisition of 100% Thistle Pub Company Limited on 3 August 2015.

On 22 March 2013, the Group acquired 50% of the equity share capital of Wallaces Express Limited, a wholesaler of beverages in Scotland. The Group subsequently acquired the remaining 50% equity share capital of Wallaces Express Limited on 18 March 2014. The Group accounted for Wallaces Express Limited as a related party in the prior financial year from date of the initial 50% investment, on 22 March 2013, to date of deemed disposal of this investment and subsequent acquisition of Wallaces Express Limited on 18 March 2014.

A subsidiary of the Group holds a 33% investment in Shanter Inns Limited with which the Group trades. Transactions between the Group and Shanter Inns are disclosed below.

On 21 March 2012, the Group acquired a 25% equity investment in Maclay Group plc. The Maclay Group plc went into administration during the prior financial year and the Group consequently impaired its investment in this entity, however the Group continues to trade with Maclay Inns Limited (in administration), a 100% owned subsidiary of the Maclay Group plc (in administration) and continues to account for it as a related party.

During the prior financial year, the Group entered into a joint venture arrangement with Heather Ale Limited, run by the Williams brothers who are recognised as leading family craft brewers in Scotland, to form a new entity Drygate Brewing Company Limited. The joint venture, which is run independently of the joint venture partners existing businesses, operates a craft brewing and retail facility adjacent to Wellpark brewery.

The Group also holds a 50% investment in Beck & Scott (Services) Limited (Northern Ireland) and a 45.61% investment in The Irish Brewing Company Limited (Ireland) following its acquisition of Gleeson. The Group had no transactions with Beck & Scott (Services) Limited (Northern Ireland) during the financial year, nor had it any transactions with The Irish Brewing Company Limited (Ireland) which is a non-trading entity.

Loans extended by the Group to equity accounted investees are considered trading in nature and are included within advances to customers in Trade & other receivables (note 15).

Details of transactions with equity accounted investees during the year and related outstanding balances at the year end are as follows:-

	Net revenue		Balance outstanding	
	2016	2015	2016	2015
	€m	€m	€m	€m
Sale of goods to equity accounted investees:				
Wallaces Express Limited	**n/a**	0.4	**n/a**	n/a
Maclay Group plc	**0.8**	2.2	**-**	0.1
Thistle Pub Company Limited	**0.4**	0.5	**n/a**	0.1
Shanter Inns Limited	**0.3**	0.1	**-**	-
Drygate Brewing Company Limited	**0.3**	-	**0.1**	-
Beck & Scott (Services) Limited	**-**	0.2	**-**	-
	1.8	3.4	**0.1**	0.2

	Balance outstanding	
	2016	2015
	€m	€m
Loans to equity accounted investees:		
Thistle Pub Company Limited	**n/a**	2.6
Drygate Brewing Company Limited	**2.1**	1.0
Shanter Inns Limited	**0.1**	-

	Purchases		Balance outstanding	
	2016	2015	2016	2015
	€m	€m	€m	€m
Purchase of goods from equity accounted investees:				
Wallaces Express Limited	**-**	0.2	**n/a**	n/a
Drygate Brewing Company Limited	**0.1**	-	**0.1**	-

All outstanding balances with equity accounted investees, which arose from arm's length transactions, are to be settled in cash within one month of the reporting date.

Key management personnel

For the purposes of the disclosure requirements of IAS 24 *Related Party Disclosures*, the Group has defined the term 'key management personnel', as its executive and non-executive Directors. Executive Directors participate in the Group's equity share award schemes (note 4) and death in service insurance programme and in the case of UK resident executive Directors are covered under the Group's permanent health insurance programme. The Group also provides private medical insurance for UK resident executive Directors. No other non-cash benefits are provided. Non-executive Directors do not receive share-based payments or post employment benefits.

Details of key management remuneration are as follows:-

	2016 Number	2015 Number
Number of individuals	**10**	10
	€m	**€m**
Salaries and other short-term employee benefits	**2.9**	2.4
Post employment benefits	**0.3**	0.3
Equity settled share-based payments	**-**	(0.6)
Dividend income with respect of JSOP Interests (note 23)	**0.4**	0.5
Total	**3.6**	2.6

The relevant disclosure of Directors remuneration as required under the Companies Act, 2014 is as outlined above.

Two of the Group's executive Directors were awarded Interests under the Group's Joint Share Ownership Plan (JSOP). When an award is granted to an executive under the Group's JSOP, its value is assessed for tax purposes with the resulting value being deemed to fall due for payment on the date of grant. Under the terms of the Plan, the executive must pay the Entry Price at the date of grant and, if the tax value exceeds the Entry Price, he must pay a further amount, equating to the amount of such excess, before a sale of the awarded Interests. The deferral of the payment of the further amount is considered to be an interest-free loan by the Company to the executive and a taxable benefit-in-kind arises, charged at the Revenue stipulated rates (Ireland 13.5% from 1 January 2013 and UK 3.25% to 5 April 2015 and 3.0% from 6 April 2015). The balances of the loans outstanding to the executive Directors in the context of the above as at 29 February 2016 and 28 February 2015 are as follows:-

	29 February 2016 €'000	28 February 2015 €'000
Stephen Glancey	**111**	111
Kenny Neison	**83**	83
Total	**194**	194

The loans fall due for repayment prior to the sale of their awarded Interests.

(b) Company

The Company has a related party relationship with its subsidiary undertakings. Details of the transactions in the year between the Company and its subsidiary undertakings are as follows:-

	2016 €m	2015 €m
Dividend income	-	191.8
Expenses paid on behalf of and recharged by subsidiary undertakings to the Company	**(2.9)**	(3.3)
Equity settled share-based payments for employees of subsidiary undertakings	**0.5**	0.2
Drawdown of cash funding and other cash movements with subsidiary undertakings	**(111.1)**	(154.6)

27. SUBSIDIARY UNDERTAKINGS

Trading subsidiaries	Notes	Nature of business	Class of shares held as at 29 February 2016 (100% unless stated)
Incorporated and registered in Republic of Ireland			
Bulmers Limited	(a) (m)	Cider	Ordinary
C&C Financing Limited	(b) (m) (n)	Financing company	Ordinary
C&C Group International Holdings Limited	(a) (m) (n)	Holding company	Ordinary & Convertible
C&C Group Irish Holdings Limited	(a) (m) (n)	Holding company	Ordinary
C&C Group Sterling Holdings Limited	(b) (m)	Holding company	Ordinary
C&C (Holdings) Limited	(a) (m)	Holding company	Ordinary
C&C Management Services Limited	(a) (m)	Provision of management services	6% Cumulative Preference, 5% Second Non-Cumulative Preference & Ordinary Stock
Cantrell & Cochrane Limited	(a) (m)	Holding company	Ordinary
Gleeson Wines & Spirits Limited	(b) (m)	Wines & spirits	Ordinary
Latin American Holdings Limited	(b) (m)	Holding company	Ordinary
M&J Gleeson & Co	(b) (m)	Wholesale of drinks	Ordinary
M and J Gleeson and Company Holdings Limited	(b) (m)	Holding company	Ordinary
M.& J. Gleeson (Investments) Limited	(b) (m)	Holding company	Ordinary
M and J Gleeson (Manufacturing) Company Holdings Limited	(b) (m)	Holding company	Ordinary & Non-Voting Ordinary
Tennent's Beer Limited	(a) (m)	Beer	Ordinary
The Annerville Financing Company	(a) (m)	Financing company	Ordinary
The Five Lamps Dublin Beer Company Limited	(b)	Beer	Ordinary (87.5%)
Tipperary Natural Mineral Water Company Holdings Limited	(b) (m)	Holding company	Ordinary
Tipperary Natural Mineral Water (Sales)	(b) (m)	Water	Ordinary
Tipperary Natural Mineral Water (Sales) Holdings Limited	(b) (m)	Holding company	Ordinary
Tipperary Pure Irish Water u.c. (formerly Tipperary Natural Mineral Water Company)	(a) (m)	Water	Ordinary
Wm. Magner Limited	(a) (m)	Cider	Ordinary
Wm. Magner (Trading) Limited	(a) (m)	Financing company	Ordinary
Incorporated and registered in Northern Ireland			
C&C Holdings (NI) Limited	(c)	Holding company	Ordinary
Gleeson N.I. Limited	(c)	Wholesale of drinks	Ordinary
Tennent's NI Limited	(c)	Cider and beer	Ordinary & 3.25% Cumulative Preference
Incorporated and registered in England and Wales			
C&C Management Services (UK) Limited	(e)	Provision of management services	Ordinary
Magners GB Limited	(e)	Cider and beer	Ordinary

Incorporated and registered in Scotland			
Macrocom (1018) Limited	(g)	Investment	Ordinary
Tennent Caledonian Breweries UK Limited	(f)	Beer and cider	Ordinary
Tennent Caledonian Breweries Wholesale Limited	(g)	Wholesale of drinks	Ordinary
Thistle Pub Company Limited	(d)	Operator of public houses	Ordinary
Wallaces Express Limited	(g)	Holding company	Ordinary
Wellpark Financing Limited	(f)	Financing company	Ordinary
Incorporated and registered in Luxembourg			
C&C IP Sàrl	(h)	Licensing activity	Class A to J Units
C&C IP (No. 2) Sàrl	(h)	Licensing activity	Class A to J Units
C&C Luxembourg Sàrl	(h)	Holding and financing company	Class A to J Units
Incorporated and registered Portugal			
Biofun - Produtos Biológicos Do Fundão Limitada	(i)	Ingredients	Ordinary
Frontierlicious Limitada	(i)	Orchard management	Ordinary
Incredible Prosperity Limitada	(i)	Orchard management	Ordinary
Incorporated and registered in Delaware, US			
Green Mountain Beverages Management Corporation, Inc	(j)	Licensing activity	Common Stock
Vermont Hard Cider Company Holdings, Inc.	(j)	Holding company	Common Stock
Vermont Hard Cider Company, LLC	(j)	Cider	Membership Units
Wm. Magner, Inc.	(j)	Cider	Common Stock
Incorporated and registered in Singapore			
C&C International (Asia) Pte. Ltd.	(l)	Sales & Marketing	Ordinary
Non-trading subsidiaries			
Incorporated and registered in Republic of Ireland			
C&C Agencies Limited	(a) (m)	Non-trading	Ordinary
C&C Brands Limited	(a) (m)	Non-trading	Ordinary
C&C Gleeson Group Pension Trust Limited (formerly Calenford Limited)	(b)	Non-trading	Ordinary
C&C Group Pension Trust Limited	(a) (m)	Non-trading	Ordinary
C&C Group Pension Trust (No. 2) Limited	(a) (m)	Non-trading	Ordinary
C&C Profit Sharing Trustee Limited	(a) (m)	Non-trading	Ordinary
Ciscan Net Limited	(a) (m)	Non-trading	Ordinary & A Ordinary
Cooney & Co.	(b) (m)	Non-trading	Ordinary
Cravenby Limited	(a) (m)	Non-trading	Ordinary
Crystal Springs Water Company Limited	(b) (m)	Non-trading	Ordinary
Dowd's Lane Brewing Company Limited	(a) (m)	Non-trading	Ordinary
Edward and John Burke (1968) Limited	(a) (m)	Non-trading	Ordinary & A Ordinary

Findlater (Wine Merchants) Limited	(a) (m)	Non-trading	Ordinary & A Ordinary
Fruit of the Vine Limited	(a) (m)	Non-trading	Ordinary
Gleeson Logistic Services Limited	(b) (m)	Non-trading	Ordinary
Gleeson Management Services	(b) (m)	Non-trading	Ordinary
Greensleeves Confectionery Limited	(b) (m)	Non-trading	Ordinary, 12% Cumulative Convertible Redeemable Preference & 3% Cumulative Redeemable Convertible Preference
J.L. O'Brien Clonmel	(b) (m)	Non-trading	Ordinary
M&J Gleeson Nominees Limited	(b) (m)	Non-trading	Ordinary & Preference
M. and J. Gleeson (Manufacturing) Company	(b) (m)	Non-trading	Ordinary
M & J Gleeson Property Development Limited	(b) (m)	Non-trading	Ordinary
Magners Irish Cider Limited	(a) (m)	Non-trading	Ordinary
Sceptis Limited	(a) (m)	Non-trading	Ordinary
Showerings (Ireland) Limited	(a) (m)	Non-trading	Ordinary
Tennmel Limited	(b) (m)	Non-trading	Ordinary & A-E Non-Voting
Thwaites Limited	(a) (m)	Non-trading	A & B Ordinary
Vandamin Limited	(a) (m)	Non-trading	A & B Ordinary

Incorporated and registered in Northern Ireland

C&C 2011 (NI) Limited	(c)	Non-trading	Ordinary
C&C Profit Sharing Trustee (NI) Limited	(c)	Non-trading	Ordinary

Incorporated and registered in England and Wales

C&C (UK) Limited	(e) (p)	Dissolved	Ordinary
Gaymer Cider Company Limited	(e)	Non-trading	Ordinary
Green Light Brands Limited	(e)	Non-trading	Ordinary
Monuriki Drinks Limited	(e)	Non-trading	Ordinary
Monuriki Sales & Marketing Limited	(e)	Non-trading	Ordinary

Incorporated and registered in Germany

Wm. Magner GmbH	(k) (o)	Non-trading	Ordinary

Notes
(a) - (o)
The address of the registered office of each of the above companies is as follows:
(a) Annerville, Clonmel, Co. Tipperary, E91 NY79, Ireland.
(b) Bulmers House, Keeper Road, Crumlin, Dublin 12, D12 K702, Ireland.
(c) 15 Dargan Road, Belfast, BT3 9LS, Northern Ireland.
(d) Argyll House, Quarrywood Court, Livington, West Lothian, EH54 6AX, Scotland.
(e) Kilver Street, Shepton Mallet, Somerset, BA4 5ND, England.
(f) Wellpark Brewery, 161 Duke St, Glasgow, G31 1JD, Scotland.
(g) Crompton Way, Irvine, Strathclyde, KA11 4HU, Scotland.
(h) L-2132 Luxembourg, 18 Avenue Marie-Therese, Luxembourg.
(i) Quinta Ferreira De Baxio, Castelo Branco, Fundão Parish, 6230 610 Salgueiro, Portugal.
(j) 2711 Centerville Road, Suite 400, Wilmington, Delaware 19808, US.
(k) Hans-Stießberger-Strae 2b, 885540 Haar, Germany.
(l) 143, Cecil Street, #03-01, GB Building, Singapore – 069542.
(m) Companies covered by Section 357, Companies Act 2014 guarantees (note 25).
(n) Immediate subsidiary of C&C Group plc.
(o) Wm Magner GmbH was liquidated on 12 April 2016.
(p) C&C (UK) Limited was dissolved on 14 July 2015.

Equity accounted investees

Company Name		Nature of business	Class of shares and % held
Beck & Scott (Services) Limited (Northern Ireland)	(a)	Wholesale of drinks	Ordinary, 50%
Drygate Brewing Company Limited (Scotland)	(b)	Brewing	B Ordinary, 49%
Maclay Group plc (Scotland)	(c)	Operator of managed public houses	B Ordinary & B Preference, 25%
The Irish Brewing Company Limited (Ireland)	(d)	Non-trading	Ordinary, 45.61%
Shanter Inns Limited	(e)	Public houses	Ordinary, 33%

(a) - (e)
The address of the registered office of each of the above equity accounted investees is as follows:
(a) Unit 1, Ravenhill Business Park, Ravenhill Road, Belfast, BT6 8AW, Northern Ireland.
(b) 85 Drygate, Glasgow, G4 0UT, Scotland.
(c) G1 Building, 5 George Square, Glasgow, G2 1DY, Scotland.
(d) Bulmers House, Keeper Road, Crumlin, Dublin 12, D12 K702, Ireland.
(e) 230 High Street, Ayr, KA7 1RQ, Scotland.

28. POST BALANCE SHEET EVENTS

No significant events affecting the Group have occurred since the year end which would require disclosed in or amendment of the financial statements.

29. APPROVAL OF FINANCIAL STATEMENTS

These financial statements were approved by the Directors on 11 May 2016.

FINANCIAL DEFINITIONS

Adjusted earnings	Profit for the year attributable to equity shareholders as adjusted for exceptional items
Company	C&C Group plc
Constant Currency	Prior year revenue, net revenue and operating profit for each of the Group's reporting segments is restated to constant exchange rates for transactions by subsidiary undertakings in currencies other than their functional currency and for translation in relation to the Group's non-Euro denominated subsidiaries by revaluing the prior year figures using the current year effective foreign currency rates
DWT	Dividend Withholding Tax
EBITDA	Earnings before Interest, Tax, Depreciation and Amortisation charges excluding the Group's share of equity accounted investees' profit/(loss) after tax
Adjusted EBITDA	EBITDA as adjusted for exceptional items
EBIT	Earnings before Interest and Tax
Adjusted EBIT	EBIT as adjusted for exceptional items
Effective tax rate (%)	Income and deferred tax charges relating to continuing activities before the tax impact of exceptional items calculated as a percentage of Profit before tax for continuing activities before exceptional items and excluding the Group's share of equity accounted investees' profit/(loss) after tax
EPS	Earnings per share
EU	European Union
Exceptional	Significant items of income and expense within the Group results for the year which by virtue of their scale and nature are disclosed in the income statement and related notes as exceptional items
Free Cash Flow	Free Cash Flow is a non-GAAP measure that comprises cash flow from operating activities net of capital investment cash outflows which form part of investing activities. Free Cash Flow highlights the underlying cash generating performance of the ongoing business
GB	Great Britain (i.e. England, Wales and Scotland)
Group	C&C Group plc and its subsidiaries
HL	Hectolitre (100 Litres)
	kHL = kilo hectolitre (100,000 litres)
	mHL = millions of hectolitres (100 million litres)
IAS	International Accounting Standards
IASB	International Accounting Standards Board
IFRIC	International Financial Reporting Interpretations Committee
IFRS	International Financial Reporting Standards as adopted by the EU
Interest cover	Calculated by dividing the Group's EBITDA excluding exceptional items and discontinued activities by the Group's interest expense, excluding issue cost write-offs, fair value movements with respect to derivative financial instruments and unwind of discounts on provisions, of the same period
Export	Sales in territories outside of Ireland, Scotland, England & Wales and North America
LAD	Long Alcoholic Drinks
Net debt/(cash)	Net debt/(cash) comprises cash and borrowings net of unamortised issue costs
Net debt/EBITDA	A measurement of leverage, calculated as the Group's interest-bearing debt less cash & cash equivalents, divided by its EBITDA excluding exceptional items and discontinued activities. The net debt to EBITDA ratio is a debt ratio that shows how many years it would take for the Group to pay back its debt if net debt and EBITDA are held constant
Net revenue	Net Revenue is defined by the Group as Revenue less Excise duty. Excise duties, which represent a significant proportion of Revenue, are set by external regulators over which the Group has no control and are generally passed on to the consumer, consequently the Directors consider that the disclosure of Net Revenue enhances the transparency and provides a more meaningful analysis of underlying sales performance
NI	Northern Ireland
Off-trade	All venues where drinks are sold for off-premise consumption including shops, supermarkets and cash & carry outlets selling alcohol for consumption off the premises
On-trade	All venues where drinks are sold at retail for on-premise consumption including pubs, hotels and clubs selling alcohol for consumption on the premises

FINANCIAL DEFINITIONS
(CONTINUED)

Operating profit	Profit earned from the Group's core business operations before net financing and income tax costs and excluding the Group's share of equity accounted investees' profit/(loss) after tax. In line with the Group's accounting policies certain items of income and expense are separately classified as exceptional items on the face of the Income Statement
PPE	Property, plant & equipment
Revenue	Revenue comprises the fair value of goods supplied to external customers exclusive of intercompany sales and value added tax, after allowing for discounts, rebates, allowances for customer loyalty and other pricing related allowances and incentives
ROI	Republic of Ireland
TSR	Total Shareholder Return
UK	United Kingdom (Great Britain and Northern Ireland)
US	United States of America

SHAREHOLDER AND OTHER INFORMATION

C&C Group plc is an Irish registered company. Its ordinary shares are quoted on the Irish and London Stock Exchanges (ISIN: IE00B010DT83 SEDOL: B010DT8).

C&C Group plc also has a Level 1 American Depository Receipts (ADR) programme for which Deutsche Bank acts as depository (symbol CCGGY). Each ADR share represents three C&C Group plc ordinary shares.

The authorised share capital of the Company at 29 February 2016 was 800,000,000 ordinary shares at €0.01 each. The issued share capital at 29 February 2016 was 329,157,714 ordinary shares of €0.01 each.

CREST

C&C Group plc is a member of the CREST share settlement system. Therefore transfers of the Company's shares takes place through the CREST settlement system. Shareholders have the choice of holding their shares in electronic form or in the form of share certificates. Shareholders should consult their stockbroker if they wish to hold their shares in electronic form.

SHARE PRICE DATA	2016	2015
Share price at 29 (28) February	**€3.446**	€3.861
	Number	Number
No of Shares in issue at 29 (28) February	**329,157,714**	348,547,138
Market capitalisation	**€1,103m**	€1,346m
Share price movement during the financial year		
-high	**€4.071**	€4.936
-low	**€3.310**	€3.230

DIVIDEND PAYMENTS

The Company may, by ordinary resolution declare dividends in accordance with the respective rights of shareholders, but no dividend shall exceed the amount recommended by the Directors. The Directors may also declare and pay interim dividends if they believe they are justified by the profits of the Company available for distribution.

An interim dividend of 4.73 cent per share was paid in respect of ordinary shares on 18 December 2015.

A final dividend of 8.92 cent, if approved by shareholders at the 2016 Annual General Meeting, will be paid in respect of ordinary shares on 13 July 2016 to shareholders on the record on 20 May 2016. A scrip alternative will be offered to shareholders.

Dividend Withholding Tax ('DWT') must be deducted from dividends paid by an Irish resident company, unless a shareholder is entitled to an exemption and has submitted a properly completed exemption form to the Company's Registrars. DWT applies to dividends paid by way of cash or by way of shares under a scrip dividend scheme and is deducted at the standard rate of income tax (currently 20%). Non-resident shareholders and certain Irish companies, trusts, pension schemes, investment undertakings, companies resident in any member state of the European Union and charities may be entitled to claim exemption from DWT. DWT exemption forms may be obtained from the Irish Revenue Commissioners website: http://www.revenue.ie/en/tax/dwt/forms/index.html. Shareholders should note that DWT will be deducted from dividends in cases where a properly completed exemption form has not been received by the relevant record date. Shareholders who wish to have their dividend paid direct to a bank account, by electronic funds transfer, should contact Capita Registrars to obtain a mandate form. Tax vouchers will be sent to the shareholder's registered address under this arrangement.

CREST members

Shareholders who hold their shares via CREST will automatically receive dividends in Euro unless they elect otherwise.

Non-CREST members

Shareholders who hold their shares in certificate form will automatically receive dividends in Euro with the following exceptions:

- Shareholders with an address in the United Kingdom (UK) will automatically receive dividends in Sterling,
- Shareholders who had previously elected to receive dividends in a particular currency will continue to receive dividends in that currency.

Shareholders who wish to receive dividends in a currency other than that which will be automatically used should contact the Company's Registrars.

SHAREHOLDER AND OTHER INFORMATION
(CONTINUED)

ELECTRONIC COMMUNICATIONS

Following the introduction of the Transparency Regulations 2007, and in order to promote a more cost effective and environmentally friendly approach, the Company provides the Annual Report electronically to shareholders via the Group's website and only sends a printed copy to those who specifically request one. Shareholders who wish to alter the method by which they receive communications should contact the Company's registrar. All shareholders will continue to receive printed proxy forms, dividend documentation, shareholder circulars, and, where the Company deems it appropriate, other documentation by post.

FINANCIAL CALENDAR

	Date
Annual General Meeting	7 July 2016
Ex-dividend date	19 May 2016
Record date for dividend	20 May 2016
Latest date for receipt of elections and mandates	23 June 2016
Payment date for final dividend	13 July 2016
Interim results announcement	October 2016
Interim dividend payment	December 2016
Financial year-end	28 February 2017

COMPANY SECRETARY AND REGISTERED OFFICE

David Johnston, C&C Group plc
Bulmers House, Keeper Road, Crumlin, Dublin 12, D12 K702
Tel: +353 1 506 3900

REGISTRARS

Shareholders with queries concerning their holdings, dividend information or administrative matters should contact the Company's registrars:
Capita Asset Services, Shareholder solutions (Ireland)
2 Grand Canal Square, Dublin 2, D02 A342
Tel: +353 1 553 0050
Fax: +353 1 224 0700
Email: enquiries@capita.ie

AMERICAN DEPOSITARY RECEIPTS (ADR)

Shareholder with queries concerning their ADR holdings should contact:
Deutsche Bank Trust Company Americas
C/o American Stock Transfer & Trust Company, 6201 15th Avenue,
Brooklyn, NY 11219.
Tel: Toll free +1 866 706 8374
International +1 718 921 8137
Email: DB@amstock.com

INVESTOR RELATIONS

FTI Consulting
10 Merrion Square, Dublin 2, D02 DW94

PRINCIPAL BANKERS
Bank of Ireland
Bank of Scotland
Barclays Bank
Danske Bank
HSBC
Rabobank
Ulster Bank

SOLICITORS
McCann FitzGerald
Riverside One, Sir John Rogerson's Quay, Dublin 2, D02 X576

STOCKBROKERS
Davy
49 Dawson Street, Dublin 2, D02 PY05

Investec Bank plc
2 Gresham Street, London, EC2V 7QP

AUDITOR
KPMG
Chartered Accountants
1 Stokes Place, St. Stephen's Green, Dublin 2, D02 DE03

WEBSITE
Further information on C&C Group plc is available at
www.candcgroupplc.com