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

	2016	2015
Basic earnings per share	Cent	Cent
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	Scotland	C&C Brands	North America	Export	Total
	€m	€m	€m	€m	€m	€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	C&C Brands	North America	Total
	€m	€m	€m	€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	2015
	€m	€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	2015	2016	2015
	€m	€m	€m	€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

			2016			2015
			Net assets/			Net assets/
	Assets	Liabilities	(liabilities)	Assets	Liabilities	(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	NI	Total	ROI	NI	Total
	€m	€m	€m	€m	€m	€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	NI	Total	ROI	NI	Total
	€m	€m	€m	€m	€m	€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:	2016 Total €m	2015 Total €m
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 €m	NI €m	Total €m	ROI €m	NI €m	Total €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:-

Group	Euro €m	Sterling €m	USD €m	CAD/AUD €m	Not at risk €m	Total €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).

Company	Sterling €m	Not at risk €m	Total €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

2016	Carrying amount €m	Contractual cash flows €m	6 months or less €m	6-12 months €m	1-2 years €m	Greater than 2 years €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

2016	Carrying amount €m	Contractual cash flows €m	6 months or less €m	6-12 months €m	1-2 years €m	Greater than 2 years €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.