

Notes

forming part of the financial statements

1 Segmental Reporting

Segmental information is presented below in respect of the Group's continuing business and geographical segments while the relevant information in relation to the Group's discontinued snacks business is set out in note 6. The primary format, business segments, is based on the Group's management and internal reporting structure and reflects the dominant source and nature of risks and returns arising from the Group's business.

The Group analyses its business into four main segments as follows: -

(i) Cider

This segment includes all Group cider products, with Bulmers in the Republic of Ireland and Magners in all other markets being the two main brands involved.

(ii) Spirits & liqueurs

This segment consists of four brands, Tullamore Dew, Carolans Irish Cream, Franjelico Liqueur and Irish Mist Liqueur, all of which are owned by the Group and are marketed internationally.

(iii) Soft drinks

This segment includes the Group's non-alcoholic soft drinks and water products that are sold in the Republic of Ireland and Northern Ireland.

(iv) Distribution

This segment consists of the distribution of wine and spirits, agency products, and the wholesaling of beer products to the licenced trade in both the Republic of Ireland and Northern Ireland.

The analysis by segment includes both items directly attributable to a segment and those that can be allocated on a reasonable basis. Unallocated items comprise mainly retirement benefit obligations, borrowings and certain exceptional expense items.

Class of business analysis

	2007				2006			
	Revenue €m	Operating profit €m	Assets €m	Liabilities €m	Revenue €m	Operating profit €m	Assets €m	Liabilities €m
Cider	517.9	178.9	633.2	(75.7)	278.4	85.3	462.6	(42.3)
Spirits & liqueurs	79.1	17.7	72.2	(18.1)	68.8	16.3	75.8	(12.3)
Soft drinks	185.2	15.3	123.1	(34.4)	187.6	12.7	164.7	(40.1)
Distribution	199.2	0.7	47.4	(16.8)	234.5	5.3	68.8	(23.0)
Total before unallocated items	981.4	212.6	875.9	(145.0)	769.3	119.6	771.9	(117.7)
Unallocated items:								
Exceptional items	-	(8.3)	-	-	-	2.8	-	-
Financial liabilities	-	-	6.0	(4.2)	-	-	1.0	(3.2)
Retirement benefit obligations and related deferred tax	-	-	8.7	(51.5)	-	-	9.1	(58.9)
Group net borrowings	-	-	40.7	(346.1)	-	-	44.5	(427.6)
	981.4	204.3	931.3	(546.8)	769.3	122.4	826.5	(607.4)

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1 Segmental reporting (continued)

Geographical analysis of revenue, assets and liabilities by country of operation

	2007			2006		
	Revenue €m	Assets €m	Liabilities €m	Revenue €m	Assets €m	Liabilities €m
Republic of Ireland	844.9	841.1	(132.3)	630.2	729.5	(102.9)
Rest of the world	136.5	34.8	(12.7)	139.1	42.4	(14.8)
Total before unallocated items	981.4	875.9	(145.0)	769.3	771.9	(117.7)

Geographical analysis of revenue by country of destination

	2007 €m	2006 €m
Republic of Ireland	473.7	493.1
UK	419.0	203.0
Rest of Europe	45.6	35.5
North America	35.1	32.4
Rest of the world	8.0	5.3
Total	981.4	769.3

Other segment information - by class of business

	2007			2006		
	Capital Expenditure €m	Depreciation €m	Goodwil Impairment €m	Capital Expenditure €m	Depreciation €m	
Cider	91.2	10.5	-	20.9	7.6	
Spirits & liqueurs	1.0	0.7	-	0.4	0.6	
Soft drinks	8.2	9.6	-	6.1	9.8	
Distribution	0.2	0.5	8.3	0.4	0.6	
	100.6	21.3	8.3	27.8	18.6	

Other segment information – by country of operation

	2007			2006		
	Capital Expenditure €m	Depreciation €m	Goodwil Impairment €m	Capital Expenditure €m	Depreciation €m	
Republic of Ireland	99.6	20.2	8.3	26.2	17.6	
Rest of the world	1.0	1.1	-	1.6	1.0	
	100.6	21.3	8.3	27.8	18.6	

2 Operating costs

	2007			2006		
	Before exceptional items €m	Exceptional items €m	Total €m	Before exceptional items €m	Exceptional items €m	Total €m
Raw material cost of goods sold	370.1	-	370.1	329.4	-	329.4
Excise duties	139.8	-	139.8	121.2	-	121.2
Employee remuneration (note 24)	105.3	-	105.3	97.1	6.9	104.0
Direct brand marketing	82.5	-	82.5	58.5	-	58.5
Other operating, selling and administration costs	67.0	-	67.0	61.4	1.1	62.5
Depreciation	21.4	-	21.4	19.6	-	19.6
Profit on disposal of property, plant & equipment	-	(4.6)	(4.6)	-	(6.6)	(6.6)
Goodwill impairment	-	8.3	8.3	-	-	-
Profit on disposal of subsidiary	-	(32.9)	(32.9)	-	-	-
Research and development costs	0.6	-	0.6	0.5	-	0.5
Auditor remuneration:		-				
- audit services	0.4	-	0.4	0.4	-	0.4
- non audit services	0.1	-	0.1	0.4	-	0.4
Operating lease rentals:						
- plant and machinery	1.3	-	1.3	0.5	-	0.5
- other	4.3	-	4.3	2.9	-	2.9
Total	792.8	(29.2)	763.6	691.9	1.4	693.3
Allocated to discontinued operations	(24.0)	37.5	13.5	(42.2)	(4.2)	(46.4)
Total relating to continuing operations	768.8	8.3	777.1	649.7	(2.8)	646.9

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3 Exceptional items

	2007 €m	2006 €m
Reorganisation costs	-	9.2
Profit on disposal of property, plant & equipment	(4.6)	(6.6)
Pension credit	-	(1.2)
Profit on disposal of subsidiary	(32.9)	-
Impairment of goodwill	8.3	-
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Total	(29.2)	1.4
Allocated to discontinued operations	37.5	(4.2)
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Total relating to continuing operations	8.3	(2.8)

The taxation implication of the exceptional items is a charge of €0.2m to discontinued operations (2006: €0.4m credit to discontinued operations) with no impact on continuing operations.

(a) Reorganisation costs

The reorganisation costs in the prior year related primarily to redundancy costs arising on the outsourcing of production in the Snacks division.

(b) Profit on disposal of property, plant & equipment

The profit on disposals relates to the disposal of property arising from reorganisations in operations.

(c) Pension credit

The exceptional credit of €1.2m arose as a result of the reduction in employee numbers following the outsourcing of production in the Snacks division.

(d) Profit on disposal of subsidiary

An agreement was signed for the disposal of Tayto Crisps Limited and its subsidiary companies on 5 July 2006, which was subsequently ratified by the Competition Authority on 4 September 2006, for a gross consideration of €62.3m. The transaction was completed on 21 September 2006 and the proceeds arising from the disposal were applied towards debt reduction. A profit on the disposal of €32.9m was realised (see note 6 for further details).

(e) Impairment of goodwill

The loss of distribution rights to the Fosters wine brands, coupled with weaker demand for premium wines, and a reduced margin on Long Alcohol Drinks (LAD) agency brands resulted in an impairment of goodwill in the Distribution division and consequently the write off of €8.3m of the carrying value of goodwill attributed to that division.

4 Finance income and finance costs

	2007 €m	2006 €m
<i>Finance Income:</i>		
Interest receivable	(1.9)	(0.9)
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<i>Finance Costs:</i>		
Interest payable	15.8	18.4
Amortisation of loan issue costs	0.5	1.1
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Total finance costs	16.3	19.5
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Net finance costs	14.4	18.6

5 Income tax expense recognised in the income statement

(a) Analysis of charge in year

	2007 €m	2006 €m
Current tax expense		
Irish corporation tax	20.0	10.0
Foreign corporation tax	2.5	0.2
Adjustment in respect of previous years	0.7	(1.2)
	23.2	9.0
Deferred tax expense		
Irish	(0.5)	(0.2)
Foreign	0.3	0.1
Total deferred tax	(0.2)	(0.1)
Total income tax expense in Income Statement	23.0	8.9
Allocated to discontinued operations	(0.5)	(0.1)
Total relating to continuing operations	22.5	8.8

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

	2007 €m	2006 €m
Tax at standard rate of corporation tax in the Republic of Ireland of 12.5%	28.9	13.1
Actual tax charge is affected by the following:		
Expenses not deductible for tax purposes	1.6	0.2
Adjustments in respect of prior years	0.7	(1.2)
Differences in effective tax rates on overseas earnings	1.6	-
Manufacturing relief	(5.1)	(2.7)
Non taxable income (incl disposal of Snacks business)	(4.1)	-
Other differences	(0.6)	(0.5)
Total tax charge for year as above	23.0	8.9

(b) Deferred tax liability/(asset) recognised directly in equity

Deferred tax arising on defined benefit pension schemes	(0.5)	(1.5)
Deferred tax arising on movement in cashflow hedging reserve	0.4	0.2
	(0.1)	(1.3)

(c) Factors that may affect future charges

Manufacturing relief in Republic of Ireland is due to expire on 31 December 2010.

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6 Discontinued operations

On 21 September 2006, the Group completed the sale of the Snacks business (note 3d). This business is presented as a discontinued operation for all periods presented and shown separately from continuing operations.

Results of discontinued operations

	Date of Disposal €m	28 February 2006 €m
Revenue	27.8	47.3
Expenses	(24.0)	(42.2)
Exceptional items	4.6	(4.2)
Results from discontinued operations before tax	8.4	0.9
Income tax expense	(0.5)	(0.1)
Results from discontinued operations (net of income tax)	7.9	0.8
Gain on sale of discontinued operations	32.9	-
Income tax arising on sale of discontinued operations	-	-
Profit from discontinued operations (net of income tax)	40.8	0.8

Discontinued operations – exceptional items

	2007 €m	2006 €m
Re-organisation costs	-	9.2
Profit on disposal of property, plant & equipment	(4.6)	(3.8)
Pension credit	-	(1.2)
Taxation effect of exceptional items	(4.6)	4.2
	0.2	(0.4)
	(4.4)	3.8

Cash flows from discontinued operations

	2007 €m	2006 €m
Net cash from operating activities	3.2	(4.4)
Net cash from investing activities	11.9	13.0
Net cash from financing activities	(23.0)	-
Net cash (used in)/derived from discontinued operations	(7.9)	8.6
Depreciation	0.1	1.0
Capital expenditure	-	0.3

6 Discontinued operations (continued)**Effect of disposal on financial position of the Group**

	2007 €m	2006 €m
Property, plant & equipment	0.9	1.0
Goodwill	26.7	26.7
Inventories	0.9	0.9
Trade & other receivables	6.4	13.5
Cash & cash equivalents	-	(1.0)
Deferred tax liabilities	(0.1)	(0.1)
Trade & other payables	(7.3)	(7.8)
Provisions	(0.6)	(0.6)
Retirement benefit obligations	-	0.4
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Net assets and liabilities	26.9	33.0
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Consideration received in cash	62.3	-
Expenses incurred	(2.5)	-
	<hr/>	<hr/>
Net proceeds received	59.8	-
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Profit arising on disposal of subsidiary	32.9	-
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7 Dividends

	2007 €m	2006 €m
Dividends paid		
Final: paid 8.5c per ordinary share in July 2006 (2006: 7.5c paid in July 2005)	27.7	24.1
Interim: paid 12.0c per ordinary share in December 2006 (2006: 6.5c paid in December 2005)	39.2	21.1
	<hr/>	<hr/>
Total equity dividends	66.9	45.2
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Settled as follows:		
Paid in cash	54.7	29.9
Scrip dividend	12.2	15.3
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	66.9	45.2
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The directors have proposed a final dividend of 15.0 cent per share, which is subject to shareholder approval at the AGM, giving a total dividend for the year of 27.0 cent per share.

Dividends declared after the balance sheet date are not recognised as a liability at the balance sheet date.

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8 Earnings per ordinary share

	2007 €m	2006 €m
Earnings as reported	208.2	95.8
Adjustments for exceptional items net of tax (note 3)	(29.0)	1.0
Earnings adjusted for exceptional items	179.2	96.8
	Number '000	Number '000
Number of shares at beginning of year	325,204	321,130
Shares issued in lieu of dividend	1,592	4,074
Shares issued in respect of options exercised	773	-
Number of shares at end of year	327,569	325,204
Weighted average number of ordinary shares	326,517	323,253
Adjustment for the effect of conversion of options	4,609	2,357
Weighted average number of ordinary shares, including options	331,126	325,610
	Cent	Cent
Basic earnings per share		
Basic earnings per share – cent	63.8	29.6
Adjusted basic earnings per share – cent	54.9	29.9
Diluted earnings per share		
Diluted earnings per share – cent	62.9	29.4
Adjusted diluted earnings per share – cent	54.1	29.7
	€m	€m
Continuing Operations		
Earnings from continuing operations – as reported	167.4	95.0
Adjustments for exceptional items, net of tax (note 3)	8.3	(2.5)
Earnings from continuing operations, net of tax	175.7	92.5
	Cent	Cent
Basic earnings per share		
Basic earnings per share – cent	51.3	29.4
Adjusted basic earnings per share – cent	53.8	28.6
Diluted earnings per share		
Diluted earnings per share – cent	50.6	29.2
Adjusted diluted earnings per share – cent	53.1	28.4
	€m	€m
Discontinued Operations		
Earnings from discontinued operations – as reported	40.8	0.8
Adjustments for exceptional items, net of tax (note 3)	(37.3)	3.5
Earnings from discontinued operations, net of tax	3.5	4.3

8 Earnings per ordinary share (continued)

Basic earnings per share	Cent	Cent
Basic earnings per share – cent	12.5	0.2
Adjusted basic earnings per share – cent	1.1	1.3
 Diluted earnings per share		
Diluted earnings per share – cent	12.3	0.2
Adjusted diluted earnings per share – cent	1.1	1.3

9 Goodwill

Goodwill is analysed by business segment as follows:-

	Cider €m	Spirits and liqueurs €m	Soft drinks/ snacks €m	Distribution €m	Total €m
Cost					
At 1 March 2005 and 28 February 2006	345.1	49.6	58.9	8.3	461.9
Impairment charge recognised in the year	-	-	-	(8.3)	(8.3)
Disposal of Snacks business (note 6)	-	-	(26.7)	-	(26.7)
At 28 February 2007	345.1	49.6	32.2	-	426.9

The goodwill within each business segment is further allocated to a number of individual cash generating units (CGUs) for the purposes of impairment testing.

Impairment testing is carried out for each CGU by comparing the carrying value of goodwill to its recoverable amount (generally its current value-in-use).

The cash flow forecasts employed for the value-in-use computations are based on budgeted figures for the first year and on a three year forecast approved by the Board for the following two years. Cash flow is then projected forward for the following ten years based on assumed growth for each business averaging 5% per annum.

Key assumptions involved in the calculation of the value-in-use include: future profitability, capital expenditure requirements, working capital requirements, tax considerations, the appropriate number of years to be included and the terminal value of each CGU.

The discount factors applied to future cash flows of each CGU ranged from 9% to 12% as deemed appropriate.

The disposal of the Snacks business, Tayto Crisps Limited and its subsidiary companies, resulted in de-recognition of goodwill of €26.7m. The loss of the former Allied Domecq brands and certain wine agencies resulted in an impairment of goodwill in the distribution segment and a write off of the €8.3m carrying value of goodwill attributed to that segment.

The procedures carried out on the remaining goodwill in the balance sheet at 28 February 2007 relating to cider, spirits and liqueurs and the soft drinks businesses identified very significant headroom in the recoverable amount of the related CGUs as compared to their carrying value. No reasonable adjustments to the assumptions underlying the impairment testing models applied would result in any foreseeable risk of an impairment charge arising.

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10 Property, plant & equipment Group

	Property €m	Plant & machinery €m	Vehicles & other equipment €m	Total €m
Cost				
At 1 March 2005	58.7	114.5	72.7	245.9
Additions	12.3	9.9	5.9	28.1
Transfer to assets held for resale	(7.0)	-	-	(7.0)
Disposals	(7.7)	(7.0)	(1.0)	(15.7)
At 28 February 2006	56.3	117.4	77.6	251.3
Additions	14.0	80.2	6.4	100.6
Reclassification	(11.8)	11.8	-	-
Disposals	-	-	(0.2)	(0.2)
Disposal of Snacks business	(0.2)	(0.1)	(2.6)	(2.9)
At 28 February 2007	58.3	209.3	81.2	348.8
Depreciation				
At 1 March 2005	4.8	50.4	48.3	103.5
Charge for the year	1.0	10.6	8.0	19.6
Transfer to assets held for resale	(0.2)	-	-	(0.2)
Disposals	(1.1)	(3.8)	(0.8)	(5.7)
At 28 February 2006	4.5	57.2	55.5	117.2
Charge for the year	1.1	13.1	7.2	21.4
Disposals	-	-	(0.2)	(0.2)
Disposal of Snacks business	-	(0.1)	(1.9)	(2.0)
At 28 February 2007	5.6	70.2	60.6	136.4
Net book value				
At 28 February 2007	52.7	139.1	20.6	212.4
At 28 February 2006	51.8	60.2	22.1	134.1

No depreciation is charged on land with a book value of €3.9m (28 February 2006: €4.0m).

The reclassification relates to assets under construction at 28 February 2006 that were more appropriately categorised in the current financial year.

11 Financial assets

Company	2007 €m	2006 €m
<i>Equity investment in subsidiary undertakings at cost</i>		
Balance at beginning of year	706.1	705.0
Capital contribution in respect of share options granted to employees of subsidiary companies (note 26)	4.3	1.1
Balance at end of year	710.4	706.1

The total expense of €4.3m (2006: €1.1m) attributable to employee share options has been included as a capital contribution in financial assets.

In the opinion of the directors, the shares in subsidiary undertakings are worth at least the amounts at which they are stated in the balance sheet. Details of subsidiaries are set out in note 29.

12 Inventories

Group	2007 €m	2006 €m
Raw materials & consumables	47.4	18.4
Finished goods & goods for resale	50.4	36.7
Total inventories at the lower of cost and net realisable value	97.8	55.1

13 Trade & other receivables

	Group		Company	
	2007 €m	2006 €m	2007 €m	2006 €m
Amounts falling due within one year				
Trade receivables	118.5	97.0	-	-
Prepayments	18.0	17.0	-	-
VAT recoverable	2.3	-	-	-
Amounts due from Group undertakings	-	-	95.6	51.5
Total	138.8	114.0	95.6	51.5

14 Assets held for sale

Group	2007 €m	2006 €m
Land & buildings	-	6.8

Land & buildings surplus to operating requirements and for which a disposal process had commenced prior to 28 February 2006 were classified as assets held for sale within current assets in that year. These properties were disposed of in the current year as described in note 3.

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15 Trade & other payables

	Group		Company	
	2007 €m	2006 €m	2007 €m	2006 €m
Trade payables	53.6	38.3	-	-
Payroll taxes & social security	1.2	1.1	-	-
VAT payable	-	2.9	-	-
Excise duty	9.2	3.2	-	-
Accruals	68.5	57.2	0.2	0.2
Total	132.5	102.7	0.2	0.2

16 Provisions

Group

	2007 €m	2006 €m
Insurance excess		
Balance at beginning of year	1.9	1.7
Provided during the year	0.2	0.4
Utilised during the year	(0.2)	(0.2)
Disposal of Snacks business	(0.6)	-
Balance at end of year	1.3	1.9

The provision relates to the Group's exposure to employee and third party insurance claims. Under the terms of employers 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.

17 Details of borrowings

Group

	Repayable		Total €m
	Repayable by instalment €m	other than by instalment €m	
Current			
0-1 year	30.0	-	30.0
	30.0	-	30.0
Non-current			
1-2 years	30.0	-	30.0
2-3 year	-	-	-
3-4 years	-	286.1	286.1
	30.0	286.1	316.1
Total	60.0	286.1	346.1

Unamortised issue costs of €1.9m have been netted against outstanding bank loans and are being amortised to the Income Statement on an effective interest rate basis. The Group's banking facilities allow it to repay debt early without incurring additional charges or penalties.

18 Analysis of net debt**Group**

	1 March 2006 €m	Cash flow €m	Non-cash changes €m	28 February 2007 €m
Bank loans	427.6	(82.0)	0.5	346.1
Cash at bank and in hand	(44.5)	3.8	-	(40.7)
	383.1	(78.2)	0.5	305.4

19 Recognised deferred tax assets and liabilities**Group**

	2007			2006		
	Assets €m	Liabilities €m	Net assets/ liabilities €m	Assets €m	Liabilities €m	Net assets/ liabilities €m
Property, plant & equipment	-	(4.8)	(4.8)	-	(5.7)	(5.7)
Pension	8.7	-	8.7	8.8	-	8.8
Other items	-	(0.2)	(0.2)	0.3	-	0.3
Tax assets/(liabilities)	8.7	(5.0)	3.7	9.1	(5.7)	3.4

Analysis of movement in net deferred tax asset/liability

	1 March 2006 €m	Recognised in income €m	Recognised in equity €m	28 February 2007 €m
Property, plant & equipment	(5.7)	0.9	-	(4.8)
Pension	8.8	(0.6)	0.5	8.7
Other items	0.3	(0.1)	(0.4)	(0.2)
	3.4	0.2	0.1	3.7

	1 March 2005* €m	Recognised in income €m	Recognised in equity €m	28 February 2006 €m
Property, plant & equipment	(6.4)	0.7	-	(5.7)
Pension	7.4	(0.1)	1.5	8.8
Other items	1.0	(0.5)	(0.2)	0.3
	2.0	0.1	1.3	3.4

* Balances as at 1 March 2005 are adjusted for IAS 39.
There are no unrecognised deferred tax assets or liabilities.

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20 Share Capital and Reserves

Share capital

	Authorised number	Allotted, called up and fully paid number	Authorised €m	Allotted, called up and fully paid €m
At 28 February 2007				
Ordinary shares of €0.01 each	800,000,000	327,568,577	8.0	3.3
At 28 February 2006				
Ordinary shares of €0.01 each	800,000,000	325,204,207	8.0	3.3
At 28 February 2005				
Ordinary shares of €0.01 each	800,000,000	321,130,403	8.0	3.2

Reserves

	Share Capital €m	Share Premium €m	Capital Redemption Reserve €m	Capital Reserve €m	Cashflow Hedging Reserve €m	Shares to be Issued €m	Currency Translation Reserve €m	Retained Income €m	Total €m
Group									
At 1 March 2005	3.2	3.4	0.3	24.9	(3.7)	0.6	0.2	125.2	154.1
Total recognised income and expense for the year	-	-	-	-	2.2	-	0.4	91.2	93.8
Dividend on ordinary shares	0.1	15.2	-	-	-	-	-	(45.2)	(29.9)
Equity settled share based employee benefits	-	-	-	-	-	1.1	-	-	1.1
At 28 February 2006	3.3	18.6	0.3	24.9	(1.5)	1.7	0.6	171.2	219.1
Total recognised income and expense for the year	-	-	-	-	3.4	-	0.2	210.2	213.8
Dividend on ordinary shares	-	12.2	-	-	-	-	-	(66.9)	(54.7)
Exercised share options	-	2.0	-	-	-	(0.8)	-	0.8	2.0
Equity settled share based employee benefits	-	-	-	-	-	4.3	-	-	4.3
At 28 February 2007	3.3	32.8	0.3	24.9	1.9	5.2	0.8	315.3	384.5

20 Share Capital and Reserves (continued)

Reserves (continued)

(i) *Movements in the year ended 28 February 2006*

In July 2005, 2,922,486 ordinary shares were issued to the holders of ordinary shares who elected to receive additional ordinary shares at a price of €3.22 per share, instead of part or all the cash element of their year end 28 February 2005 final dividend. In December 2005, 1,151,318 ordinary shares were issued to the holders of ordinary shares who elected to receive additional ordinary shares at a price of €5.05 per share, instead of part or all the cash element of their year end 28 February 2006 interim dividend.

(ii) *Movements in the year ended 28 February 2007*

In July 2006, 1,235,939 ordinary shares were issued to the holders of ordinary shares who elected to receive additional ordinary shares at a price of €6.38 per share, instead of part or all the cash element of their year end 28 February 2006 final dividend. In December 2006, 355,731 ordinary shares were issued to the holders of ordinary shares who elected to receive additional ordinary shares at a price of €12.22 per share, instead of part or all the cash element of their year end 28 February 2007 interim dividend.

Details of directors' shareholdings and employee share ownership plans are set out in the Report of the Remuneration Committee on pages 36 to 41.

Company Income Statement

In accordance with Section 148(8) of the Companies (Amendment) Act, 1963, the Income Statement of the Company has not been presented separately in these consolidated financial statements. Of the €208.2m profit (2006: €95.8m) attributable to equity shareholders, a profit of €98.8m (2006: €50.6) was recognised in the individual Company Income Statement of C&C Group plc.

Share premium

The share premium, as stated in the Company Balance Sheet, represents the premium recognised on shares issued and amounts to €734.7m as at 28 February 2007. 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 reserve of €703.9m, which has been offset against the share premium in the consolidated balance sheet.

Capital redemption reserve and capital reserves

These reserves arose on the conversion of preference shares into share capital of the Company and other changes and reorganisations of the Group's capital structure in prior years. These reserves are not distributable.

Cashflow hedging reserve

The hedging reserve comprises 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 as set out in note 27.

Share based payment reserve

The reserve comprises amounts expensed in the Income Statement in connection with share option grants falling within the scope of IFRS 2 *Share - based payment* less any exercises or lapses of such share options.

Currency translation reserve

The translation reserve comprises all foreign exchange differences from 1 March 2004, arising from the translation of the net assets of the Group's 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 well as from the translation of liabilities that hedge those net assets, where applicable.

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21 Capital commitments

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

	2007 €m	2006 €m
Contracted	47.3	17.5
Not contracted	37.8	7.7
	85.1	25.2

The capital commitments primarily relate to the expansion of the Cider production facility.

22 Commitments under operating leases

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

	2007		2006	
	Land & buildings €m	Other €m	Land & buildings €m	Other €m
Payable within one year	2.6	2.6	2.5	3.1
Payable in 2 to 5 years	10.1	6.4	9.9	5.1
Payable in over 5 years	28.9	-	29.3	0.1
	41.6	9.0	41.7	8.3

23 Guarantees

Where the Company enters into financial guarantee contracts to guarantee the indebtedness of other parties including 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 the Company will be required to make a payment under the guarantee.

The Company has given letters of guarantee to secure obligations of subsidiary undertakings in respect of bank loans. The maximum amounts guaranteed at the year end amounted to €348m (2006: €480m). The actual loans outstanding at 28 February 2007 amounted to €348m (2006: €430m).

Pursuant to the provisions of Section 17 of the Companies (Amendment) Act, 1986, the Company has guaranteed the liabilities of all its subsidiary companies incorporated in the Republic of Ireland for the financial year to 28 February 2007 and as a result such subsidiaries are exempt from the filing provisions of Section 7, Companies (Amendment) Act, 1986. Details of subsidiaries are set out in note 29.

24 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:

	2007 Number	2006 Number
Production	573	548
Sales & marketing	459	582
Distribution	519	531
Administration	180	191
	<hr/>	<hr/>
Total	1,731	1,852

The aggregate remuneration costs of these employees were:

	2007 €m	2006 €m
Wages, salaries and other short term employee benefits	83.3	81.8
Termination benefits	0.7	6.9
Social welfare costs	7.9	7.3
Pension costs – defined benefit schemes	8.6	6.9
Pension costs – defined contribution schemes	0.5	-
Equity settled share based employee benefits	4.3	1.1
	<hr/>	<hr/>
Charged to the Income Statement	105.3	104.0
Actuarial (gains)/losses on defined benefit pension schemes	(1.5)	6.1
	<hr/>	<hr/>
Total employee benefits	103.8	110.1

The amount charged to the Income Statement in respect of defined benefit pension costs in year ended 28 February 2006 was reduced by an exceptional credit of €1.2m as detailed in note 3.

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25 Retirement benefit obligations

The Group operates a number of defined benefit pension schemes for employees in the Republic of Ireland and Northern Ireland, all of which provide pension benefits based on final salary and the assets of which are held in separate trustee administered funds.

Independent actuarial valuations of the defined benefit schemes are carried out on a triennial basis using the projected unit credit method. The most recently completed actuarial valuations of the main schemes were carried out on 1 January 2006. The actuarial valuations are not available for public inspection, however the results of the valuations are advised to members of the various schemes.

Independent actuaries, Mercer Human Resource Consulting, have employed the projected unit credit method to determine the present value of the defined benefit obligations arising, the related current service cost and the funding requirements.

The financial assumptions that have the most significant impact on the results of the actuarial valuations are those relating to the long term rate of return on investments, the rate of increase in salaries and pensions and the discount rate used to convert future pension liabilities to current values. These and other assumptions used are set out below.

Mortality rates also have a significant impact on the actuarial valuations and the rates used have been based on the most up-to-date mortality tables, which in the case of Non Pensioners are PA92(C=2020) medium cohort and in the case of Pensioners are PA92(C=2005) medium cohort. These tables conform to best practice.

The pension charge in the income statement for the year ended 28 February 2007 amounted to €8.6 million (2006: €6.9m).

Financial assumptions

Scheme liabilities:

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 28 February 2007, 28 February 2006 and 28 February 2005 are as follows:

	2007		2006		2005	
	ROI €m	UK €m	ROI €m	UK €m	ROI €m	UK €m
Salary increases	4.25%	4.00%	3.50%	3.60%	3.50%	4.00%
Increases to pensions in payment	3.00%	2.50%	3.00%	2.60%	3.00%	2.50%
Discount rate	4.60%	4.90%	4.50%	4.70%	4.75%	5.25%
Inflation rate	2.50%	3.20%	2.25%	2.60%	2.25%	2.50%

Scheme assets:

The long-term rates of return expected at 28 February 2007 and 28 February 2006, determined in conjunction with the Group's actuaries, analysed by the class of investments in which the schemes assets are invested, are as follows:

	2007		2006	
	ROI	UK	ROI	UK
Equity	7.50%	7.50%	7.30%	8.00%
Bonds	4.00%	4.50%	3.30%	4.00%
Property	6.10%	5.25%	6.10%	6.50%
Other	2.25%	5.25%	2.25%	3.00%

25 Retirement benefit obligations (continued)**(a) Analysis of amount recognised in the Income Statement**

	ROI €m	2007 UK €m	Total €m	ROI €m	2006 UK €m	Total €m
<i>Analysis of defined benefit expense:</i>						
Current service cost	9.4	1.0	10.4	8.0	0.8	8.8
Past service cost	-	-	-	0.1	-	0.1
Settlements and curtailments	-	-	-	(1.2)	-	(1.2)
Interest on scheme liabilities	9.6	1.6	11.2	8.8	1.4	10.2
Expected return on scheme assets	(11.7)	(1.3)	(13.0)	(9.8)	(1.2)	(11.0)
Total expense recognised in operating costs	7.3	1.3	8.6	5.9	1.0	6.9

(b) Analysis of amount recognised in the Statement of Recognised Income & Expense (SORIE)

	ROI €m	2007 UK €m	Total €m	ROI €m	2006 UK €m	Total €m	ROI €m	2005 UK €m	Total €m
Actual return less expected return on scheme assets	3.8	-	3.8	21.3	2.6	23.9	4.7	0.5	5.2
Experience gains and losses on scheme liabilities	(2.7)	-	(2.7)	7.0	(1.0)	6.0	(0.8)	-	(0.8)
Effect of changes in assumptions on value of liabilities	3.6	(3.2)	0.4	(30.3)	(5.7)	(36.0)	(16.2)	-	(16.2)
Total pension cost recognised in SORIE	4.7	(3.2)	1.5	(2.0)	(4.1)	(6.1)	(12.3)	0.5	(11.8)

The cumulative actuarial loss recognised to date in the SORIE is €16.4m.

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25 Retirement benefit obligations (continued)

(c) Impact on Group Balance Sheet

The net pension liability at 28 February 2007 is analysed as follows:

	ROI €m	2007 UK €m	Total €m	ROI €m	2006 UK €m	Total €m
Analysis of net pension deficit						
Bid value of assets at year end:						
Equity (i)	144.2	18.0	162.2	140.0	16.5	156.5
Bonds	19.9	2.5	22.4	22.4	2.2	24.6
Property	13.4	0.2	13.6	10.8	1.2	12.0
Other	5.2	1.7	6.9	5.5	0.2	5.7
	182.7	22.4	205.1	178.7	20.1	198.8
Actuarial value of scheme liabilities	(216.6)	(40.0)	(256.6)	(223.1)	(34.6)	(257.7)
Deficit in the scheme	(33.9)	(17.6)	(51.5)	(44.4)	(14.5)	(58.9)
Related deferred tax asset	3.4	5.3	8.7	4.5	4.3	8.8
Net pension liability	(30.5)	(12.3)	(42.8)	(39.9)	(10.2)	(50.1)

(i) including an investment in C&C Group plc of €0.4m.

	ROI €m	2007 UK €m	Total €m	ROI €m	2006 UK €m	Total €m
Reconciliation of scheme assets (bid values)						
Assets at start of year	178.7	20.1	198.8	145.5	15.4	160.9
<i>Movement in year:</i>						
Translation adjustment	-	0.3	0.3	-	0.1	0.1
Expected return on assets	11.7	1.3	13.0	9.8	1.2	11.0
Actuarial gains	3.8	-	3.8	21.3	2.6	23.9
Employer contributions	13.1	1.4	14.5	5.8	1.5	7.3
Member contributions	1.8	-	1.8	1.6	-	1.6
Benefit payments	(5.4)	(0.7)	(6.1)	(5.3)	(0.7)	(6.0)
	203.7	22.4	226.1	178.7	20.1	198.8
Disposal of Snacks business	(21.0)	-	(21.0)	-	-	-
Assets at end of year	182.7	22.4	205.1	178.7	20.1	198.8

25 Retirement benefit obligations (continued)

(c) Impact on Group Balance Sheet (continued)

The expected employer contributions to defined benefit schemes for year ending 28 February 2008 is €9.8m. The scheme assets had the following investment profile at the year end:

	ROI	2007 UK	Total	ROI	2006 UK	Total
Equities	79.5%	81.0%	80.0%	78.3%	82.0%	78.5%
Bonds	11.0%	11.0%	11.0%	12.7%	11.0%	12.7%
Property	7.0%	7.0%	7.0%	5.3%	6.0%	5.8%
Other	2.5%	1.0%	2.0%	3.7%	1.0%	3.0%
	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

	ROI €m	2007 UK €m	Total €m	ROI €m	2006 UK €m	Total €m
Reconciliation of actuarial value of liabilities						
Liabilities at start of year	223.1	34.6	257.7	187.9	26.0	213.9
<i>Movement in year</i>						
Translation adjustment	-	0.3	0.3	-	0.4	0.4
Current service cost	9.4	1.0	10.4	8.0	0.8	8.8
Past service cost	-	-	-	0.1	-	0.1
Settlements and curtailments	-	-	-	(1.2)	-	(1.2)
Interest cost on scheme liabilities	9.6	1.6	11.2	8.8	1.4	10.2
Member contributions	1.8	-	1.8	1.6	-	1.6
Actuarial (gain)/loss immediately recognised	(0.9)	3.2	2.3	23.2	6.7	29.9
Benefit payments	(5.4)	(0.7)	(6.1)	(5.3)	(0.7)	(6.0)
	237.6	40.0	277.6	223.1	34.6	257.7
Disposal of Snacks business	(21.0)	-	(21.0)	-	-	-
Liabilities at end of year	216.6	40.0	256.6	223.1	34.6	257.7

26 Share based payments

In May 2004, the Group established an executive share option scheme under which options to purchase shares in C&C Group plc are granted to certain executive directors and senior 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. Options were granted in May 2004, June 2005 and June 2006 under this scheme.

In January 2006, the Group established a Long Term Incentive Plan (LTIP) under the terms of which options to purchase shares in C&C Group plc are granted at nil value to certain key executive employees. Options under this scheme were granted in January 2006 and June 2006.

In 2001 the Group entered into an agreement with trade unions representing the majority of its employees, which provided for the establishment of an approved save as you earn scheme and of an approved profit sharing scheme.

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26 Share based payments (continued)

The Group is currently in discussion with its employees regarding the elements of this Agreement. Pending the outcome of these discussions, a discretionary scheme has been put in place for the year ended 28 February 2007. Under this scheme, due to exceptional earnings per share growth in the year, the Remuneration Committee and the Board have approved a share allocation of between 3% and 4% of basic salary remuneration to employees subject to a minimum allocation of €1,000 per employee. The cost, which has been reflected in the income statement, is €2.5m. These shares will be issued insofar as possible to the Irish/UK Revenue approved employee trusts. For the purposes of estimating the number of shares to be allocated to this scheme the year end share price has been used.

Further details of the terms applicable to these option schemes are outlined in the report of the Remuneration Committee.

Details of the options granted under these schemes are as follows:

Grant Date	Vesting period	Number of options	Weighted Grant price €	Average Fair value €	Expense in Income statement 2007 €m	Expense in Income statement 2006 €m
13 May 2004	3 years	4,914,900	2.26	0.49	0.8	0.8
20 June 2005	3 years	1,708,200	3.56	0.72	0.5	0.3
12 Jan 2006 (LTIP)	3 years	44,365	-	4.63	0.1	-
15 June 2006	3 years	846,900	6.52	1.24	0.3	-
15 June 2006 (LTIP)	3 years	127,600	-	4.48	0.1	-
		7,641,965			1.8	1.1
APSS Scheme		231,158			2.5	-
		7,873,123			4.3	1.1

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

	2007		2006	
	Number of options	Weighted average exercise price €	Number of options	Weighted average exercise price €
Outstanding at beginning of year	6,667,465	2.58	4,914,900	2.26
Granted	974,500	5.67	1,752,565	3.47
Exercised	(772,700)	2.59	-	-
Lapsed	(82,000)	2.70	-	-
Outstanding at end of year	6,787,265	3.02	6,667,465	2.58

The options outstanding at 28 February 2007 have a weighted average vesting period outstanding of 1 year and a weighted average contractual life of 4.9 years.

The weighted average share price at date of exercise of all options exercised during the period was €9.16.

26 Share based payments (continued)

The fair value assigned to the options that were granted in May 2004, June 2005 and June 2006 were computed in accordance with the trinomial valuation methodology and the fair value of the LTIP options granted in January 2006 and June 2006 were computed in accordance with the stochastic model. The main assumptions used in the valuations were as follows: -

	LTIP Options Granted June 2006	Options Granted June 2006	LTIP Options Granted January 2006	Options granted June 2005	Options granted May 2004
Exercise price	€0.00	€6.52	€0.00	€3.56	€2.26
Risk free interest rate	n/a	3.15%	n/a	3.0%	3.9%
Expected volatility	23.4%	25%	24%	25%	27%
Expected life	3.5 years	7 years	3.5 years	7 years	7 years
Dividend yield	2.5%	2.5%	5%	5%	5%

Expected volatility was based on an analysis of the historic volatility of C&C Group plc shares and other quoted companies on the Irish and London Stock Exchanges reflecting the short trading history of the Group. The amount charged to the Income Statement in respect of the above option grants assumes that all options outstanding will vest and that all qualifying conditions will be achieved.

27 Financial instruments and risk management

Disclosures in accordance with IAS 32 and IAS 39

Risk exposures

The Group's multinational operations expose it to different financial risks that include foreign exchange rate risk, credit risk, liquidity risk and interest rate risk. The Group has a risk management programme in place that seeks to limit the impact of these risks on the financial performance of the Group. The Board has determined the policies for managing these risks. It is the policy of the Board to manage these risks in a non-speculative manner.

Foreign exchange risk

The Group's main currency exposure relates to sales transactions in foreign currencies, as it has significant net receivables in Sterling and US\$ relating to its export sales. Group policy is to limit the short-term exposures to fluctuations in these currencies by hedging a significant portion of the projected non-euro forecast sales revenue up to a maximum of two years ahead.

Group treasury manages currency exposures for the entire Group centrally and the hedging mechanism used is forward foreign currency contracts.

The Group's operations are predominately located in the eurozone and Group debt is all denominated in euro. Consequently, the Group has only limited exposure to exchange risk related to the translation of foreign operations. Given the low level of exposure, it is Group policy not to hedge this balance sheet risk.

Credit risk

The Group has detailed procedures for monitoring and managing the credit risk relating to its trade receivables, including a strict credit assessment of all new applicants who are requesting credit trading terms. From time to time the Group holds significant cash balances, which are invested on a short-term basis and disclosed under cash and cash equivalents in the Balance Sheet. It is Group policy to restrict the investment of these funds to banks with high credit risk ratings.

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27 Financial instruments and risk management (continued)

Interest rate risk

The Group's exposure to market risk for changes in interest rates arises from its long-term debt obligations. Group treasury, using interest rate swaps to give the desired mix of fixed and floating rate debt, manages interest cost and exposure to market risk centrally. The Group policy is to fix interest rates on between 50% and 60% of Group debt. With the objective of managing this mix in a cost-efficient manner, the Group enters into interest rate swaps under which the Group contracts to exchange, at predetermined intervals, the difference between fixed and variable interest amounts calculated by reference to a pre-agreed notional principal. These swaps are designated under IAS 39 as cashflow hedges to hedge the exposure to variability in cashflow arising on the interest element only.

Liquidity risk

The Group's main liquidity risk relates to maturing debt. 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 with a view to replacing all debt facilities in advance of their maturity dates.

Accounting for derivatives and hedging activities

All derivatives are initially recorded at fair value on the date the contract is entered into and subsequently, remeasured to fair value at reporting dates. The gain or loss arising on remeasurement is recognised in the income statement except where the instrument is a designated hedging instrument under the cashflow hedging model.

In order to qualify for hedge accounting, the Group is required to document the relationship between the item being hedged and the hedging instrument and demonstrate, at inception, that the hedge relationship will be highly effective on an ongoing basis. The hedge relationship must also be tested for effectiveness retrospectively and prospectively on subsequent reporting dates.

Gains and losses on cash flow hedges that are determined to be highly effective are recognised in a cashflow hedging reserve within equity to the extent that they are actually effective. When the forecasted transaction occurs, the gains or losses deferred in equity are released to the income statement. Ineffective portions of the gain or loss on the hedging instrument are recognised in the income statement.

The Group has designated all its currency and interest rate hedges as hedging instruments on the basis that they all relate to either highly probable forecasted future transactions or recognised liabilities and meet the requirements as set out in IAS 32 and IAS 39.

27 Financial instruments and risk management (continued)

Summary of derivatives, assets & liabilities

Derivative financial instruments recognised as assets and liabilities in the Group's Balance Sheet are analysed as follows: -

	2007 €m	2006 €m
Non-current assets:		
Interest rate swaps	1.9	1.0
Forward currency contracts	1.8	-
	3.7	1.0
Current assets:		
Interest rate swaps	1.3	-
Forward currency contracts	1.0	-
	2.3	-
Non-current liabilities:		
Interest rate swaps	-	(0.5)
Forward currency contracts	-	(0.2)
	-	(0.7)
Current liabilities:		
Interest rate swaps	-	(0.8)
Forward currency contracts	(4.2)	(1.7)
	(4.2)	(2.5)
Total	1.8	(2.2)

Borrowing and interest rate analysis

The interest rate and currency profile of the Group's net debt at 28 February 2007 is as follows: -

	Euro €m	Sterling €m	USD/CAD €m	Total €m
Interest bearing bank loans (floating rate)	(348.0)	-	-	(348.0)
Cash and cash equivalents	22.3	15.4	3.0	40.7
	(325.7)	15.4	3.0	(307.3)

Interest rate swap contracts in place at 28 February 2007 have the effect of converting up to €200m (2006: €250m) of Group debt from floating rates to fixed rates. The level of cover in place is summarised as follows: -

	Weighted average amount fixed €m	Fixed interest rate
Year ending 29 February 2008	200.0	3.80%
Year ending 28 February 2009	100.0	3.62%
Year ending 28 February 2010	100.0	3.62%
Year ending 28 February 2011	50.0	3.95%

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27 Financial instruments and risk management (continued)

Foreign currency analysis

The currency profile of the Group's receivables as at 28 February 2007 is as follows:-

	Euro €m	Sterling €m	USD/CAD €m	Total €m
Trade receivables	58.9	54.9	4.7	118.5
Prepayments	15.9	2.1	-	18.0
VAT recoverable	2.2	0.1	-	2.3
Total	77.0	57.1	4.7	138.8

Foreign currency contracts in place at 28 February 2007 can be summarised as follows:-

	Stg£m	Stg£ Avg fwd rate	US\$m	US\$ Avg fwd rate	CAN\$m	CAN\$ Avg fwd rate
Year ending 28 February 2008	209.0	0.69	22.5	1.28	6.0	1.47
Year ending 28 February 2009	140.0	0.68	8.7	1.32	1.6	1.52

Estimation of fair values

Set out below are the major methods and assumptions used in estimating the fair values of the financial assets and liabilities. There is no material difference between the fair value of these assets and liabilities and their carrying amount.

Short term bank deposits and cash and cash equivalents

The nominal amount of all short term bank deposits and cash and cash equivalents is deemed to reflect fair value at the Balance Sheet date.

Trade and other receivables/payables

The nominal amount of all trade and other receivables/payables is deemed to reflect fair value at the balance sheet date.

Derivatives (interest rate swaps and forward currency contracts)

The fair values of forward currency contracts and interest rate swaps are based on market prices and calculations supplied by the financial institutions who are the counterparties to the contracts.

Interest bearing loans and borrowings

The nominal amount of all interest bearing loans and borrowings is deemed to reflect fair value at the balance sheet date, as all loans bear interest at floating rates.

28 Related party transactions

(a) Group

Identity of related parties

The principal related party relationships requiring disclosure in the consolidated financial statements of the Group under IAS24 *Related Party Disclosures*, pertain to the existence of subsidiaries, transactions with these entities entered into by the Group and the identification and compensation of key management personnel.

Subsidiary undertakings

The consolidated financial statements include the financial statements of the Company and its subsidiaries. A listing of the principal subsidiaries is provided in note 29. Sales to and purchases from, together with outstanding payables and receivables are eliminated in the preparation of the consolidated financial statements in accordance with IAS27 Consolidated Financial Statements.

Key management personnel

For the purposes of the disclosure requirements of IAS 24, the term “key management personnel” has been defined by the Group, as its executive and non-executive directors.

Details of key management remuneration are as follows:

	2007	2006
	Number	Number
Number of individuals	11	11
	€m	€m
Salaries and other short term employee benefits	3.5	3.0
Post employment benefits	0.6	0.5
Equity settled share based employee benefits (incl. LTIPs)	1.0	0.5
Charged to the Income Statement	5.1	4.0
Actuarial loss recognised on defined benefit pension schemes	0.1	1.8
Total	5.2	5.8

Details of transactions with executive and non-executive directors are set out in the Report of the Remuneration Committee on pages 36 to 41.

(b) Company

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

	€m
Dividends received from subsidiaries	100.0
Expenses paid by subsidiaries on behalf of the Company	(1.2)
Equity settled share based employee benefits	1.8
Movement in loans with subsidiaries	(44.1)

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29 Subsidiary undertakings

Name	Nature of business	Class of shares held (100%)
Trading subsidiaries		
* Aquaporte Limited	Bottled water	Ordinary
* Ballygowan Limited	Bottled water	Ordinary
* Bulmers Limited	Cider	Ordinary
* C&C Agencies Limited	Soft drinks/land dealing	Ordinary
* C&C (Belfast) Limited	Soft drinks/wine & spirits	Ordinary & Preference
* C&C (Holdings) Limited	Holding company	Ordinary
* C&C (Ireland) Limited	Soft drinks	Ordinary
* C&C (Wholesale) Limited	Soft drinks/beer distribution	Ordinary
#* C&C Group International Holdings Limited	Holding company	Ordinary
* C&C Group Irish Holdings Limited	Holding company	Ordinary
* C&C International Limited	Liqueurs	Ordinary
* C&C Logistics Limited	Distribution	Ordinary
* C&C Management Services Limited	Provision of management services	Ordinary
* Grants of Ireland Limited	Wine & spirits	Ordinary
~ Quinns of Cookstown (1964) Limited	Soft drinks/beer distribution	Ordinary
* William J. Dwan & Sons Limited	Soft drinks/beer distribution	Ordinary & Preference
* Wm. Magner Limited	Cider	Ordinary
Wm. Magner, Inc	Cider	Ordinary
Other subsidiaries		
* Aquaporte Group Limited	Non-trading	Ordinary
* Ballygowan Group Limited	Holding company	Ordinary
* Bestormel Limited	Holding company	Ordinary
* Bouchel Limited	Holding company	Ordinary
* Britvic Limited	Non-trading	Ordinary
* C&C (Investments) Limited	Non-trading	Ordinary
* C&C (Munster) Limited	Non-trading	Ordinary
* C&C Group Pension Trust (No. 2) Limited	Non-trading	Ordinary
* C&C Group Pension Trust Limited	Non-trading	Ordinary
~ C&C Logistics (NI) Limited	Non-trading	Ordinary
~ C&C Pension Trust (1973) Limited	Non-trading	Ordinary
~ C&C Pension Trust (1988) Limited	Non-trading	Ordinary

29 Subsidiary undertakings

Name	Nature of business	Class of shares held (100%)
~ C&C Profit Sharing Trustee (NI) Limited	Non-trading	Ordinary
* C&C Profit Sharing Trustee Limited	Non-trading	Ordinary
Cantrell & Cochrane BV.	Non-trading	Ordinary
* Cravenby Limited	Non-trading	Ordinary
* Edward and John Burke (1968) Limited	Patent company	Ordinary
* Edward and John Burke Limited	Non-trading	Ordinary
* Findlater (Wine Merchants) Limited	Non-trading	Ordinary
* Fruit of the Vine Limited	Non-trading	Ordinary
~ Hollywood & Donnelly Limited	Non-trading	Ordinary
* Irish Mist Liqueur Company Limited	Non-trading	Ordinary*
* Lough Corrib Mineral Water Company Limited	Non-trading	Ordinary
* M O'Sullivan & Sons Limited	Non-trading	Ordinary
~ Reihill McKeown Limited	Non-trading	Ordinary
* Showerings (Ireland) Limited	Non-trading	Ordinary
* Thwaites Limited	Holding company	Ordinary
* TJ Carolan & Son Limited	Non-trading	Ordinary
* Tullamore Dew Company Limited	Non-trading	Ordinary
* Vandamin Limited	Non-trading	Ordinary

All the above subsidiary companies are registered in the Republic of Ireland and have their registered office at Kylemore Park, Dublin 10, with the exception of Cantrell & Cochrane B.V. which has its registered office at A.J. Ernststraat 595 H, 1082 LD, Amsterdam, Wm Magner, Inc. which has its registered office at 1114 Avenue of the Americas, New York 10036-7703 and those marked "~" which have their registered offices at 468-472 Castlereagh Road, Belfast.

* Companies covered by Section 17 guarantees (note 23).

Immediate subsidiaries of C&C Group plc.

30 Approval of financial statements

These financial statements were approved by the directors on 9 May 2007.