

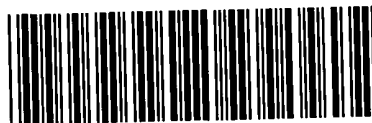
Registered number: 00547325

Alcohols Limited

Directors' report and financial statements

for the year ended 31 December 2017

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Alcohols Limited

Company Information

Directors

A J Wallis
R C Evans

Non-executive director

R H Ling

Registered number

00547325

Registered office

Charringtons House
The Causeway
Bishop's Stortford
Hertfordshire
CM23 2ER

Independent auditors

Kreston Reeves LLP
Statutory Auditors & Chartered Accountants
Third Floor
24 Chiswell Street
London
EC1Y 4YX

Bankers

National Westminster Bank plc
134 Aldersgate Street
London
EC1A 4LD

Alcohols Limited

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Alcohols Limited

Directors' report for the year ended 31 December 2017

The directors present their report and the financial statements for the year ended 31 December 2017.

Principal activities

The principal activities of the group during the year continued to be the distillation of gin and the sourcing, packing and distribution of solvents and alcohol products.

Directors

The directors who served during the year were:

A J Wallis
R H Ling
R C Evans

Results and dividends

The profit for the year, after taxation, amounted to £2,354,586 (2016: £1,588,273).

Ordinary dividends amounting to £250,000 (2016: £220,000) were paid during the year. The directors continue to support a prudent approach to dividend distribution to ensure that cash reserves remain available to finance expansion and development plans.

Directors' responsibilities statement

The directors are responsible for preparing the Group strategic report, the Directors' report and the consolidated financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and the Group and of the profit or loss of the Group for that period.

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

- select suitable accounting policies for the Group's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group 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 the Group and to 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 the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Future developments

Since the year end the group has continued to concentrate on further development of its core activities of chemical distribution both in the UK and overseas and gin distillation. Plans continue to progress for a 5 acre site previously purchased for the development and centralisation of group activities for which funding has been agreed in principle. Future development plans for expansion would result from the marketing strategy or acquisition of any business complimentary to its core activities.

Alcohols Limited

Directors' report (continued) for the year ended 31 December 2017

Financial instruments

The group has adequate cash reserves to finance its trading activities and has no immediate requirement for outside finance to fund its day to day activities. The level of both debtors and creditors are constantly monitored to safeguard cash reserves. Low interest rates result in meagre investment returns. The group's defined benefit pension scheme is adequately funded with contributions continuing at a rate designed to minimise the risk of the scheme slipping into deficit.

Disclosure of information to auditors


Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company and the Group's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company and the Group's auditors are aware of that information.

Auditors

Under section 487(2) of the Companies Act 2006, Kreston Reeves LLP will be deemed to have been reappointed as auditors 28 days after these financial statements were sent to members or 28 days after the latest date prescribed for filing the accounts with the registrar, whichever is earlier.

This report was approved by the board on *24th May 2018* and signed on its behalf.



.....
R C Evans
Director

Alcohols Limited

Group strategic report for the year ended 31 December 2017

Introduction

The directors present their group strategic report for the year ended 31 December 2017.

Business review

The increase in the cost of raw materials in the solvents division has necessarily had an upward influence on turnover. But sales volumes also continue to grow in all areas of the business, with Group turnover for the year increasing to £28.8m (2016: £22.8m). Gross profit has increased to £8.5m (2016: £7.7m). However, the competitive nature of the chemical distribution business has squeezed the gross margin, reducing the overall margin to 29.5% (2016: 33.7%). Strong control of administrative and selling costs have led to an improved consolidated profit after tax of £2.4m, up from £1.6m in the previous year. The Group continues to support its defined benefit pension scheme, which consequently retains a small surplus, as calculated by the actuary.

The group's Occupational Health and Safety, Quality and Environmental Management Systems are all ISO accredited. They support our business activities and enhance our customer service, while protecting our employees, the public and the environment. We are currently undergoing transition to the new standards in all three areas and are on target to be compliant before the deadlines.

The global political landscape continues to develop in a way likely to increase uncertainty in business and, despite some progress being made in the Brexit negotiations, there is still little clarity on the shape of the business environment after the UK has left the EU. The transition period promised is welcome and must be used to provide future certainty for business. The market remains extremely competitive but the Group will continue to sell high quality product and support its loyal customer base with high levels of customer service. The directors therefore have reasonable expectations of maintaining profits over the next 12 months.

The consolidated statement of comprehensive income for the year is set out on page 8.

Principal risks and uncertainties

The directors continue to seek new markets for its products and improve on its business efficiencies, while monitoring the risks that affect its operations. These risks include:

1. Raw material availability, which is subject to global demand and plant shutdowns by producers. The group monitors the market closely and sources product from several suppliers where necessary in order to ensure a supply for our customers.
2. Raw material pricing. During the year, markets remained volatile and therefore prices are monitored almost daily to ensure that margin can still be made on every sale.
3. Foreign exchange currency fluctuations. The group buys and sells product in several major currencies, thereby managing this risk through a natural hedge.
4. Credit risk. In the current competitive market, the company faces pressure for extended credit while suppliers expect to be paid promptly, potentially exposing the group to credit risk, which is managed through robust credit control, monitoring procedures and close relationships with our customers.
5. Regulatory changes continue to impose an increased burden on the chemical industry. The group continues to invest in regulatory staff and resources to ensure that our systems are continually improving and that the group remains compliant with all relevant legislation.
6. The political environment in our key markets, the UK's vote to leave the EU and the policies pursued by President Trump in the US have contributed to a period of uncertainty for business. This has been aggravated more recently by the deteriorating relationship between the Russian Federation and the West. Domestic and international trade may be affected in the years to come, but the group will monitor the situation and aim to develop its business where it sees opportunities arising.

The group employs professional qualified staff in several areas to manage the different aspects of the business and the risks noted above.

Alcohols Limited

**Group strategic report (continued)
for the year ended 31 December 2016**

Financial key performance indicators

The group uses key performance indicators to help manage the business, including product volumes sold, turnover, gross margin, operating costs and profitability for each division, all of which are regularly reported on and reviewed.

This report was approved by the board on *24th May 2018* and signed on its behalf.



.....
R C Evans
Director

Alcohols Limited

Independent auditors' report to the shareholders of Alcohols Limited

Opinion

We have audited the financial statements of Alcohols Limited (the 'parent Company') and its subsidiaries (the 'Group') for the year ended 31 December 2017, which comprise the Group Statement of comprehensive income, the Group and Company Balance sheets, the Group and Company Statement of changes in equity and the related notes, 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 Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

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 Auditors' 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.

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent Company's affairs as at 31 December 2017 and of the Group's 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 Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council'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 Group's or the parent 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 directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Alcohols Limited

Independent auditors' report to the shareholders of Alcohols Limited (continued)

Other information (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 this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion 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 Group strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group strategic report and the Directors' report have 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 Group and the parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group strategic report or 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 by the parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent Company 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.

Responsibilities of directors

As explained more fully in the Directors' responsibilities statement on page 1, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, 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 Group's and the parent 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 Group or the parent Company or to cease operations, or have no realistic alternative but to do so.

Alcohols Limited

Independent auditors' report to the shareholders of Alcohols Limited (continued)

Auditors' 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 Auditors' 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.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Stephen Tanner BSc(Econ) FCA (Senior statutory auditor)
for and on behalf of

Kreston Reeves LLP

Statutory Auditors & Chartered Accountants
London

Date: 25th May, 2018

Alcohols Limited

Consolidated statement of comprehensive income for the year ended 31 December 2017

	Note	2017 £	2016 £
Turnover	4	28,850,012	22,785,366
Cost of sales		(20,346,972)	(15,099,741)
Gross profit		8,503,040	7,685,625
Distribution costs		(4,496,652)	(4,595,031)
Administrative expenses		(1,162,556)	(1,043,013)
Operating profit	5	2,843,832	2,047,581
Interest receivable and similar income	9	7,956	33,592
Interest payable and expenses	10	-	(700)
Other finance income	11	3,000	14,000
Profit before taxation		2,854,788	2,094,473
Tax on profit	12	(500,202)	(506,200)
Profit for the financial year		2,354,586	1,588,273
Actuarial losses on defined benefit pension scheme		(565,000)	(516,000)
Pension surplus not recognised		312,000	252,000
Other comprehensive income for the year		(253,000)	(264,000)
Total comprehensive income for the year		2,101,586	1,324,273

There were no recognised gains and losses for 2017 or 2016 other than those included in the consolidated statement of comprehensive income.

The notes on pages 13 to 32 form part of these financial statements.

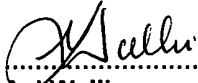
Alcohols Limited
Registered number: 00547325

Consolidated balance sheet
as at 31 December 2017


	Note	2017 £	2016 £
Fixed assets			
Intangible assets	13	7,905	7,905
Tangible assets	14	1,172,412	1,329,243
Investments	15	121,500	121,500
		<u>1,301,817</u>	<u>1,458,648</u>
Current assets			
Stocks	16	1,965,018	1,495,640
Debtors: amounts falling due within one year	17	4,786,257	3,904,290
Cash at bank and in hand	18	9,611,403	7,822,688
		<u>16,362,678</u>	<u>13,222,618</u>
Creditors: amounts falling due within one year	19	(5,136,879)	(3,987,940)
Net current assets		<u>11,225,799</u>	<u>9,234,678</u>
Total assets less current liabilities		<u>12,527,616</u>	<u>10,693,326</u>
Provisions for liabilities			
Deferred taxation	21	(171,627)	(188,923)
Net assets		<u>12,355,989</u>	<u>10,504,403</u>
Capital and reserves			
Called up share capital	23	1,000	1,000
Profit and loss account	24	12,354,989	10,503,403
Equity attributable to owners of the parent Company		<u>12,355,989</u>	<u>10,504,403</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on

24th May 2018



A J Wallis
 Director



R C Evans
 Director

The notes on pages 13 to 32 form part of these financial statements.

Alcohols Limited
Registered number: 00547325

Company balance sheet
as at 31 December 2017


	Note	2017 £	2016 £
Fixed assets			
Intangible assets	13	5	5
Tangible assets	14	1,172,412	1,329,243
Investments	15	129,500	129,500
		<u>1,301,917</u>	<u>1,458,748</u>
Current assets			
Stocks	16	1,632,673	1,399,716
Debtors: amounts falling due within one year	17	4,281,764	3,751,977
Cash at bank and in hand	18	9,351,738	7,743,689
		<u>15,266,175</u>	<u>12,895,382</u>
Creditors: amounts falling due within one year	19	(4,967,934)	(4,462,074)
Net current assets		<u>10,298,241</u>	<u>8,433,308</u>
Total assets less current liabilities		<u>11,600,158</u>	<u>9,892,056</u>
Provisions for liabilities			
Deferred taxation	21	(171,627)	(188,923)
Net assets		<u>11,428,531</u>	<u>9,703,133</u>
Capital and reserves			
Called up share capital	23	1,000	1,000
Profit and loss account	24	11,427,531	9,702,133
		<u>11,428,531</u>	<u>9,703,133</u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on

24th May 2018



A J Wallis
 Director



R C Evans
 Director

The notes on pages 13 to 32 form part of these financial statements.

Alcohols Limited

Consolidated statement of changes in equity for the year ended 31 December 2017

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 January 2017	1,000	10,503,403	10,504,403
Profit for the year	-	2,354,586	2,354,586
Actuarial losses on pension scheme	-	(253,000)	(253,000)
Dividends: Equity capital	-	(250,000)	(250,000)
At 31 December 2017	1,000	12,354,989	12,355,989

Consolidated statement of changes in equity for the year ended 31 December 2016

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 January 2016	1,000	9,399,130	9,400,130
Profit for the year	-	1,588,273	1,588,273
Actuarial losses on pension scheme	-	(264,000)	(264,000)
Dividends: Equity capital	-	(220,000)	(220,000)
At 31 December 2016	1,000	10,503,403	10,504,403

The notes on pages 13 to 32 form part of these financial statements.

Alcohols Limited

**Company statement of changes in equity
for the year ended 31 December 2017**

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 January 2017	1,000	9,702,133	9,703,133
Profit for the year	-	2,228,398	2,228,398
Actuarial losses on pension scheme	-	(253,000)	(253,000)
Dividends: Equity capital	-	(250,000)	(250,000)
At 31 December 2017	1,000	11,427,531	11,428,531

**Company statement of changes in equity
for the year ended 31 December 2016**

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 January 2016	1,000	8,627,346	8,628,346
Profit for the year	-	1,558,787	1,558,787
Actuarial losses on pension scheme	-	(264,000)	(264,000)
Dividends: Equity capital	-	(220,000)	(220,000)
At 31 December 2016	1,000	9,702,133	9,703,133

The notes on pages 13 to 32 form part of these financial statements.

Alcohols Limited

Notes to the financial statements for the year ended 31 December 2017

1. General information

Alcohols Limited is a private company, limited by shares, incorporated and domiciled in England and Wales. The address of its registered office and principal place of business is Charringtons House, The Causeway, Bishop's Stortford, Hertfordshire, CM23 2ER. Details of the principal activity of the company are included in the directors report on page 1.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland (FRS 102) and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Group management to exercise judgment in applying the Group's accounting policies (see note 3).

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of comprehensive income in these financial statements.

2.2 Financial reporting standard 102 - reduced disclosure exemptions

The group has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102:

- the requirements of Section 4 Statement of Financial Position paragraph 4.12 (a)(iv);
- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 33 Related Party Transactions 33.1A

This information is included in the consolidated financial statements of W.H.Palmer & Co. (Industries) Limited as at 31 December 2017 and these financial statements may be obtained from Companies House.

2.3 Basis of consolidation

The consolidated financial statements present the results of Alcohols Limited and Trithin Products Limited ("the Group") as if they formed a single entity. The financial statements do not consolidate the accounts of the company's other subsidiary undertakings (as disclosed in Note 15 to these accounts) as they have all remained dormant during the year and any effect on the group accounts would be immaterial. Intercompany transactions and balances between group companies are eliminated in full.

2.4 Turnover

Turnover represents sales at invoiced amounts less value added tax or local taxes on sales. Turnover is recognised when the risks and rewards of owning the goods pass to the customer, which is generally on delivery.

**Notes to the financial statements
for the year ended 31 December 2017**

2. Accounting policies (continued)

2.5 Intangible assets

Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of the Group's share of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, Goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the Consolidated Statement of Comprehensive Income over its useful economic life.

2.6 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

The Group adds to the carrying amount of an item of fixed assets the cost of replacing part of such an item when that cost is incurred, if the replacement part is expected to provide incremental future benefits to the Group. The carrying amount of the replaced part is derecognised. Repairs and maintenance are charged to the Consolidated Statement of Comprehensive Income during the period in which they are incurred.

Depreciation is provided on the following basis:

Short term leasehold property	- over term lease
Plant & machinery	- 5%, 10%, 15%, 20% and 25% per annum
Motor vehicles	- 20%, 25% and 33 1/3% per annum
Fixtures & fittings	- 15%, 20% and 25% per annum

Depreciation on assets in the course of construction will not commence until the asset is ready for use.

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within 'Administrative expenses' in the Consolidated Statement of Comprehensive Income.

2.7 Operating leases: the Group as lessee

Rentals paid under operating leases are charged to the Consolidated Statement of Comprehensive Income on a straight line basis over the period of the lease.

2.8 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments in unlisted company shares, which have been classified as fixed asset investments as the Group intends to hold them on a continuing basis, are measured at cost less provision for impairment as fair value cannot be reliably measured. Provisions for impairment are recognised in the Consolidated Statement of Comprehensive Income for the period.

**Notes to the financial statements
for the year ended 31 December 2017**

2. Accounting policies (continued)

2.9 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis.

At each balance sheet date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in the Consolidated Statement of Comprehensive Income.

2.10 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 32 days.

2.11 Pensions

Defined contribution pension plan

The Group operates a defined contribution pension plan for its employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group has no further payments obligations.

The contributions are recognised as an expense in the Consolidated Statement of Comprehensive Income when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Group in independently administered funds.

Defined benefit pension plan

The Group operates a defined benefit pension scheme for certain employees and the pension charge is based on a full actuarial valuation dated 31 May 2017. A defined benefit plan defines the pension benefit that the employee will receive on retirement, usually dependent upon several factors including age, length of service and remuneration.

The surplus is not recognised in the Balance Sheet as there are no plans to recover it through reduced contributions or through refunds from the plan. The surplus is the fair value of the plan assets less the present value of the defined benefit obligation at the reporting date.

The defined benefit obligation is calculated using the projected unit credit method. Annually the Group engages independent actuaries to calculate the obligation. The present value is determined by discounting the estimated future payments using market yields on high quality corporate bonds that are denominated in sterling and that have terms approximating the estimated period of the future payments ('discount rate').

The fair value of plan assets is measured in accordance with the FRS 102 fair value hierarchy and in accordance with the Group's policy for similarly held assets. This includes the use of appropriate valuation techniques.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to Other Comprehensive Income. These amounts together with the return on plan assets, less amounts included in net interest, are disclosed as 'Remeasurement of net defined benefit liability'.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and fair value of plan assets. This cost is recognised in profit or loss as 'Other finance income'.

**Notes to the financial statements
for the year ended 31 December 2017**

2. Accounting policies (continued)

2.12 Financial instruments

The Group only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities such as trade and other amounts receivable and payable, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments that are payable or receivable within one year, typically trade payables or receivables, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be paid or received.

2.13 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is pounds sterling.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Consolidated Statement of Comprehensive Income except when deferred in other comprehensive income as qualifying cash flow hedges.

2.14 Dividends

Equity dividends are recognised when they become legally payable.

2.15 Taxation

Tax is recognised in the Profit and Loss Account, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case tax is also recognised in other comprehensive income or directly in equity respectively.

Current or deferred taxation assets and liabilities are not discounted.

Current tax

The current tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Group operates and generates income.

Deferred tax

Deferred tax arises from timing differences that are differences between taxable profits and total comprehensive income as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in the financial statements.

**Notes to the financial statements
for the year ended 31 December 2017**

2. Accounting policies (continued)

Deferred tax is recognised on all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the period end and that are expected to apply to the reversal of the timing difference.

3. Judgments in applying accounting policies and key sources of estimation uncertainty

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next year are addressed below:

Useful economic lives of tangible assets (Note 14)

The annual depreciation charge for tangible assets is sensitive to changes in the estimated useful economic lives and residual values of the assets. The useful economic lives and residual values are re-assessed annually. They are amended when necessary to reflect current estimates, based on technological advancement, future investments, economic utilisation and the physical condition of the assets. See Note 13 for the carrying amount of the property, plant and equipment and Note 2.6 for the useful economic lives for each class of assets.

Defined benefit pension scheme (Note 27)

The Group has obligations to pay pension benefits to certain employees. The cost of these benefits and the present value of the obligation depend on a number of factors including; life expectancy, salary increases, asset valuations and the discount rate on corporate bonds. Management estimates these factors in determining the net pension obligation in the balance sheet. The assumptions reflect historical experience and current trends. The deferred tax that arises as a result of the surplus in the year has not been recognised because the surplus is not going to result in a repayment of contributions or reduced future contributions.

Determination of lease classification

The Group have significant leases in place. The determination of classification of these leases between operating lease and finance lease requires a number of judgments to be made by management including; whether the ownership of the asset is transferred to the lessee by the end of the lease term, whether the lessee has the option to purchase the asset at a price that is expected to be sufficiently lower than the fair value at the date the option becomes exercisable for it to be reasonably certain, at the inception of the lease, that the option will be exercised, whether the present value of the minimum lease payments amounts to at least substantially all of the fair value of the leased asset at the inception of the lease and whether the leased assets are of such a specialised nature that only the lessee can use them without major modifications.

Alcohols Limited

Notes to the financial statements for the year ended 31 December 2017

4. Turnover

The whole of the turnover is attributable to the distillation of gin and the sourcing, packing and distribution of solvents and alcohol products.

Analysis of turnover by country of destination:

	2017 £	2016 £
United Kingdom	23,758,810	18,394,664
Rest of the world	5,091,202	4,390,702
	<u>28,850,012</u>	<u>22,785,366</u>

5. Operating profit

The operating profit is stated after charging/(crediting):

	2017 £	2016 £
Depreciation of tangible fixed assets	290,578	272,212
Exchange differences	(37,910)	(83,443)
Operating lease rentals	253,371	257,240
Defined contribution pension cost	62,972	59,821
	<u>568,941</u>	<u>505,830</u>

6. Auditors' remuneration

	2017 £	2016 £
Fees payable to the Group's auditor for the audit of the Group's annual financial statements	26,350	28,100
Fees payable to the Group's auditor in respect of:		
The auditing of accounts of associates of the company pursuant to legislation	5,400	5,400
	<u>31,750</u>	<u>33,500</u>

Alcohols Limited

Notes to the financial statements for the year ended 31 December 2017

7. Employees

Staff costs, including directors' remuneration, were as follows:

	2017 £	2016 £
Wages and salaries	1,833,970	1,825,520
Social security costs	207,848	205,394
Cost of defined contribution scheme	62,972	59,821
	<u>2,104,790</u>	<u>2,090,735</u>

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

	2017 No.	2016 No.
Administration and management	10	10
Operational, selling and distribution	44	44
	<u>54</u>	<u>54</u>

8. Directors' remuneration

	2017 £	2016 £
Directors' emoluments	319,717	333,871
Company contributions to defined contribution pension schemes	9,550	11,576
	<u>329,267</u>	<u>345,447</u>

During the year retirement benefits were accruing to 1 director (2016: 2) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £175,230 (2016: £171,844).

The annual accrued entitlement under defined benefit pension schemes in respect of the highest paid director amounted to £49,667 (2016: £49,877).

During the year retirement benefits were accruing to 1 director (2016: 1) in respect of defined benefit pension schemes.

Alcohols Limited

**Notes to the financial statements
for the year ended 31 December 2017**

9. Interest receivable

	2017 £	2016 £
Bank interest receivable	7,655	33,121
Other interest receivable	301	471
	<u>7,956</u>	<u>33,592</u>

10. Interest payable and similar charges

	2017 £	2016 £
Other interest payable	-	700
	<u>-</u>	<u>700</u>

11. Other finance income

	2017 £	2016 £
Net interest on defined benefit pension scheme	3,000	14,000
	<u>3,000</u>	<u>14,000</u>

12. Taxation

	2017 £	2016 £
Corporation tax		
Current tax on profits for the year	512,745	376,062
Adjustments in respect of previous periods	4,753	(4,785)
Total current tax	<u>517,498</u>	<u>371,277</u>
Deferred tax		
Origination and reversal of timing differences	(17,296)	134,923
Taxation on profit on ordinary activities	<u>500,202</u>	<u>506,200</u>

Alcohols Limited

Notes to the financial statements for the year ended 31 December 2017

12. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2016: lower than) the standard rate of corporation tax in the UK of 19.25% (2016: 20%). The differences are explained below:

	2017 £	2016 £
Profit on ordinary activities before tax	<u>2,854,788</u>	<u>2,094,473</u>
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19.25% (2016: 20%)	549,547	418,895
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	8,004	5,217
Depreciation in excess of capital allowances for year	8,452	5,639
Adjustments to tax charge in respect of prior periods	4,753	(4,785)
Book profit on chargeable assets	(1,253)	(782)
Pension contribution paid	(48,125)	(50,000)
Pension scheme finance income	(578)	(2,800)
Deferred tax movement	(17,296)	134,923
Other tax adjustments	(3,302)	(107)
Total tax charge for the year	<u>500,202</u>	<u>506,200</u>

Alcohols Limited

**Notes to the financial statements
for the year ended 31 December 2017**

13. Intangible assets

Group

**Goodwill
£**

Cost

At 1 January 2017 and at 31 December 2017

7,905

Net book value

At 31 December 2017

7,905

At 31 December 2016

7,905

Company

**Goodwill
£**

Cost

At 1 January 2017 and at 31 December 2017

5

Net book value

At 31 December 2017

5

At 31 December 2016

5

Alcohols Limited

Notes to the financial statements
for the year ended 31 December 2017

14. Tangible fixed assets

Group and Company

	Short term leasehold property £	Plant & machinery £	Motor vehicles £	Fixtures & fittings £	Assets in the course of construction £	Total £
Cost						
At 1 January 2017	161,579	2,926,180	470,438	149,727	117,000	3,824,924
Additions	-	78,424	46,775	14,539	-	139,738
Disposals	-	(949)	(45,711)	(615)	-	(47,275)
At 31 December 2017	161,579	3,003,655	471,502	163,651	117,000	3,917,387
Depreciation						
At 1 January 2017	135,350	1,985,020	259,934	115,377	-	2,495,681
Charge for the year on owned assets	2,967	174,704	98,372	14,535	-	290,578
Disposals	-	(949)	(39,720)	(615)	-	(41,284)
At 31 December 2017	138,317	2,158,775	318,586	129,297	-	2,744,975
Net book value						
At 31 December 2017	23,262	844,880	152,916	34,354	117,000	1,172,412
At 31 December 2016	26,229	941,160	210,504	34,350	117,000	1,329,243

Alcohols Limited

Notes to the financial statements for the year ended 31 December 2017

15. Fixed asset investments

Group

	Investments in subsidiary companies £	Unlisted investments £	Total £
Cost			
At 1 January 2017 and 31 December 2017	125,500	63,394	188,894
Impairment			
At 1 January 2017 and at 31 December 2017	5,000	62,394	67,394
Net book value			
At 31 December 2017	120,500	1,000	121,500
At 31 December 2016	120,500	1,000	121,500

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Class of shares	Holding	Principal activity
Alcohols (North West) Limited	100,000 Ordinary shares of £1 each	100 %	Dormant
Lang-Met Distillers Limited	25,000 Ordinary shares of £1 each	100 %	Dormant
Langley Distillery Limited	5,000 Ordinary shares of £1 each	100 %	Dormant
Trithin Products Limited	100 Ordinary shares of £1 each	100 %	Export of chemical products

All of the above subsidiary undertakings were registered in England and Wales.

The aggregate of the share capital and reserves as at 31 December 2017 for the subsidiary undertakings not consolidated were as follows:

	Aggregate of share capital and reserves £
Alcohols (North West) Limited	92,011
Lang-Met Distillers Limited	28,500
Langley Distillery Limited	-

Alcohols Limited

Notes to the financial statements for the year ended 31 December 2017

15. Fixed asset investments (continued)

Company

	Investments in subsidiary companies £	Unlisted investments £	Total £
Cost			
At 1 January 2017 and 31 December 2017	133,500	63,394	196,894
Impairment			
At 1 January 2017 and 31 December 2017	5,000	62,394	67,394
Net book value			
At 31 December 2017	128,500	1,000	129,500
At 31 December 2016	128,500	1,000	129,500

16. Stocks

	Group 2017 £	Group 2016 £	Company 2017 £	Company 2016 £
Finished goods and goods for resale	1,965,018	1,495,640	1,632,673	1,399,716

17. Debtors

	Group 2017 £	Group 2016 £	Company 2017 £	Company 2016 £
Trade debtors	4,413,476	3,579,515	3,964,028	3,437,172
Amounts owed by group undertakings	-	2,824	-	-
Other debtors	93,357	54,495	38,312	47,349
Prepayments and accrued income	279,424	267,456	279,424	267,456
	4,786,257	3,904,290	4,281,764	3,751,977

Alcohols Limited

Notes to the financial statements for the year ended 31 December 2017

18. Cash and cash equivalents

	Group 2017 £	Group 2016 £	Company 2017 £	Company 2016 £
Cash at bank and in hand	9,611,403	7,822,688	9,351,738	7,743,689

19. Creditors: Amounts falling due within one year

	Group 2017 £	Group 2016 £	Company 2017 £	Company 2016 £
Payments received on account	320,320	147,231	320,320	146,623
Trade creditors	2,684,586	1,593,069	2,349,645	1,563,471
Amounts owed to group undertakings	1,046,033	1,339,416	1,300,404	1,895,514
Corporation tax	262,853	161,451	232,778	154,081
Taxation and social security	157,339	180,652	157,339	180,652
Other creditors	75,892	-	75,892	-
Accruals and deferred income	589,856	566,121	531,556	521,733
	5,136,879	3,987,940	4,967,934	4,462,074

Alcohols Limited

Notes to the financial statements for the year ended 31 December 2017

20. Financial instruments

	Group 2017 £	Group 2016 £	Company 2017 £	Company 2016 £
Financial assets				
Financial assets that are debt instruments measured at amortised cost	4,506,833	3,636,834	4,002,340	3,484,521
Financial assets that are equity instruments measured at cost less impairment	1,000	1,000	1,000	1,000
	<u>4,507,833</u>	<u>3,637,834</u>	<u>4,003,340</u>	<u>3,485,521</u>
Financial liabilities				
Financial liabilities measured at amortised cost	(4,396,367)	(3,498,606)	(4,257,497)	(3,980,718)
	<u>(4,396,367)</u>	<u>(3,498,606)</u>	<u>(4,257,497)</u>	<u>(3,980,718)</u>

Financial assets measured at fair value through profit or loss comprise amounts owed by group undertakings and trade and other debtors which are included within 'Debtors' in note 17 of these accounts.

Financial assets that are equity instruments measured at cost less impairment comprise unlisted investments which are included within 'Fixed asset investments' in note 15 of these accounts.

Financial liabilities measured at amortised cost comprise of amounts owed to group undertakings, accruals and trade and other creditors which are included within 'Creditors: Amounts falling due within one year' in note 19 of these accounts.

21. Deferred taxation

Group and company

	2017 £
At beginning of year	188,923
Charged to the profit or loss	(17,296)
At end of year	<u>171,627</u>

The provision for deferred taxation is made up as follows:

	Group 2017 £	Group 2016 £	Company 2017 £	Company 2016 £
Accelerated capital allowances	<u>171,627</u>	<u>188,923</u>	<u>171,627</u>	<u>188,923</u>

Alcohols Limited

Notes to the financial statements for the year ended 31 December 2017

22. Parent company profit for the year

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Comprehensive Income in these financial statements. The profit after tax of the parent Company for the year was £2,228,398 (2016: £1,558,787).

23. Share capital

	2017 £	2016 £
Allotted, called up and fully paid		
1,000 Ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

24. Reserves

Share capital

This represents the nominal value of shares that have been issued by the company.

Profit & loss account

This reserve comprises all current and prior period retained profits and losses after deducting any distributions made to the company's shareholders.

25. Dividends

	2017 £	2016 £
Final dividends paid on equity capital of £250 (2016: £220) per share	<u>250,000</u>	<u>220,000</u>

26. Capital commitments

At 31 December 2017 the Group and Company had capital commitments as follows:

	Group 2017 £	Group 2016 £	Company 2017 £	Company 2016 £
Contracted for but not provided in these financial statements	<u>129,428</u>	<u>94,960</u>	<u>129,428</u>	<u>94,960</u>

Alcohols Limited

Notes to the financial statements for the year ended 31 December 2017

27. Pension commitments

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in employee owned independently administered funds. The pension cost charge represents contributions payable by the group to the fund and amounted to £62,972 (2016: £59,821). At the year end, £Nil (2016: £Nil) remained unpaid.

The Group also operates a defined benefit pension scheme. The overall expected return on assets is calculated as the weighted average of the expected returns on each individual asset class. The expected return on equities is the sum of inflation, the dividend yield, economic growth and investment expenses. The return on gilts and bonds is the current market yield on long term gilts and bonds. The expected return on property has been set equal to the expected return on equities less an allowance for liquidity. The expected return on other assets is broadly the current interest rate set by the Bank of England.

Reconciliation of present value of plan assets:

	2017 £	2016 £
Interest income	3,000	14,000
Actuarial gains/losses	(565,000)	(516,000)
Contributions	250,000	250,000
Derecognition of surplus	312,000	252,000
At the end of the year	-	-

Composition of plan assets:

	2017 £	2016 £
European equities	-	1,412,000
European bonds	-	2,683,000
Other	6,891,000	2,333,000
Total plan assets	6,891,000	6,428,000

The amounts recognised in profit or loss are as follows:

	2017 £	2016 £
Interest on obligation	3,000	14,000

Alcohols Limited

Notes to the financial statements for the year ended 31 December 2017

27. Pension commitments (continued)

Reconciliation of fair value of plan liabilities were as follows:

	2017 £	2016 £
Opening defined benefit obligation	6,403,000	5,497,000
Interest cost	170,000	199,000
Actuarial (gains)/losses	(65,000)	968,000
Benefits paid	(207,000)	(261,000)
Closing defined benefit obligation	6,301,000	6,403,000

Reconciliation of fair value of plan assets were as follows:

	2017 £	2016 £
Opening fair value of scheme assets	6,428,000	5,774,000
Expected return on assets	173,000	213,000
Actuarial gains/(losses)	247,000	452,000
Contributions by employer	250,000	250,000
Benefits paid	(207,000)	(261,000)
Closing fair value of plan assets	6,891,000	6,428,000

The cumulative amount of actuarial gains and losses recognised in the Consolidated statement of comprehensive income was £877,000 (2016: £768,000).

The Group expects to contribute at least £160,000 to its defined benefit pension scheme in 2018.

Principal actuarial assumptions at the balance sheet date (expressed as weighted averages):

	2017 %	2016 %
Discount rate at 31 December	2.50	2.70
Future salary increases	2.30	3.00
Future pension increases	3.30	3.10
CPI inflation	2.30	2.10
Price inflation	3.40	3.20
Mortality rates		
- for a male aged 65 now	23 years	23 years
- at 65 for a male aged 45 now	25 years	25 years
- for a female aged 65 now	25 years	25 years
- at 65 for a female member aged 45 now	26 years	27 years

Alcohols Limited

Notes to the financial statements for the year ended 31 December 2017

27. Pension commitments (continued)

Amounts for the current and previous four periods are as follows:

Defined benefit pension schemes

	2017 £	2016 £	2015 £	2014 £	2013 £
Defined benefit obligation	(6,301,000)	(6,403,000)	(5,497,000)	(5,620,000)	(5,188,000)
Scheme assets	6,891,000	6,428,000	5,774,000	5,719,000	5,551,000
Surplus	590,000	25,000	277,000	99,000	363,000
Experience adjustments on scheme liabilities	86,000	22,000	18,000	18,000	(3,000)
Experience adjustments on scheme assets	247,000	452,000	(188,000)	174,000	(2,000)

28. Commitments under operating leases

At 31 December 2017 the Group and the Company had future minimum property lease payments under non-cancellable operating leases as follows:

	Group 2017 £	Group 2016 £	Company 2017 £	Company 2016 £
Not later than 1 year	225,750	225,750	225,750	225,750
Later than 1 year and not later than 5 years	232,813	458,562	232,813	458,562
	458,563	684,312	458,563	684,312

29. Contingent liabilities

The group forms a VAT group with W.H.Palmer & Co.(Industries) Limited, the ultimate parent company, and as such is jointly and severally liable for any liabilities as they fall due. No provision has been made because the directors consider that all parties have the financial resources to meet the liability as it falls due and it is therefore unlikely that this company will incur any additional liability. The total VAT liability not recognised in the accounts is £Nil (2016: £Nil).

Alcohols Limited

Notes to the financial statements for the year ended 31 December 2017

30. Related party transactions

During the year, the company paid £9,000 (2016: £9,000) in respect of legal services to Simmon Stein, a partnership in which J Alton, a non-executive director of W.H.Palmer & Co.(Industries) Limited, was a consultant during the year. At the balance sheet date, no amounts were outstanding.

During the year the company paid £12,000 (2016: £8,000) to a non-executive director of Alcohols Limited for consultancy services. At the balance sheet date, no amounts were outstanding.

The company has made a loan to a director of W.H.Palmer & Co.(Industries) Limited. Loan repayments totalling £1,800 (2016: £900) have been made during the year. The total outstanding at the balance sheet date is £29,622 (2016: £31,121). Interest is charged at 1% per annum. During the year, interest of £301 (2016: £471) was charged.

During the year the company sold an asset, with net book value of £2,458, for proceeds of £3,000 to a connected person of a director of Trithin Products Limited, a subsidiary company. At the balance sheet date, no amounts were outstanding.

31. Ultimate parent undertaking and controlling party

The ultimated parent company is W.H.Palmer & Co. (Industries) Limited, a company registered in England and Wales.

Registered number:

Alcohols Limited

Detailed accounts

for the year ended 31 December 2017

Alcohols Limited

Company detailed profit and loss account for the year ended 31 December 2017

	2017 £	2016 £
Turnover	27,403,715	22,258,995
Cost of sales	(19,118,463)	(14,638,648)
Gross profit	8,285,252	7,620,347
Other operating income	50,000	20,000
	8,335,252	7,640,347
Less: overheads		
Selling and distribution expenses	(4,492,603)	(4,594,093)
Administrative expenses	(1,155,080)	(1,035,520)
Operating profit	2,687,569	2,010,734
Interest receivable	7,956	33,592
Interest payable	-	(700)
Other finance income	3,000	14,000
Profit for the year	2,698,525	2,057,626

Alcohols Limited

Schedule to the detailed accounts for the year ended 31 December 2017

	2017 £	2016 £
Turnover		
Sales - UK	23,806,715	18,400,043
Sales - Rest of world	3,597,000	3,858,952
	<u>27,403,715</u>	<u>22,258,995</u>
	2017 £	2016 £
Cost of sales		
Opening stocks	1,399,716	1,256,683
Closing stocks	(1,632,673)	(1,399,716)
Purchases	19,124,062	14,634,573
Commissions payable	72,682	54,689
Carriage and import duty	147,104	114,159
Light, heat and power	48,409	45,149
Difference on foreign exchange	(40,837)	(66,889)
	<u>19,118,463</u>	<u>14,638,648</u>
	2017 £	2016 £
Other operating income		
Fees receivable	<u>50,000</u>	<u>20,000</u>

Alcohols Limited

Schedule to the detailed accounts for the year ended 31 December 2017

	2017 £	2016 £
Selling and distribution expenses		
Salaries and wages	1,355,255	1,359,885
National insurance	143,138	150,898
Staff pension costs	39,144	33,097
Staff training	15,490	13,517
Rent	184,457	185,747
Rates	72,578	90,108
Insurance	231,378	233,847
Light and heat	49,947	51,906
Repairs & maintenance - premises	169,248	122,400
Repairs & maintenance - plant	275,786	591,664
Carriage outwards	1,397,768	1,353,127
Trailer maintenance	96,193	45,218
Travelling expenses	50,870	6,148
Entertaining	9,542	12,336
Sundry expenses	65,750	70,471
Depreciation on short leasehold	2,967	2,967
Depreciation on plant & machinery	174,704	155,537
Depreciation on fixtures & fittings	121	5,362
Depreciation on motor vehicles	53,643	-
Motor expenses	6,121	54,288
Printing, postage and stationery	33,916	18,313
Advertising	44,889	16,529
Telephone	17,275	20,728
HMRC guarantee	2,406	-
Bank charges	17	-
	4,492,603	4,594,093

Alcohols Limited

Schedule to the detailed accounts for the year ended 31 December 2017

	2017 £	2016 £
Administrative expenses		
Directors salaries	276,426	293,413
Directors national insurance	36,800	32,883
Directors pension costs	9,550	11,576
Staff salaries	202,289	172,222
Staff national insurance	27,910	21,613
Staff pension costs	14,278	15,148
Staff training	13,175	3,129
Pension costs	933	1,400
Motor running costs	31,457	19,987
Entertainment	9,379	13,554
Hotels, travel and subsistence	2,412	9,657
Printing and stationery	10,117	11,017
Telephone and fax	11,047	4,953
Advertising and promotion	15,472	6,394
Charitable donations	392	-
Legal and professional	124,330	108,249
Auditors' remuneration	26,350	28,100
Accountancy fees	5,301	7,097
Bank charges	11,393	9,381
Bad debts	(456)	5,117
Sundry expenses	33,247	29,652
Rent	68,914	71,493
Rates	28,868	20,005
Light and heat	1,890	2,897
Insurances	38,200	36,533
Repairs & maintenance - premises	10,048	3,221
Repairs & maintenance - equipment	49,291	23,407
Salcombe running costs	20,056	18,815
Depreciation on motor vehicles	44,729	43,335
Depreciation on fixtures & fittings	14,414	10,723
(Profit)/loss on sale of tangible assets	(6,509)	(3,908)
Management charges	14,025	4,457
PPE	9,352	-
	1,155,080	1,035,520

Alcohols Limited

Schedule to the detailed accounts for the year ended 31 December 2017

	2017 £	2016 £
Interest receivable		
Bank interest receivable	7,655	33,121
Other interest receivable	301	471
	<u>7,956</u>	<u>33,592</u>
	2017 £	2016 £
Interest payable		
Other interest - on overdue tax	-	(700)
	<u>-</u>	<u>700</u>
	2017 £	2016 £
Other finance income		
Interest on pension scheme liabilities	<u>3,000</u>	<u>14,000</u>