19 October 2016

Hotel Chocolat Group plc
("Hotel Chocolat", the "Company" or the "Group")

Preliminary Results

Hotel Chocolat Group plc, a premium British chocolatier and omni-channel retailer, today announces its Preliminary Results for the period ended 26 June 2016.

Financial highlights:

- Revenue up 12% to £91.1m (2015: £81.1m), proforma revenue of £92.6m (2015: £82.6m) [1]
- EBITDA (pre-exceptional) [2] up 57% to £12.3m (2015: £7.8m)
- Pre-tax profit (pre-exceptional) [2] up 181% to £8.2m (2015: £2.9m)
- Profit after tax (pre-exceptional) [2] up 229% to £6.7m (2015: £2.0m)
- Digital revenue growth of 20%

Operational Highlights:

- Completed £8.3m of capex projects in support of growth strategy
- Opened 7 new stores taking the Group total to 83 stores
- Investment in chocolate factory in Huntington completed on time; capacity increased by over 20%
- New website on track to launch in H1 2017
- Fifth Shop+Cafe format opened in Worcester and trading well

[1] Including the results of Hotel Chocolat Estates Limited, Saint Lucia for 12 months in 2016 and 2015.
[2] Exceptional costs of £2.6m relate solely to the acquisition of Hotel Chocolat Estates Limited and the admission to trading on AIM:

Profit Reconciliation	**2016 Adjusted Basis £m**	**2016 Exceptional Costs £m**	**2016 Statutory Basis £m**	**2015 Statutory Basis £m**
Pre-tax profit	8.2	(2.6)	5.6	2.9
Profit after tax	6.7	(2.6)	4.1	2.0

Angus Thirlwell, Co-founder and Chief Executive Officer of Hotel Chocolat said:

"I am very pleased with our performance since we were admitted to trading on AIM in May this year. Our results are strong, the Hotel Chocolat brand has continued to strengthen and we have made good progress with our three strategic priorities of investing further in our British chocolate manufacturing operations, growing our store estate and developing our digital offering."

"Our plans for the peak winter season are well set and I am confident that our Christmas ranges will be our best ever, as customers continue to appreciate our "more cocoa, less sugar" approach throughout all our categories. I look forward to further progress in the year ahead."

This announcement contains inside information for the purposes of the Market Abuse Regulation.

For further information:

Hotel Chocolat Group plc	**c/o Citigate**	**+ 44 (0) 20 7638 9571**
Angus Thirlwell, Co-founder and Chief Executive Officer		
Peter Harris, Co-founder and Development Director		
Matt Pritchard, Chief Financial Officer		
Citigate Dewe Rogerson – Financial PR		**+ 44 (0) 20 7638 9571**
Simon Rigby		
Ellen Wilton		
Liberum Capital Limited – Nominated Advisor and Broker		**+ 44 (0) 20 3100 2222**
Clayton Bush		
Steven Tredget		
Anna Hartropp		
Jill Li		

Notes to Editors:

Hotel Chocolat is a premium British chocolatier with a strong and distinct brand that is at the core of its offering. The business was founded in 1993 by Angus Thirlwell and Peter Harris and has traded under the Hotel Chocolat brand since 2003. The Group sells its products online and through a network of 83 stores in the UK and abroad. The Group has five Shop+Cafe format stores, two restaurants in the UK and a cocoa plantation and hotel in Saint Lucia. The Group was admitted to trading on AIM in 2016.

Chairman's statement

OVERVIEW

FY16 represented a landmark year in the history of Hotel Chocolat. The IPO in May 2016 marked the next stage of the development and growth of the business and provides the capital to accelerate our growth strategy whilst raising the profile of the business.

RESULTS

The Group achieved a pleasing result in FY16 with revenue of £91.1m and growth of 12% versus FY15. Strong control of costs meant that operating margins improved with pre-exceptional EBITDA margin rising from 9.7% to 13.5%.

PEOPLE

The Group continues to be led by a strong founder-led executive management team that have built a successful business. In April we welcomed Sophie Tomkins to the Board as a Non-executive Director. She has already made a valuable contribution to the Board and brings excellent experience to her role as Chair of the Audit Committee. I would also like to extend my thanks to the whole Hotel Chocolat team for their hard work, commitment and for a job well done.

DIVIDENDS

The Group remains in a growth phase and is presented with many strong investment opportunities, each of which is assessed using a disciplined approach to capital allocation and risk. The Board intends to invest the IPO proceeds to support the business strategy, with the goal of accelerating the growth of the business and a target of improving returns. The Board therefore does not recommend a dividend for FY16 but is committed to adopting a progressive dividend policy in future as the business grows.

Andrew Gerrie
Chairman

Chief Executive's statement

In my first Chief Executive's statement I am pleased to report a year of significant progress for the Group. Revenue grew by 12% to £91.1m and profit before tax increased by 91% to £5.6m. We further refined our business model and all channels achieved growth, whilst a focus on cost efficiency resulted in an improved EBITDA margin.

I would like to thank the whole team for their enthusiasm and tireless commitment, without which these results would not have been possible.

SALES CHANNEL REVIEW

Our multi-channel model continues to work well; each channel supports the others and all channels are in growth. Digital growth of +20% was particularly strong.

Our stores continued to perform well and the opening of our fifth Shop+Cafe site in Worcester represented an encouraging step as we continue to hone this new format. We will continue to open both pure chocolate shops and Shop+Cafe formats to best match the opportunity in each location.

In the year we opened seven new stores in Regent Street and Tottenham Court Road in London, Birmingham New Street Station, Glasgow Braehead, Manchester Market Street, Manchester Piccadilly Station and Sheffield Fargate.

In the year we also closed three stores that had reached the end of their leases and weren't meeting our returns hurdles, thus improving the overall profitability of the retail estate.

Since the end of the financial period we have opened three stores in Worcester, Peterborough and Chelmsford, and have signed leases on a further five including our first Designer Outlet store at Cheshire Oaks, all of which we expect to be trading before Christmas 2016.

Our international operations remain at the exploratory stage and highlights have included a refit of our Shop+Cafe site in Copenhagen city centre and the opening of a new franchised store in Gibraltar, with our partner Sandpiper, who already operate Hotel Chocolat franchise stores in Jersey and Guernsey.

OPERATIONAL REVIEW

A major focus for the period was on improving availability to ensure customers can always find their favourite Hotel Chocolat products which helped increase sales growth rates across all channels. The key seasonal ranges have also traded strongly.

MANUFACTURING INVESTMENT

Following the end of Easter and preceding the build-up for the winter peak, each summer presents our annual 'window' to undertake infrastructure investment.

In summer 2015 we completed a £1.0m investment to relocate the packing of our finished products from our factory in Huntingdon to our nearby Distribution Centre in St Neots. This change increased the factory's capacity by freeing up space, allowing more efficient and responsive supply of product and reducing the amount of miles travelled moving product between our sites.

In summer 2016 we completed a £3.7m investment installing a mezzanine floor in the factory and significantly upgrading one of our three key production lines. This has resulted in an increase in factory capacity of over 20% as well as improved efficiency and the ability to conjure up more exciting recipes.

We also invested to increase our 'bean to bar' manufacturing capacity enabling us to produce more of our super-premium Rare & Vintage product range.

Further investments are planned for summer 2017 to improve capacity and efficiency.

BRAND REVIEW

As a result of our continued nurturing the Hotel Chocolat brand continues to strengthen. At the beginning of FY16 we relaunched our key boxed chocolate ranges, improving the packaging and adding new recipes to increase choice. Over the Christmas gifting season, redesigned boxed chocolates proved a particular success.

We won an impressive 18 awards from the Academy of Chocolate including for our new Teaolat infusion drinks, our Saint Lucian Buffalo Milk 65% Chocolate and our new 'Banana Bread' chocolate.

We also launched new gift sleeves which allow guests to quickly personalise a product for a gift recipient, with early signs being very encouraging. This is part of our strategy to become a leading one-stop destination for gifts, both digitally and in-store.

CONSUMER TRENDS

Wellness

We see an increasing trend that consumers want uncompromisingly delicious and hedonistic chocolate that's also made with responsible amounts of sugar. Hotel Chocolat's 12-year track record of "more cocoa, less sugar" is applied to every grade of chocolate, from our whites, through milks and darks. We carry a very wide range of darks with cocoa percentages ranging from 70% all the way up to 100%. Our new supermilk genre means we can offer a milky and mellow taste, but with less sugar than most dark chocolates on the market. Our award-winning vegan dark chocolates also continue to see significant sales growth.

Experiences

Experiences are becoming increasingly popular as a new luxury and consumers are seeking to go beyond the purely transactional. We are well positioned to take advantage of this trend. Whilst a stay at our Boucan Hotel in Saint Lucia remains the pinnacle, great experiences are available throughout the UK. We offer School of Chocolate customer experiences nationwide, priced from £20 to £120 and we introduced new brunches and afternoon teas at our London and Leeds flagships. Our amazing Hot Chocolat is now available in more locations as we expand our new Shop+Cafe format. We intend to continue to develop the range of experiences we can offer, showcasing the brand specialisation from farm to finished product and aspire to turn customers into advocates.

Mobile

Living an increasingly mobile and flexible life is a clear trend. Plans are underway to make it easier to send a Hotel Chocolat gift whilst on the move with our new digital capability coming on stream in H1 2017. This will deliver improved content optimised for smartphones and tablets.

OUTLOOK

I am confident that our plan for the coming year is robust. Our capital plans are based on proven store formats and digital channels, and on making greater use of existing production methods and technology. Our strategy remains on track and our continued innovation and focus on customer happiness aim to deliver increased sales, combined with disciplined capex and a tight control on costs with the goal of improving returns.

The market and wider economy may not be without challenges, but we still have significant addressable market headroom and benefit from having distribution and manufacturing directly under our control, which supports the resilience of our business.

Ensuring that we maintain the strong relationship we enjoy with our customers will always be our top priority.

Angus Thirlwell
Co-founder and Chief Executive Officer

Financial review

Strong sales growth coupled with improving margins and cost control have resulted in an improvement in profitability.

	Period ended 26 June 2016 £000	**Period ended 28 June 2015 £000**
Revenue	**91,090**	**81,068**
Gross profit	60,853	53,982
Operating expenses	(48,522)	(46,148)
Pre-exceptional EBITDA	**12,331**	**7,834**
Depreciation & amortisation	(3,194)	(4,239)
Exceptional costs	(2,642)	-
Operating profit	6,366	3,463
Finance income	172	188
Finance expense	(947)	(720)
Profit before tax	5,591	2,931
Tax expense	(1,507)	(884)
Profit for the period	4,084	2,047

REVENUE

Revenue grew by 12% from £81.1m to £91.1m. An overview of revenue is included in the Chief Executive's statement.

GROSS MARGIN AND OPERATING EXPENSE

Gross profit margin improved from 66.6% to 66.8%, as a result of a focus on efficiency and better buying, partially offset by ongoing investment in product quality. A focus on cost control meant that operating expenses as a percentage of sales reduced from 56.9% to 53.3%.

EXCEPTIONAL COSTS

The exceptional costs of £2.6m relate to the costs of flotation of the Group in May 2016 and to the acquisition of Hotel Chocolat Estates Limited, Saint Lucia by the Group at the time of IPO.

FINANCE EXPENSE

A £5.6m loan was taken out with Lloyds bank in July 2015 and was repaid in full from operating cash flow prior to the IPO. In addition the Group made use of an overdraft facility provided by Lloyds bank. This was replaced with an £18m 2-year RCF facility in April 2016.

TAXATION

The effective rate of taxation is 27%. This is higher than the standard rate primarily as a result of costs relating to the IPO, which are not allowable for tax purposes.

EARNINGS PER SHARE (EPS) AND DIVIDENDS

The capital reorganisation in conjunction with the IPO increased the number of shares in issue to 112,837,828 resulting in an FY16 EPS of 3.9p.

The business continues to be in a growth phase and has recently raised new capital to finance investment activity with the goal of increasing returns. Therefore the Board does not propose a dividend, but intends to adopt a progressive dividend policy in future years as the business grows.

CASH POSITION

The Group had £6.5m of cash at year end and £6.7m of borrowings in the form of chocolate bonds where bondholders receive boxes of chocolate or gift cards in lieu of interest.

WORKING CAPITAL

Closing inventories increased by £2.1m driven by an investment in inventory to improve availability for customers which has supported sales growth, and by a requirement to build additional inventory in advance of a temporary factory shutdown to complete capital investment in July and August 2016.

CAPITAL EXPENDITURE

Capital expenditure of £8.3m comprised investments in new stores and re-sites, IT projects and in operational projects including upgrades to factory capacity and capability.

ACQUISITION OF HOTEL CHOCOLAT ESTATES LIMITED, SAINT LUCIA (HCESL)

Hotel Chocolat Group Limited acquired HCESL on 24 April 2016. As such the audited Group financial statements are required by the Companies Act to include the activities, assets and liabilities of HCESL from the date of acquisition. The admission document published prior to the IPO was required to include the results of HCESL as if the Company had always been a member of the Group. The proforma numbers below are therefore provided for comparative purposes.

Hotel Chocolat Group plc proforma basis	**Period ended 26 June 2016 £000**	**Period ended 28 June 2015 £000**
Revenue	92,636	82,614
Pre-exceptional EBITDA	12,270	8,106

PERFORMANCE INDICATORS

The Group monitors its performance using a number of key indicators which are agreed at Board meetings and monitored at operational and Board level.

Revenue growth %

Revenue grew 12% year-on-year

Gross margin %

Gross margin improved from 66.6% to 66.8%

Pre-exceptional EBITDA margin %

EBITDA margin before exceptional costs improved from 9.7% to 13.5%

Matt Pritchard

Chief Financial Officer

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
For the period ended 26 June 2016

	Notes	52 weeks ended 26 June 2016 £	52 weeks ended 28 June 2015 £
Revenue		91,089,824	81,068,364
Cost of Sales		(30,237,009)	(27,086,522)
		60,852,815	53,981,842
Administrative expenses	2	(54,486,943)	(50,519,091)
		6,365,872	3,462,751
Finance income		172,106	188,489
Finance expenses		(946,884)	(719,808)
Profit before tax		5,591,094	2,931,432
Tax expense		(1,507,290)	(884,209)
Profit for the period		4,083,804	2,047,223
Other comprehensive income:			
Derivative financial liabilities		(581,959)	-
Deferred tax charge on derivative financial liabilities		114,446	-
Currency translation differences arising from consolidation		896,053	(380,039)
Total comprehensive income for the period		4,512,344	1,667,184
Earnings per share – Basic and Diluted	3	3.9p	

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 26 June 2016

	Notes	As at 26 June 2016 £	As at 28 June 2015 £	As at 29 June 2014 £
ASSETS				
Non-current assets				
Intangible assets		1,856,800	1,553,433	1,512,191
Property, plant and equipment	4	26,111,111	12,294,264	14,030,984
Prepayments		7,461	-	-
Deferred tax asset		149,903	215,993	240,019
		28,125,275	14,063,690	15,783,194
Current assets				
Inventories		6,604,104	4,493,841	3,926,952
Trade and other receivables		5,534,835	13,672,466	15,131,549
Corporation tax recoverable		-	166,709	952,873
Cash and cash equivalents		6,475,446	4,939,924	4,796,735
		18,614,385	23,272,940	24,808,109
Total assets		**46,739,660**	**37,336,630**	**40,591,303**
LIABILITIES				
Current liabilities				
Trade and other payables	5	16,334,191	12,210,082	14,006,130
Corporation tax payable		611,051	-	-
Derivative financial liabilities		554,529	-	-
Bank overdraft		-	10,637,314	13,931,197
Borrowings	6	432,544	954,521	723,613
		17,932,315	23,801,917	28,660,940
Non-current liabilities				
Other payables and accruals	5	1,485,090	1,774,731	1,143,491
Derivative financial liabilities		85,075	-	-
Borrowings	6	6,643,212	7,298,718	7,723,393
Provisions		464,486	668,898	939,715
		8,677,863	9,742,347	9,806,599
Total liabilities		**26,610,178**	**33,544,264**	**38,467,539**
NET ASSETS		**20,129,482**	**3,792,366**	**2,123,764**
EQUITY				
Share capital		112,838	103,418	107,078
Share premium		11,749,487	-	-
Retained earnings		8,087,350	4,003,546	1,956,323
Translation reserve		353,126	(542,927)	(162,888)
Merger reserve		223,251	223,251	223,251
Capital redemption reserve		6,301	5,078	-
Other reserves		(402,871)	-	-
Total equity attributable to shareholders		**20,129,482**	**3,792,366**	**2,123,764**

CONSOLIDATED STATEMENT OF CASH FLOW
For the period ended 26 June 2016

	Notes	52 weeks ended 26 June 2016 £	52 weeks ended 28 June 2015 £
Profit before tax for the period		5,591,094	2,931,432
Adjusted by:			
Depreciation of property, plant and equipment	4	2,516,632	4,044,602
Impairment of property, plant and equipment		-	131,998
Amortisation of intangible assets		676,977	194,542
Net interest expense		774,778	531,319
Share-based payments		64,642	-
Loss on disposal of property, plant and equipment and intangible assets		128,874	-
Operating cash flows before movements in working capital		**9,752,997**	**7,833,893**
Increase in inventories		(2,294,585)	(566,890)
(Increase)/decrease in trade and other receivables		(309,174)	1,252,819
(Increase)/decrease in trade and other payables and provisions		1,516,121	(1,001,379)
Cash inflow generated from operations		**8,665,359**	**7,518,443**
Interest received		109	-
Income tax paid		(548,994)	(74,019)
Interest paid on:			
- finance leases and hire purchase loans		(30,020)	(31,654)
- bank loans and overdraft		(660,663)	(593,801)
Cash flows from operating activities		**7,425,791**	**6,818,969**
Purchase of property, plant and equipment		(5,625,076)	(2,889,611)
Proceeds from disposal of property, plant and equipment		200,000	-
Purchase of intangible assets		(760,224)	(235,784)
Acquisition of subsidiary		228,006	-
Cash flows used in investing activities		**(5,957,294)**	**(3,125,395)**
(Buy back)/issue of Chocolate bonds		(145,000)	406,500
Capital element of hire purchase and finance leases repaid		(378,462)	(439,850)
Repayment of bank loans		(654,021)	(160,416)
Cost of issue of new equity		(240,000)	-
Issue/(buy-back) of shares		12,000,130	(3,660)
Cash flows from/(used in) financing activities		**10,582,647**	**(197,426)**
Net change in cash and cash equivalents		12,051,144	3,496,148
Cash and cash equivalents at beginning of period		(5,697,390)	(9,134,462)
Foreign currency movements		121,692	(59,076)
Cash and cash equivalents at end of period		**6,475,446**	**(5,697,390)**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
For the period ended 26 June 2016

	Share capital £	Share Premium £	Retained earnings £	Translation reserve £	Merger reserve £	Capital redemption reserve £	Other reserves £	**Total £**
As at 30 June 2014	107,078	-	1,956,323	(162,888)	223,251	-	-	2,123,764
Profit for the period	-	-	2,047,223	-	-	-	-	2,047,223
Capital redemption	(5,078)	-	-	-	-	5,078	-	-
Shares issued in the period	1,418	-	-	-	-	-	-	1,418
Other comprehensive expense for the period	-	-	-	(380,039)	-	-	-	(380,039)
Equity as at 28 June 2015	**103,418**	**-**	**4,003,546**	**(542,927)**	**223,251**	**5,078**	**-**	**3,792,366**
Profit for the period	-	-	4,083,804	-	-	-	-	4,083,804
Capital redemption	(1,223)	-	-	-	-	1,223	-	-
Shares issued in the period	10,643	11,989,487	-	-	-	-	-	12,000,130
Costs of issue of equity shares	-	(240,000)	-	-	-	-	-	(240,000)
Share-based payments	-	-	-	-	-	-	64,642	64,642
Derivative financial liabilities	-	-	-	-	-	-	(581,959)	(581,959)
Deferred tax charge on derivative financial liabilities	-	-	-	-	-	-	114,446	114,446
Other comprehensive income for the period	-	-	-	896,053	-	-	-	896,053
Equity as at 26 June 2016	**112,838**	**11,749,487**	**8,087,350**	**353,126**	**223,251**	**6,301**	**(402,871)**	**20,129,482**

NOTES TO THE PRELIMINARY FINANCIAL INFORMATION

1. Basis of preparation

The consolidated financial information has been prepared in accordance with International Financial Reporting Standards, International Accounting Standards and Interpretations (collectively IFRSs), as adopted by the European Union.

For all periods up to and including the period ended 28 June 2015, the Group prepared its financial statements in accordance with United Kingdom Generally Accepted Accounting Principles (UK GAAP). These financial statements for the period ended 26 June 2016 are the first the Group has prepared in accordance with IFRS.

The financial information for the period ended 26 June 2016 and the period ended 28 June 2015 does not constitute the Group's statutory accounts for those years.

Statutory accounts for the period ended 28 June 2015 have been delivered to the Registrar of Companies. The statutory accounts for the period ended 26 June 2016 will be delivered to the Registrar of Companies following the Group's Annual General Meeting.

The auditors' reports on the accounts for 26 June 2016 and 28 June 2015 were unqualified, did not draw attention to any matters by way of emphasis, and did not contain a statement under 498(2) or 498(3) of the Companies Act 2006.

2. Profit from operations

Profit from operations is arrived at after charging/(crediting):

	52 weeks ended 26 June 2016	**52 weeks ended 28 June 2015**
	£	**£**
Staff cost	24,835,020	22,444,632
Depreciation of property, plant and equipment	2,516,632	4,044,602
Impairment of property, plant and equipment	-	131,998
Amortisation of intangible assets	676,977	194,542
Loss on disposal of property, plant and equipment and intangible assets	128,874	-
Operating leases:		
- Property	8,189,509	7,865,974
- Plant and equipment	145,185	185,133
Exchange differences	48,725	(281,005)
Exceptional costs	2,642,177	-
Bad debt expense	126,967	43,016

Exceptional costs for the period ended 26 June 2016 relate solely to the acquisition of Hotel Chocolat Estates Limited and the listing on AIM.

3. Earnings per share

Profit for the period used in the calculation of the basic and diluted earnings per share:

	52 weeks ended 26 June 2016 £	52 weeks ended 28 June 2015 £
Profit after tax for the period	**4,083,804**	**2,047,223**

The weighted average number of shares for the purposes of diluted earnings per share reconciles to the weighted average number of shares used in the calculation of basic earnings per share as follows:

	52 weeks ended 26 June 2016 £	52 weeks ended 28 June 2015 £
Weighted average number of shares in issue used in the calculation of earnings per share (number)	103,411,610	10,200,040
Earnings per share (pence) – Basic and Diluted	3.9	20.1

Due to the nature of the options granted under the Hotel Chocolat Group plc 2016 Long-Term Incentive Plan, they are considered contingently issuable shares and therefore have no dilutive effect.

4. Property, plant and equipment

	Freehold property £	Leasehold property £	Furniture & fittings, Equipment, Computer software & hardware £	Plant & machinery £	Total £
52 weeks ended 28 June 2015					
Cost:					
As at 29 June 2014	2,840,841	734,999	19,110,012	9,343,245	32,029,097
Additions	-	-	2,268,415	169,390	2,437,805
Disposals	-	-	-	-	-
Translation differences	-	-	(59,341)	-	(59,341)
As at 28 June 2015	**2,840,841**	**734,999**	**21,319,086**	**9,512,635**	**34,407,561**
Accumulated depreciation:					
As at 29 June 2014	251,082	730,406	10,510,017	6,506,608	17,998,113
Depreciation charge	28,409	950	2,841,888	1,173,355	4,044,602
Impairments	-	-	131,998	-	131,998
Translation differences	-	-	(61,416)	-	(61,416)
As at 28 June 2015	**279,491**	**731,356**	**13,422,487**	**7,679,963**	**22,113,297**
Net book value					
As at 28 June 2015	**2,561,350**	**3,643**	**7,896,599**	**1,832,672**	**12,294,264**
52 weeks ended 26 June 2016					
Cost:					
As at 29 June 2015	2,840,841	734,999	21,319,086	9,512,635	34,407,561
Acquisition on business combinations	8,244,800	-	505,625	-	8,750,425
Additions	35,009	-	2,342,334	5,191,022	7,568,365
Disposals	-	-	(1,425,415)	(41,069)	(1,466,484)
Translation differences	348,805	-	157,562	-	506,367
As at 26 June 2016	**11,469,455**	**734,999**	**22,899,192**	**14,662,588**	**49,766,234**
Accumulated depreciation:					
As at 29 June 2015	279,491	731,356	13,422,487	7,679,963	22,113,297
Depreciation charge	51,943	950	1,601,429	862,310	2,516,632
Disposal	-	-	(1,106,985)	(41,069)	(1,148,054)
Translation differences	77,178	-	96,070	-	173,248
As at 26 June 2016	**408,612**	**732,306**	**14,013,001**	**8,501,204**	**23,655,123**
Net book value					
As at 26 June 2016	**11,060,843**	**2,693**	**8,886,191**	**6,161,384**	**26,111,111**

Included above are assets held under finance leases and hire purchase agreements which, as at 26 June 2016 had a net book value of 557,454 (28 June 2015: £869,845).

5. Trade and other payables

	52 weeks ended 26 June 2016 £	52 weeks ended 28 June 2015 £
Current		
Trade payables	5,439,251	4,631,750
Other payables	3,416,370	1,629,735
Other taxes payable	810,114	1,418,345
Accruals	6,668,456	4,530,252
	16,334,191	**12,210,082**
Non-current		
Other payables and accruals	1,485,090	1,774,731
	1,485,090	**1,774,731**

6. Borrowings

	52 weeks ended 26 June 2016 £	52 weeks ended 28 June 2015 £
Current		
Finance and lease hire purchase liabilities	425,544	397,750
Chocolate bonds	102,000	-
Bank loans	-	556,771
	527,544	954,521
Unamortised costs of issue	(95,000)	-
Total current borrowings	**432,544**	**954,521**
Non-current		
Finance and lease hire purchase liabilities	35,462	441,718
Chocolate bonds	6,610,000	6,857,000
	6,645,462	7,298,718
Unamortised costs of issue	(2,250)	-
Total non-current borrowings	**6,643,212**	**7,298,718**
Total borrowings	**7,075,756**	**8,253,239**

Chocolate bonds pay a return either in boxes of luxury chocolates or by way of a Hotel Chocolat gift card. For those bonds with a return in the form of chocolate, the coupon is fixed by number of boxes. For bonds where there is a return paid by way of a Hotel Chocolat gift card, there is a fixed rate of interest. The interest as stated on issue of the bonds ranged between 6.7% and 7.3%.

Chocolate bonds are repayable subject to formal notice given six months prior to a redemption note. In order to redeem the bond, notice must be given by January and payment is made in July of the same year. For the chocolate bonds issued in June 2010, where notice has been given the amount repayable is shown within current liabilities. The remaining bonds for which notice has not yet been given are shown within non-current liabilities. The first notice date for the chocolate bonds issued in June 2014, will be January 2017 and therefore all amounts are shown within non-current liabilities. Both bonds are unsecured.

On 27 April 2016, the Group negotiated a two-year, bilateral revolving credit facility (RCF). Interest is charged at 1.9% over base rate and a commitment fee of 0.8% is due on the available commitment, not yet drawn down.
In the previous financial period, interest on the bank loan was charged at 3.9% over base rate. The bank loan was repaid in March 2016 and was secured by a charge over the Group’s assets and cross guarantees.

The hire purchase and finance leases are secured by a charge over the related fixed assets and have incurred interest at an effective annual rate of 2.0%.