

Company Registration No. SC126369 (Scotland)

CHIVAS INVESTMENTS LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 2014

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CHIVAS INVESTMENTS LIMITED

COMPANY INFORMATION

Directors	S Macnab H Fetter A Hamilton-Stanley
Secretary	A Mapplebeck
Company number	SC126369
Registered office	111/113 Renfrew Road Paisley PA3 4DY
Auditors	Mazars LLP 90 St. Vincent Street Glasgow G2 5UB

CHIVAS INVESTMENTS LIMITED

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CHIVAS INVESTMENTS LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 30 JUNE 2014

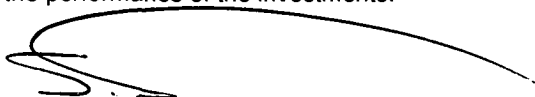
Review of the business

Chivas Investments Limited ("the Company") owns 90% of Pernod Ricard UK Limited and 100% of Warehouse Investment Holding Limited.

Pernod Ricard UK Limited's ("PRUK") principal activity is the distribution and marketing of wines and spirits within the UK. A review of the PRUK's business and principal risks is contained in PRUK's annual report.

Warehouse Investment Holding Limited's principal activity is to hold investments.

The company expects to continue holding these investments in the future and the Directors are satisfied with the performance of the investments.



S Macnab
Director
10 December 2014

CHIVAS INVESTMENTS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 JUNE 2014

The directors present their report and financial statements for the year ended 30 June 2014.

Principal activities

The principal activity of the Company is that of holding investments.

Results and dividends

The results for the year are set out on page 6.

On 22 May 2014, the Company made a bonus issue of 357,104,736 ordinary shares of £1 from its capital contribution reserve.

On 22 May 2014, the Company also reduced the nominal value of all 367,086,639 ordinary shares from £1 to £0.01. £363,416,000 was transferred to the Company's profit and loss reserve.

On 4 June 2014, the Company received a dividend of £163,944,000 from Pernod Ricard UK Limited. On the same day, the Company then declared and paid a dividend of £163,944,000 to Chivas Brothers Limited, the Company's parent.

Directors

The following directors have held office since 1 July 2013:

S Macnab
H Fetter
A Hamilton-Stanley

Auditors

Mazars LLP continue in office in accordance with section 485 Companies Act 2006.

Statement of directors' responsibilities

The directors are responsible for preparing the Directors' Report and financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

CHIVAS INVESTMENTS LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2014

Statement of disclosure to auditors

(a) so far as the directors are aware, there is no relevant audit information of which the Company's auditors are unaware, and

(b) they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

On behalf of the board



S Macnab

Director

10 December 2014

CHIVAS INVESTMENTS LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF CHIVAS INVESTMENTS LIMITED

We have audited the financial statements of Chivas Investments Limited for the year ended 30 June 2014 comprising the Profit & Loss Account, Balance Sheet and related notes. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Respective responsibilities of directors and auditors

As explained more fully in the Directors' Responsibilities Statement set out on page 1, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors. This report is made solely to the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body for our audit work, for this report, or for the opinions we have formed.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's website at www.frc.org.uk/auditscopeukprivate.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the Company's affairs as at 30 June 2014 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

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

CHIVAS INVESTMENTS LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE MEMBERS OF CHIVAS INVESTMENTS LIMITED

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.



Jacqueline Berry
(Senior Statutory Auditor)
for and on behalf of Mazars LLP

10 December 2014

Chartered Accountants and Statutory Auditor

90 St. Vincent Street
Glasgow
G2 5UB

CHIVAS INVESTMENTS LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 30 JUNE 2014

	Notes	Year ended 30 June 2014 £'000	Year ended 30 June 2013 £'000
Operating result	2	-	-
Interest receivable and similar income	3	10	-
Income from shares in group undertakings		163,944	-
Amounts written off investments	4	(97,288)	-
Interest payable and similar charges	5	(10)	-
		<hr/>	<hr/>
Profit on ordinary activities before taxation		66,656	-
Tax on profit on ordinary activities	6	-	-
		<hr/>	<hr/>
Profit for the year	12	66,656	-
		<hr/> <hr/>	<hr/> <hr/>

The profit and loss account has been prepared on the basis that all operations are continuing operations.

There are no recognised gains and losses other than those passing through the profit and loss account.

Accordingly, no Statement of Total Recognised Gains and Losses is presented.

CHIVAS INVESTMENTS LIMITED

BALANCE SHEET

AS AT 30 JUNE 2014

		2014	2013
	Notes	£'000	£'000
Fixed assets			
Investments	8	269,799	367,087
Current assets			
Debtors: amounts falling due after more than one year	9	753	-
Total assets less current liabilities		<u>270,552</u>	<u>367,087</u>
Creditors: amounts falling due after more than one year	10	(753)	-
		<u>269,799</u>	<u>367,087</u>
Capital and reserves			
Called up share capital	11	3,671	9,982
Capital contribution	12	-	357,105
Profit and loss account	12	266,128	-
Shareholders' funds	13	<u>269,799</u>	<u>367,087</u>

Approved by the Board and authorised for issue on 10 December 2014



S Macnab
Director

Company Registration No. SC126369

CHIVAS INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 JUNE 2014

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention and on a going concern basis.

In accordance with Financial Reporting Standard No1 (Revised) the Company is exempt from preparing a cash flow statement as its ultimate parent undertaking, Pernod Ricard S.A., has included a cash flow statement in its financial statements which are publicly available.

1.2 Compliance with accounting standards

The financial statements are prepared in accordance with applicable United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), which have been applied consistently (except as otherwise stated).

1.3 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

1.4 Deferred taxation

Deferred tax is provided in full on timing differences which result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at future dates, at rates expected to apply when they crystallise based on current tax rates and law.

Timing differences arise from the inclusion of items of income and expenditure in taxation computations in years different from those in which they are included in financial statements.

Deferred tax is not provided on timing differences arising from the revaluation of fixed assets where there is no commitment to sell the asset, or on unremitted earnings of subsidiaries and associates where there is no commitment to remit these earnings.

Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

1.5 Group accounts

The financial statements contain information about the Company as an individual undertaking and do not contain consolidated financial information as the parent of a group. The Company is exempt under section 400 of the Companies Act 2006 from the requirement to prepare consolidated financial statements as it is and its subsidiary undertakings are included in the consolidated financial statements of its ultimate parent undertaking, Pernod Ricard S.A., a company incorporated in France.

1.6 Current taxation

Corporation tax is provided at amounts expected to be paid (or recovered) using tax rates and laws that have been enacted by the balance sheet date.

1.7 Interest receivable and similar income

Interest receivable from balances with fellow group companies is recognised on an accruals basis.

2 Operating result

The current and prior year audit fee was borne by a fellow group company.

CHIVAS INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2014

3	Interest receivable and similar income	2014	2013
		£'000	£'000
	Interest receivable from fellow group undertakings	10	-
		<u>10</u>	<u>-</u>

4	Amounts written off investments	2014	2013
		£'000	£'000
	Amounts written off fixed asset investments:		
	- permanent diminution in value	97,288	-
		<u>97,288</u>	<u>-</u>

The amounts written off fixed asset investments have been calculated based on the net asset value underlying the investments.

5	Interest payable	2014	2013
		£'000	£'000
	On amounts payable to group companies	10	-
		<u>10</u>	<u>-</u>

CHIVAS INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2014

6	Taxation	2014	2013
	Total current tax	-	-
		<u> </u>	<u> </u>
	Factors affecting the tax charge for the year		
	Profit on ordinary activities before taxation	66,656	-
		<u> </u>	<u> </u>
	Profit on ordinary activities before taxation multiplied by standard rate of UK corporation tax of 22.50% (2013 - 23.75%)	14,998	-
		<u> </u>	<u> </u>
	Effects of:		
	Non deductible expenses	21,889	-
	Non taxable dividends received	(36,887)	-
		<u> </u>	<u> </u>
		(14,998)	-
		<u> </u>	<u> </u>
	Current tax charge for the year	-	-
		<u> </u>	<u> </u>

The tax charge in the year to 30 June 2014 has been reduced by £nil (2013: £nil) in respect of group relief surrendered to group undertakings for nil consideration.

Factors that may affect future tax charges

The company's tax charge in future periods will be affected by the availability of group relief for any losses that are incurred by other group undertakings.

7	Dividends	2014 £'000	2013 £'000
	Ordinary interim paid 4 June 2014	163,944	-
		<u> </u>	<u> </u>

On 4 June 2014, a dividend of £163,944,000 was declared and paid to the Company's parent, Chivas Brothers Limited.

CHIVAS INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 30 JUNE 2014

8 Fixed asset investments

	Shares in subsidiary undertakings £'000
Cost	
At 1 July 2013	367,087
Impairment Charge for the year	97,288
At 30 June 2014	269,799
Net book value	
At 30 June 2014	269,799
At 30 June 2013	367,087

Holdings of more than 20%

The company holds more than 20% of the share capital of the following companies:

Company	Country of registration or incorporation	Class	Shares held %
Subsidiary undertakings			
Pernod Ricard UK Limited	England and Wales	Ordinary	90.00
Warehouse Investment Holding Limited	Scotland	Ordinary	100.00

9 Debtors	2014 £'000	2013 £'000
Amounts falling due after more than one year:		
Amounts owed to group undertakings	753	-

10 Creditors: amounts falling due after more than one year	2014 £'000	2013 £'000
Amounts owed to group undertakings	753	-

CHIVAS INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2014

11 Share capital	2014	2013
	£'000	£'000
Allotted, called up and fully paid		
367,086,639 Ordinary shares of £0.01 each	3,671	9,982
(2013: 9,981,903 Ordinary shares of £1 each)	<u> </u>	<u> </u>

On 22 May 2014, the Company made a bonus issue of 357,104,736 ordinary shares of £1 from its capital contribution reserve.

On 22 May 2014, the Company also reduced the nominal value of its 367,086,639 ordinary shares from £1 to £0.01. £363,416,000 was transferred to the Company's profit and loss reserve.

12 Statement of movements on reserves	Capital contribution	Profit and loss account
	£'000	£'000
Balance at 1 July 2013	357,105	-
Profit for the year	-	66,656
Bonus issue of shares (note 11)	(357,105)	-
Capital reduction (note 11)	-	363,416
Dividends paid	-	(163,944)
	<u> </u>	<u> </u>
Balance at 30 June 2014	<u> </u>	<u>266,128</u>

13 Reconciliation of movements in shareholders' funds	2014	2013
	£'000	£'000
Result for the financial year	66,656	-
Dividends	(163,944)	-
	<u> </u>	<u> </u>
	(97,288)	-
Proceeds from issue of shares	-	9,982
Movements on other reserves	-	181,880
	<u> </u>	<u> </u>
Net (reduction in)/addition to shareholders' funds	(97,288)	191,862
Opening shareholders' funds	367,087	175,225
	<u> </u>	<u> </u>
Closing shareholders' funds	<u>269,799</u>	<u>367,087</u>

CHIVAS INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2014

14 Employees

Number of employees

There were no employees during the year (2013: nil).

The directors received no remuneration during the year to 30 June 2014 in respect of their services to the Company (2013: £nil).

15 Control

The ultimate parent undertaking and controlling party is Pernod Ricard S.A., a company incorporated in France. Copies of its annual report may be obtained from 12 Place des Etats-Unis, 75783 Paris, Cedex-16, France. This is the largest and smallest group into whose consolidated accounts the Company's financial information is consolidated.

16 Related party relationships and transactions

The Company is included in the consolidated financial statements of Pernod Ricard S.A., the ultimate parent company, which are publicly available.

Accordingly, the Company has taken advantage of the exemption offered by Financial Reporting Standard No. 8 from disclosing related party transactions with other wholly owned undertakings within the Pernod Ricard S.A. Group.