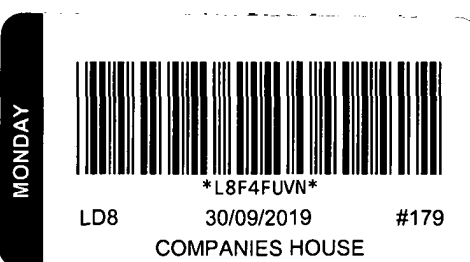


SILVA and COSENS LIMITED

Annual Report and Financial Statements

31 December 2018



Silva and Cosens Limited

Registered No. 135063

DIRECTORS

P D Symington
R A D Symington
J A D Symington

SECRETARY

P N Hall

AUDITORS

Ernst & Young LLP
Liberation House
Castle Street
St Helier
Jersey
JE1 1EY

REGISTERED OFFICE

8 Great James Street
London
WC1N 3DF

Silva and Cosens Limited

DIRECTORS' REPORT

Registered No. 135063

The Directors present the following report and financial statements for the year ended 31 December 2018.

PRINCIPAL ACTIVITIES AND REVIEW OF THE BUSINESS

In 2005, the company transferred all of its port and table wine stocks to Symington Family Estates, Vinhos, S.A. ("SFE"), a group undertaking, in exchange for a shareholding in that company. The company has since ceased the business activity of shipment of port and table wine whilst retaining its vineyard properties (Sra. da Ribeira, Bomfim and Sta. Madalena) and its trademark (Dows).

In November 2015, with the objective of reducing the volatility of the annual revenues from management of its vineyards properties, the company established a contract with a related party to manage its vineyards and receive their production in exchange for a rental income.

During 2016, the company sold its investment in Symington Family Estates, Vinhos, S.A. to W.&J. Graham & C^a, S.A.. This sale generated a capital gain which contributed to the significant increase of the profit for that year.

Additionally, W.&J. Graham & C^a, S.A. is now the company's indirect parent undertaking.

On 28th December 2017, the company transferred all its main assets, and the unamortised value of its government grant, through a contribution in kind into Symington Family Estates, Vinhos, S.A., receiving a shareholding of 7,64% in SFE as consideration, as follows:

Assets	Net book value (€000)
Intangible assets (plantation rights – vineyards)	241
Tangible assets	7,368
Total assets	7,609
Other variances in equity (grants received related with biological assets)	(416)
Net contribution in kind	7,193

The company's trading activity was performed by a branch in Portugal up to 28 December 2017 when all operations were transferred to Symington Family Estates, Vinhos, S.A. as described above.

During 2018 there was an increase in the financial investment through the acquisition of 50,000 shares of Symington Family Estates, Vinhos S.A. from W.&J. Graham & C^a, S.A., with a share price of 17,5€. This investment represented an increase to 8,36% of the ordinary share capital of Symington Family Estates, Vinhos, S.A..

DIRECTORS' REPORT

Registered No. 135063

FUTURE DEVELOPMENTS

Following the transfer of its main assets to Symington Family Estates, Vinhos, S.A., the company discontinued its main activity connected with the exploitation of its properties and vineyards.

The future income of the Company is therefore expected to relate only to the receipt of royalties from its brand "Dows" and any potential dividends from the financial investments.

RESULTS AND DIVIDENDS

The profit for the year, after taxation, amounted to £97,000 (2017: £873,000). The directors do not recommend payment of a dividend, and no interim dividend was paid during the year.

GOING CONCERN

The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. For this reason we continue to adopt the going concern basis in preparing the financial statements.

DIRECTORS AND THEIR INTERESTS

The directors for the year ended 31 December 2018 and subsequent to the date of this report were as follows:

P D Syminton

R A D Symington

J A D Symington

None of the directors have any direct interest in the share capital of the Company, although all directors have a beneficial interest in the Company's ultimate parent company, Scops Holding Limited.

There are no director indemnity provisions.

PRINCIPAL RISKS AND UNCERTAINTIES

The Company is a subsidiary operating within the Scops Holdings Limited group ('the Group') and it holds an investment in SFE, an associate understanding with Port and Wine production activity within the Group. The Directors regularly evaluate the risk exposure of the Company and the Group. The principal risks and uncertainties facing the Company and the Group are broadly grouped as – competitive, legislative and financial instrument risk. The risks that the Directors have assessed to be most relevant to the operation and performance of the Company are set out below. No new risks have arisen after the transfer of operations in December 2017.

- Exposure to credit and liquidity risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for that other party by failing to discharge an obligation. The policies of the Company are aimed at minimizing such losses and require that deferred terms are only granted to customers who demonstrate an appropriate payment history and satisfy credit worthiness procedures.

Silva and Cosens Limited

DIRECTORS' REPORT

Registered No. 135063

The credit risk of the Company is concentrated with other group companies which are under common control. Group companies manage their credit risk by agreeing credit limits with each individual trade debtor.

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Company mitigates liquidity risk by managing cash generation by its operations, applying cash collection targets.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

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

The Companies Act 2006 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 Accounting Standards and applicable law. Under the Companies Act 2006, 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 year:

In preparing these financial statements, the directors are required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgment 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; and
- 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.

The directors confirm that they have complied with the above requirements when preparing these financial statements.

DIRECTORS' STATEMENT AS TO DISCLOSURE TO AUDITOR

The directors who were members of the board at the time of approving the directors' report are listed above. Having made inquiries of fellow directors and of the Company's auditor, each of the directors confirms that:

- There is no relevant audit information of which the Company's auditor is unaware; and
- Each director has taken all the steps a director might reasonably be expected to have taken to be aware of relevant audit information and to establish that the Company's auditor is aware of that information.

Silva and Cosens Limited

DIRECTORS' REPORT
Registered No. 135063

INDEPENDENT AUDITOR

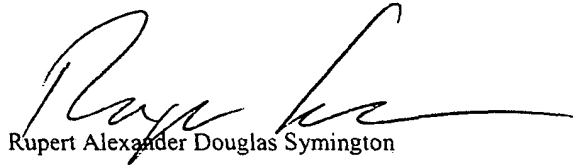
A resolution to reappoint Ernst & Young LLP as the company's auditor will be put to the members at the Annual General Meeting.

SPECIAL PROVISIONS RELATING TO SMALL COMPANIES

This report has been prepared taking advantage of the exemptions available to small companies. The company has taken exemption from the preparation of a strategic report under S414 of the Companies Act 2006.

27th September 2019

On behalf of the board,



Rupert Alexander Douglas Symington

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF SILVA AND COSENS LIMITED**

Opinion

We have audited the financial statements of Silva and Cosens Limited (the 'company') for the year ended 31 December 2018 which comprise the Statement of Comprehensive Income, the Statement of Other Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and the related notes 1 to 14 including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- ▶ give a true and fair view of the company's affairs as at 31 December 2018 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.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report below. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- ▶ the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- ▶ the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in this report, we do not express any form of assurance conclusion thereon.

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF SILVA AND COSENS LIMITED (continued)**

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of the other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- ▶ the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- ▶ the directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report.

We have nothing to report in respect of the following matters in relation to which 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; or
- ▶ the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies exemptions in preparing the directors' report and from the requirement to prepare a strategic report.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

**INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF SILVA AND COSENS LIMITED (continued)**

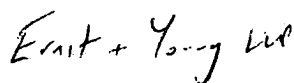
Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Use of our report

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.



Christopher James Matthews FCA (Senior statutory auditor)
for and on behalf of Errist & Young LLP, Statutory Auditor
Jersey, Channel Islands
Date: 27 September 2019

Silva and Cosens Limited

STATEMENT OF COMPREHENSIVE INCOME at 31 December 2018

INCOME STATEMENT			2018	2017
	<i>Notes</i>		£000	£000
TURNOVER	2	-	-	96
Cost of sales		-	-	(47)
GROSS PROFIT		-	-	49
Other operating income	2	142	142	1,562
		142	142	1,611
Administration expenses	3	(44)	(44)	(624)
OPERATING PROFIT		98	98	987
Other interest receivable and similar income	5	27	27	25
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		125	125	1,012
Tax on profit on ordinary activities	6	(28)	(28)	(139)
PROFIT ON ORDINARY ACTIVITIES AFTER TAXATION		97	97	873
STATEMENT OF OTHER COMPREHENSIVE INCOME			2018	2017
			£000	£000
Profit for the year		97	97	873
Exchange differences on retranslation of assets		387	387	1,618
Tax relief on revaluation		-	-	(1)
TOTAL OTHER COMPREHENSIVE INCOME		387	387	1,617
TOTAL COMPREHENSIVE INCOME		484	484	2,490

The above results are derived from continuing activities.

Silva and Cosens Limited

STATEMENT OF FINANCIAL POSITION at 31 December 2018

	Notes	2018 £000	2017 £000
FIXED ASSETS			
Intangible assets	7	3	4
Investments	8	8,034	7,193
		—	—
		8,037	7,197
		—	—
CURRENT ASSETS			
Debtors	9	36,501	37,167
Cash at bank and in hand		3,033	2,836
		—	—
		39,534	40,003
CREDITORS: amounts falling due within one year	10	1	114
		—	—
NET CURRENT ASSETS		39,533	39,889
		—	—
TOTAL ASSETS LESS CURRENT LIABILITIES		47,570	47,086
		—	—
NET ASSETS		47,570	47,086
		—	—
CAPITAL AND RESERVES			
Called up share capital	11	74	74
Capital redemption reserve		19	19
Revaluation reserve		1,906	1,906
Foreign currency translation reserve		3,094	2,707
Profit and loss account		42,477	42,380
		—	—
Equity shareholder's funds		47,570	47,086
		—	—

The financial statements have been prepared in accordance with the small companies regime.

The financial statements on pages 9 to 19 were approved by the Board of Directors on 27th September 2019 and signed on its behalf by:

Director



Silva and Cosens Limited

STATEMENT OF CHANGES IN EQUITY at 31 December 2018

	<i>Share capital</i>	<i>Capital redemption reserve</i>	<i>Revaluation reserve</i>	<i>Foreign currency translation reserve</i>	<i>Profit and Loss Account</i>	<i>Total</i>
	£000	£000	£000	£000	£000	£000
At 1 January 2017	74	19	1,906	1,090	41,507	44,596
Profit for the year	-	-	-	-	873	873
Other comprehensive income	-	-	-	1,617	-	1,617
At 31 December 2017	74	19	1,906	2,707	42,380	47,086
Profit for the year	-	-	-	-	97	97
Other comprehensive income	-	-	-	387	-	387
At 31 December 2018	74	19	1,906	3,094	42,477	47,570

Silva and Cosens Limited

NOTES TO THE FINANCIAL STATEMENTS at 31 December 2018

1. ACCOUNTING POLICIES

Statement of compliance

Silva and Cosens Limited ('the Company') is a private company limited by shares incorporated in the United Kingdom (Registration number 135063). The Registered office is 8 Great James Street, London, WC1N 3DF.

The Company's financial statements have been prepared in compliance with United Kingdom Accounting Standards, FRS 102, "The Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland" (FRS 102") and the Companies Act 2006.

Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. The company has adopted FRS 102 in these financial statements.

Basis of preparation

These financial statements are prepared on a going concern basis, under the historical cost convention.

Going concern

The directors have considered the financial position of the company and have a reasonable expectation that the Company has adequate resources to meet its liabilities as they fall due and continue in operational existence for the foreseeable future. Accordingly, the financial statements have been prepared to continue to adopt the going concern basis.

Intangible assets

Intangible assets are stated at cost less accumulated amortization and accumulated impairment losses. Amortisation is calculated using the straight line method to allocate the depreciable amount of the assets to their residual values over their estimated useful lives. Intangible assets are reviewed for impairment annually.

Investments in associates

Entities in which the Company has a participating interest and over whose operating and financial policies the Company exercises a significant influence are treated as associates and are accounted at cost less any accumulated impairment losses.

Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with original maturities of three months or less and bank overdrafts only where they are repayable on demand.

Cash flow statement

The Company has elected not to present a statement of cash flows on the basis that it is a small entity.

Financial instruments

The company has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

(a) Financial assets

Basic financial assets, including trade and other receivables, cash and bank balances, are initially recognised at transaction price. Such assets are subsequently carried at amortized cost using the effective interest method.

Silva and Cosens Limited

NOTES TO THE FINANCIAL STATEMENTS at 31 December 2018

ACCOUNTING POLICIES (continued)

At the end of each reporting period financial assets measured at amortized cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in the statement of comprehensive income.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been had the impairment not previously been recognised. The impairment reversal is recognised in the Statement of Comprehensive Income.

Financial assets are de-recognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

(b) Financial liabilities

Basic financial liabilities, including trade and other payables and other creditors are initially recognised at transaction price. Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Financial liabilities, which include accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognised initially at transaction price and subsequently measured at amortized cost using the effective interest method.

Financial liabilities are de-recognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

Deferred taxation

Deferred tax is recognized in respect of all timing differences that have originated but not reversed at the date of the Statement of Financial Position where transactions or events that result in an obligation to pay more, or right to pay less or to receive more, tax in the future have occurred.

Deferred tax assets are recognized only to the extent that the directors consider that it is more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax is measured on an undiscounted basis at the tax rates that are expected to apply in the periods in which timing differences reverse, based on tax rates and laws enacted or substantively enacted at the date of the Statement of Financial Position.

Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Turnover

Revenue from sales is recognized on the accruals basis.

Other income

Other income comprises of rental income and royalties receivable from the use of the company's trademarks. Rental income under operating leases is credited to the profit and loss account on a straight-line basis over the term of the lease. Royalty income is accounted for on the accruals basis.

Interest receivable

Interest income is recognised using the effective interest rate method.

Foreign currencies

The functional currency of the Company is the Euro. Transactions in foreign currencies are recorded at the rate ruling on the date of the transaction. Monetary assets and liabilities requiring settlement in foreign

Silva and Cosens Limited

NOTES TO THE FINANCIAL STATEMENTS at 31 December 2018

currencies are expressed in sterling, the presentation currency, at the rates ruling at the date of the Statement of Financial Position. All differences are recognised in the Statement of Comprehensive Income.

The exchange rate at the date of the Statement of Financial Position was Eur.1.168 = £1 (2017: Eur1.127=£1).

2. TURNOVER

In 2017 the turnover amount is the result of the sale of the 2016 harvest to group company Symington Family Estates, Vinhos, S.A. All turnover is attributable to geographical markets outside of the UK.

In 2018 the other operating income amount is related mainly to the royalties paid by Symington Family Estates, Vinhos, S.A.

	2018 £000	2017 £000
<i>Other Operating Income</i>		
Services rendered to S.F.E., Vinhos, S.A. (mainly rentals)	4	1,386
Royalties from use of trademarks by SFE	138	148
Others	-	28
	<u>142</u>	<u>1,562</u>

3. ADMINISTRATION EXPENSES

	2018 £000	2017 £000
Other external charges	42	116
Depreciation of intangible assets	-	18
Depreciation of tangible fixed assets	-	485
Other taxes	2	5
	<u>44</u>	<u>624</u>

Audit fees amounting to £ 8,500 (2017: £ 7,000) have been borne by the ultimate parent, Scops Holdings Limited.

4. EMPLOYEES

The monthly average number of employees (including directors) during the year was as follows:

	2018 No.	2017 No.
Management	<u>3</u>	<u>3</u>

Silva and Cosens Limited

NOTES TO THE FINANCIAL STATEMENTS at 31 December 2018

5. OTHER INTEREST RECEIVABLE AND SIMILAR INCOME

	2018 £000	2017 £000
Bank deposits	27	25
	<u>27</u>	<u>25</u>

6. TAX ON PROFIT ON ORDINARY ACTIVITIES

a) Tax on profit on ordinary activities

The tax charge is made up as follows:

	2018 £000	2017 £000
Current tax:		
Portuguese corporation tax (note 6 (b))	28	229
Deferred tax (note 6 (c))	-	(90)
	<u>28</u>	<u>139</u>

The company is not subject to UK corporation tax as it operates and is controlled and managed entirely outside of the UK.

b) Factors affecting current tax charge

	2018 £000	2017 £000
Profit on ordinary activities before taxation	124	1,012
Profit on ordinary activities multiplied by the standard rate of Portuguese corporation tax of 22.5% (2017: 22.5%)	28	228
Expenses/(gains) not deductible/(taxable) for tax purposes	-	1
Total current tax (note 6 (a))	<u>28</u>	<u>229</u>

c) Factors affecting deferred tax charge

	2018 £000	2017 £000
Fiscal reserve (note 6 (a))	-	(90)

Silva and Cosens Limited

NOTES TO THE FINANCIAL STATEMENTS at 31 December 2018

7. INTANGIBLE ASSETS

These intangible assets concerns to intellectual property acquired with the investment in Symington Family Estates, Vinhos, S.A.

	£000
Cost:	
At 1 January 2018	5
Foreign exchange translation adjustment	-
At 31 December 2018	5
Amortization:	
At 1 January 2018	1
Foreign exchange translation adjustment	1
At 31 December 2018	2
Net book value:	
At 31 December 2018	3
At 1 January 2018	4

8. INVESTMENTS

	2018 £000	2017 £000
At cost:		
Symington Family Estates, Vinhos, S.A Portugal	8,034	7,193
	8,034	7,193

In 2016 the company sold the investment in Symington Family Estates, Vinhos, S.A., to W. & J. Graham & Companhia, S.A. (which represented 45.95% of its ordinary share capital and comprised 3,7m nominal shares each with par value of 5€).

Symington Family Estates, Vinhos, S.A is engaged in production of port wine.

On 28th December 2017 the company contributed in kind in the capital increase of Symington Family Estates, Vinhos, S.A by transferring certain assets and liabilities to it at their book value. The investment in Symington Family Estates, Vinhos, S.A. represented 7,64% of its ordinary share capital which comprises of 7.000.000 nominal shares each with a par value of 5€. The share premium of the contribution was € 10.1529 per share.

The Company has significant influence in the financial and operating policy decisions of the Symington Family Estates, Vinhos, S.A., because the Company Directors: P D Symington, R A D Symington and J A D Symington are members of the board and individual investors within a total participation of 12% of its share capital. This investment is therefore classified as an associate undertaking.

Silva and Cosens Limited

NOTES TO THE FINANCIAL STATEMENTS at 31 December 2018

During 2018 there was an increase in the financial investment through the acquisition of 50,000 shares of Symington Family Estates, Vinhos S.A. from W&J Graham, with a share price of 17,5€. This investment represented an increase to 8,36% of the ordinary share capital of Symington Family Estates, Vinhos, S.A..

The aggregate of capital and reserves of this company at 31 December 2018 and profit for the year then ended as follows:

	<i>Capital and reserves at 31.12.2018 £000</i>	<i>Profit 2018 £000</i>
Symington Family Estates, Vinhos, S.A.	121,921	5,675

	<i>Capital and reserves at 31.12.2017 £000</i>	<i>Profit 2017 £000</i>
Symington Family Estates, Vinhos, S.A.	115,920	6,238

A financial summary of Symington Family Estates, Vinhos, S.A. is as follows:

	<i>2018 £000</i>	<i>2017 £000</i>
Turnover	83,227	88,994
Profit before tax	7,527	7,995
Taxation	(1,853)	(1,757)
Profit after tax	5,675	6,238
Non-current assets	44,427	44,445
Current assets	170,674	165,039
Liabilities due within one year	33,841	37,142
Liabilities due after one year or more	53,664	50,184

9. DEBTORS

	<i>2018 £000</i>	<i>2017 £000</i>
Amounts due from group undertakings	-	365
Amounts due from the 2016 sale of the investment	36,221	36,789
Income tax recoverable	125	-
Prepayments and accrued income	155	13
Trade receivables	-	-
	<u>36,501</u>	<u>37,167</u>

In 2016, the Company sold its investment in Symington Family Estates, Vinhos, S.A. to its indirect parent company W. & J. Grahams & Ca. S.A. which remained receivable as at 31 December 2018.

The Company subsequently declared a dividend of 43,900 thousand Euros on 30 April 2019 which was payable in full to its parent company, Silva & Cosens Holdings Limited.

Silva and Cosens Limited

NOTES TO THE FINANCIAL STATEMENTS at 31 December 2018

On 5 June 2019, Silva & Cosens Holdings Limited was dissolved and its net assets distributed to its parent company, W. & J. Grahams & Ca. S.A., which included its rights to receive the dividend declared by the Company in April 2019.

The dividend receivable by W. & J. Grahams & Ca. S.A. was partially offset against the amounts receivable by the Company on 6 June 2019, with the balance of 3,300 thousand Euros settled by the Company in cash.

The directors of the Company are of the opinion that the fair value of the amounts receivable from W. & J. Grahams & Ca. S.A. which were cancelled in partial settlement of the dividend payable was representative of its fair value as at the date of settlement.

10. CREDITORS: amounts falling due within one year

	2018 £000	2017 £000
Trade creditors	1	22
Corporation tax	-	24
VAT payable	-	44
Income tax payable	-	24
	<u>1</u>	<u>114</u>

The company has a bank overdraft facility available at Banco BPI that is unsecured and subject to an interest rate of 3 month EURIBOR. The company had not drawn down on this facility as at 31 December 2018 (2017 £nil).

11. SHARE CAPITAL

	2018 No.	2017 No.	2018 £000	2017 £000
Authorised share capital:				
Ordinary shares of 25p each	554,165	554,165	138	138
Unclassified shares of £1 each	246,435	246,435	246	246
	<u> </u>	<u> </u>	<u>384</u>	<u>384</u>

	2018 No.	2017 No.	2018 £000	2017 £000
Equity:				
Ordinary shares of 25p each	297,505	297,505	74	74
	<u> </u>	<u> </u>	<u>74</u>	<u>74</u>

All the shares are entitled to one vote and have equal rights to dividends.

12. RELATED PARTY TRANSACTIONS

(a) Transactions with associates and other entities

During the year the company entered into transactions with related parties with respect to:

- Royalties received from Symington Family Estates, Vinhos, S.A amounting to £137,000 (2017: £148,000);
- Rental income received from Symington Family Estates, Vinhos, S.A amounting to £4,000 (2017: £1,379,000);
- Administration and production services received from Symington Family Estates, Vinhos, S.A. amounting to £ nil (2017: £8,000).
- Turnover from the sale of the harvest to Symington Family Estates, Vinhos, S.A. amounting to nil £ (2017: £96,000)

The amounts receivable from Symington Family Estates, Vinhos, S.A. amounted to £155,000 (2017: £223,000) at the year end, and the amounts receivable from W. & J. Graham & Companhia, S.A. as at year end amounted to £36,221,000 (2017: £36,789,000)

P D Symington, R A D Symington and J A D Symington are also directors of Symington Family Estates, Vinhos, S.A., a company incorporated in Portugal, therefore Symington Family Estates, Vinhos, S.A. is a related party by means of common control.

(b) Key management personnel

All directors and certain senior employees who have authority and responsibility for planning, directing and controlling the activities of the company are considered to be key management personnel. The total remuneration for the year ended 31 December 2018 in respect of these individuals which was borne by other entities within the Scops Holding Limited group and charged to the company as administration costs were £ 495 (2017: £ 2,000).

13. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

The company's immediate parent undertaking is W.&J. Graham & C^o, S.A., a limited liability company incorporated in Vila Nova de Gaia, Portugal. At 31 December 2018, the ultimate parent undertaking for which group financial statements are prepared and of which the company is a member is Scops Holdings Limited, a company incorporated in Jersey, Channel Islands. This is the smallest and largest group for which group accounts are prepared. Copies of the financial statements are available from Scops Holding Limited's registered address at 15 Esplanade, St Helier, Jersey, JE1 1RB. The directors are of the opinion that the ultimate controlling party is Scops Holding Limited.

14. SUBSEQUENT EVENTS

Relevant subsequent events are described in Note 9.