Aston Manor Limited

Annual report and consolidated financial statements

Registered number 01699439

For the year ended 31 December 2020

Contents

Strategic report

Strategic Management

The directors present their Strategic Report on the Group for the year ended 31 December 2020.

Principal activities and business review

The Group's principal activity continues to be that of the production of a range of alcoholic and non-alcoholic beverages, focussed on cider and perry, serving a diversified portfolio of customers across a variety of sales channels, with a range of branded, exclusive and private label products.

Vision and Mission

"To be recognised as the most professional cider led beverage company delivering sustainable success for our customers, our suppliers, and our business, firmly underpinned by progressive social and environmental responsibility" by "creating the highest quality products and providing excellent customer service through outstanding people and continuous investment in manufacturing capability with social and environmental responsibility at the heart of our actions."

Company Strategy

Following the acquisition of the company in August 2018 by Agrial S.A., the work in 2019 was focused on supporting integration and understanding between Aston Manor and its new owners. As ways of working and information flows became established the focus shifted to considering areas of synergy, opportunity and strategic development.

In particular, there has been collaborative work to consider future trends in the alcohol market covering drinks categories, packaging formats and other consumer preferences with a view to how Aston Manor and Agrial can participate in a sustainable and profitable way.

The onset of the Covid-19 pandemic in 2020 caused inevitable disruption to our day-to-day operations, as well as those of our customer base. The implications on the grocery sector have been well publicised in that whilst they continued to operate to "feed the nation" they had to work through the operational disruption created by unprecedented changes in consumer buying habits, most notably during the panic buying period but also subsequently as consumers adjusted to different short and medium term buying habits under social distancing guidelines, as well as managing staff absence levels that were above normal. As a supplier to the retail sector, we experienced a similar level of operational challenge. At the other end of the spectrum has been the extensive closure and operating restrictions placed on the hospitality sector the effects of which have been devastating.

Whilst our operations throughout 2020 were disrupted by the Covid-19 pandemic we have continued to make progress on our goals, including the launch of new alternative alcoholic and non-alcoholic products marking the start of our strategic development journey.

Contract packing is an important part of our business mix and as a strategic priority we continue to invest in this area of our business operations to provide excellent customer service.

We have invested in building our production capability and capacity to meet increased demand for flexible solutions across the broad spectrum of drink types alongside our customer focussed team members.

An important element of our support to our customers is to use our extensive industry insight and experience, coupled with being able to support different elements of the whole end to end process for the benefit of our customers. This enables them to find solutions through working with Aston Manor that support their product ambitions.

Business Environment

Cider Market

The cider market in the UK faced challenging trading conditions in no small part due to the impact of the Covid-19 pandemic.

During 2020, national and local restrictions closed some or all hospitality venues including pubs, bars and restaurants for several months.

Strategic Report *(continued)*

Business Environment *(continued)*

Cider Market *(continued)*

The loss of on-trade sales affected all drinks producers and the long-term impact remains unclear. The extended period without trading will place a strain on some outlets and businesses that they will not recover from. A period of contraction and consolidation in the hospitality sector is likely.

Whilst some alcohol sales lost in the on-trade shifted to the take home market, the overall picture for 2020 was lower alcohol sales and a different mix of business, combined with uncertainty and exceptional costs not anticipated.

Whilst the Off Trade continued to operate to "feed the nation" they experienced significant disruption to their operations due to changes in consumer buying habits both in the short and medium term which created unprecedented scenes of supermarket shelves being empty due to consumer panic buying, and in their ability to maintain normal day-to-day operations whether this be due to managing their own business disruption, managing increased staff absence levels, as well as the disruption to central functions moving to working from home. The operational disruption managed by this sector should not be underestimated.

As with all businesses who have continued operations during the pandemic, additional costs have been incurred which include measures to make places of work Covid-19 secure through the installation of screens, the provision of Personal Protective Equipment (PPE), increased sanitary measures and other changes to working practices and protocols.

All Aston Manor employees have continued to operate throughout the year in line with our company values and beliefs and this collective team effort has provided a solid foundation for the company to manage through the pandemic and remain in operational good health.

The investment made over several years means our production capability is significant, particularly in relation to being flexible and responsive to changing market conditions. This allied with the passionate 'can do' attitude and commitment of colleagues meant that production was maintained throughout all of 2020 and effective action was taken to mitigate the disruption experienced.

2020 also meant another full year of Minimum Unit Pricing (MUP) in Scotland and the introduction of the same policy in Wales with effect from 2 March 2020. The intention is that this measure will address the harmful drinking of a small minority.

As a whole population measure, we have considerable concerns as to the effectiveness of the approach. Despite the claims to the contrary it is certainly not targeted, nor is it in our view, proportionate to the problem – represented as it is by a small minority. This is amplified by the evidence of substitution as consumers switch between categories.

In line with our expectations, this has meant some displacement of cider sales to other categories. As we identified in advance of the introduction of MUP, it has also prompted a reduction in consumer choice.

On this and other issues of policy relevant to our business, Aston Manor is keen to see an informed and balanced debate around alcohol so that effective, targeted and proportionate approaches are implemented. In support of this work, we joined the Portman Group early in 2020. The Portman Group is the social responsibility body and regulator for the UK alcohol industry.

Aston Manor maintained strong business relationships throughout this period maintaining market share and engaging in key customer initiatives in the areas of responsibility and sustainability.

Procurement

Materials procurement and certainty around both quality and continuity of supply is essential at any time, though this has been brought into sharper focus during challenging times, as we experienced throughout most of 2020 as a result of the Covid-19 pandemic.

It was a focus for us to have regular senior level discussions with key suppliers so that we might anticipate and mitigate issues for the efficient manufacture of our products and therefore surety of supply to our customers.

This work continues and remains a strategic pillar of our operations to support the maintenance of efficient operations and the delivery of excellent customer service. The relationships we have with all our key stakeholders, suppliers and customers are important to how we work.

Strategic Report *(continued)*

Business Environment *(continued)*

Key Highlights

Key highlights for us during 2020 would include:

- A new canning line installed and commissioned whilst maintaining all other operations in the early period of the Covid-19 pandemic
- Through teamwork, customer focus and tenacity, the work to respond quickly and effectively to a different mix of business and changing customer requirements as a result of the Covid-19 pandemic
- Installation of a centrifuge at our fruit pressing facility during harvest to improve the quality of apple juice produced

Brexit

The uncertainty around Brexit continued throughout almost all of 2020, with the announcement of an agreed deal on Christmas Eve. As with other businesses and organisations, the prospect of a deal was certainly preferable to us than the alternative of no agreement and trade on World Trade Organization (WTO) terms.

As we trade in controlled goods, our experience since has been of minimal additional disruption in respect of moving goods out of Great Britain, some additional disruption in respect of moving materials into Great Britain and some evidence of increased transport costs. What is not known and is something we are monitoring, is the situation in relation to Northern Ireland as a result of their specific status. If there is divergence of the regulation between the UK and the European Union, then the treatment of products moving to and from Northern Ireland could be adversely affected.

Alcohol Duty

The Budget Statement in 2020 announced a freeze on alcohol duties, as had been the case with the 2019 Statement. This follows the introduction of a new mid-strength duty band for (still) cider and perry from 1 February 2019, a move announced in the 2018 Budget.

No further alcohol duty changes were introduced during 2020.

Manufacturing Standards

The company continues to be focused on improving manufacturing excellence across all manufacturing disciplines and sites, investing in facilities and rigorously implementing best practices. During 2020 a number of significant capital projects were realised including the installation of a new canning line at our Aston site. This and related work that included the installation of more storage tanks and changes to external areas to reduce vehicle movements represented capital investment of £6.6 million.

The new line at Aston has greatly enhanced our capability to pack different products in cans of different sizes and also different shape profiles. This supports the development of our own portfolio of products, the exclusive and private label drinks we package for customers, and further increases our capability as an expert contract packer. Worldwide travel restrictions delayed engineers being on site to support the work necessary to install and commission this major capital project. That the delay against the original plan was only five weeks given the considerable disruption of the Covid-19 pandemic is a testament to the good planning involved and the dedication of colleagues.

Further investment at our Cider Mill at Stourport-on-Severn meant the installation of a centrifuge. Commissioned during the very busy harvest period, this equipment removes particles in the pressed apple juice, improving quality and reducing potential issues later in the production and packaging stages.

2020 saw further external audits of our sites, including unannounced audits. Both Aston and Tiverton achieved AA* status (Tiverton with the highest rating available for the fifth year in a row). Our Stourport-on-Severn site remains rated as AA for the fourth year in a row which is the highest rating available due to the seasonal nature of this site's operations.

Our manufacturing excellence continues to drive our product quality forwards even when contending with the external disruption experienced during 2020, and with a 9.7% increase in the total manufactured number of units and a 6.9% increase in the total volume of liquid produced compared to 2019. For the year 2020, production quality meant only 0.6 complaints per million units produced, a result significantly better than the targets set by our customers.

Strategic Report *(continued)*

Business Environment *(continued)*

Manufacturing Standards *(continued)*

During 2020 we also continued work to introduce lean manufacturing and to increase OEE (overall equipment effectiveness). Investment in, and the installation of, software on our packaging lines has made real-time information available on equipment performance that enables operators and others to detect issues earlier and more precisely so that interventions are less disruptive, markedly improving performance. The quality of this management information is also supporting the analysis of performance over different time periods to drive improvement.

Award Winning Ciders

During the year Aston Manor was the recipient of a record number of twelve accolades at the World Cider Awards 2020 – by contrast no other UK cider maker received more than three. 'Malvern Gold' was recognised as the World's Best (still) Cider for an unprecedented third year in a row. Other awards were for the 'Friels' and 'Kingstone Press' brands covering both product quality and design.

In the same World Cider Awards, 'Écusson', a cider made by our sister company, Eclor, in France, also won a 'World's Best' accolade as well as two Gold and a Silver award. Both Aston Manor Cider and Eclor are part of the Drinks division of Agrial.

Reflecting business excellence as well as product quality, Aston Manor was recognised as the Best Large Manufacturer at the 'Made in the Midlands' Awards.

Fruit Pressing

2020 saw the sixth full season of fruit pressing at our Stourport-on-Severn Cider Mill. A new Site Manager continues the work to oversee investment in the pressing operation and action to deliver more optimum ways of working, whilst our orchards continue to supply increases in overall fruit tonnage.

The largest single day of operation recorded 403 tonnes of fruit processed, producing 303,000 litres of apple juice. Across the 12 week season, the average yield of juice from fruit pressed was 75.2%, an impressive conversation rate and ahead of the 72% target we set ourselves.

The Cider Mill is a riverside site and the extreme wet weather experienced in late February and early March 2020 meant it was subject to extensive flooding. This was outside of the harvest season, though was disruptive to operations. We have planned investment during 2021 to address this issue. Further investment intended will also improve how pomace (apple residue after pressing) is managed. As part of our work to increase sustainability, all the pomace produced during pressing is sent for anaerobic digestion to enable green energy production.

Sustainability

As part of our continued focus on environmental sustainability Aston Manor is a founding co-signatory to The UK Plastics Pact.

The UK Plastics Pact aims:

- By 2025, 100% use of plastic packaging to be reusable, recyclable or compostable
- By 2025, 70% of plastic packaging effectively recycled or composted
- By 2025, take actions to eliminate problematic or unnecessary single-use packaging items through re-design, innovation or alternative (reuse) delivery models
- By 2025, 30% average recycled content across all plastic packaging.

All of Aston Manor's large pack PET contains 51% recycled content saving over 1,000 tonnes of virgin material from entering the market annually. Recycled PET uses 60% less energy to be produced. We have also introduced a card pack machine to be used on multipack cans to remove the need for plastic shrink wrap or plastic can rings. We are also working with our packaging suppliers to identify other areas where recycled material can be used particularly on secondary and tertiary packaging.

Aston Manor continues to work with the Alcohol Education Trust, a charity that provides information and training to children and young adults so that they have an informed understanding of alcohol.

Strategic Report (*continued*)

Business Environment *(continued)*

Key performance indicators and results

Turnover for the year to 31 December 2020 amounted to £154 million (*2019: £137 million*). The Group is continuing to explore new export markets and new product formats, whilst at all times managing its cost base and its pursuit of manufacturing excellence.

EBITDA for the year amounted to £6.7 million (*2019: £6.2 million*). Net cash generated from operating activities amounted to £12.0 million *(2019: £1.9 million).*

The operating profit (EBIT) for the year amounted to £2.6 million *(2019: £2.6 million).*

The profit for the financial year amounted to £1.6 million *(2019: £1.9 million).*

The directors are pleased with the overall performance of the Group.

The financial position of the Group is shown in the Statement of Financial Position. The Group's cash flows and liquidity position are described in the Statement of Cash Flows.

Business Performance and Position

Our Brands and products

In line with our brand development plans, we have undertaken a number of initiatives in the year, with the re-branding of a number of our own brands, exclusive and private label brands.

We have also started along our diversification strategy with the development of two new products outside of our existing product ranges.

We have also started working with our customers on their MUP strategies albeit Covid-19 inevitably provided a disruption to plans in this area with customers.

Covid-19 provided significant disruption to our customer base in 2020, with product range development being put on hold to allow them to concentrate on operational issues. Nevertheless we have continued to innovate in readiness for the relaxation of restrictions in 2021 whereby we can return to a forward planning momentum with our customers to work with them on product range development opportunities.

Contract Packing

We recognise that contract packing customers want options and flexibility, they want to benefit from the knowledge and expertise that exists in an established operation like Aston Manor and they want to find it simple and easy to work with their preferred partner. It is our passion to continue to focus on all of these and our position in the market suggests we are making good progress.

The new canning line installed at Aston is evidence of our willingness to invest. It supports our own brands, private label business and contract packing. That a major project, reliant on engineers based around the World, was commissioned only five weeks late during a period of considerable disruption to travel and manufacturing operations as a result of the Covid-19 pandemic, is testament to excellent planning, great teamwork and the resilience of all involved.

This new line enables us to pack many different products in a range of sizes and profiles. We believed the demand for what this line was able to deliver would be strong and we have received a positive response from our existing, new and potential customers.

Capital investment

The Group continues to invest in expanding its production facilities at all our sites. In the year ended 31 December 2020, the Group invested £6.6 million in various capital projects to enhance our manufacturing capability and capacity. This investment included the installation and commissioning of a new canning line at Aston, a centrifuge at Stourport-on-Severn, and the installation of new software on our packaging lines to drive efficiency.

Strategic Report *(continued)*

Business Performance and Position *(continued)*

Cash flow

During the financial year ended 31 December 2020 we had a net cash inflow of £6.6 million *(2019: outflow of £1.3 million)*. Net cash generated from operating activities of £12.0 million was ahead of last year *(2019: £1.9 million)*. This has been driven by two key forces: extension of trade debtors (cash owed by our customers) coupled with a reduction in trade creditors (cash owed to our suppliers).

Research and Development

Product innovation remains a strategic priority for Aston Manor.

We work closely with our customers to identify opportunities for new products and product range extensions in line with both customer and consumer requirements. The Group have an established core team of staff who manage all product development projects through a rigorous stage and gate process, from minor labelling changes to brand new products.

The Group continues to invest in undertaking research and development activities to develop new beverage production processes and techniques, packaging processes and techniques. Our ambition to diversify beyond our core portfolio has been supported by the further strengthening of this team to support innovation and new liquid development.

Research and development costs of £0.2 million *(2019: £0.2 million)* have been charged to the statement of comprehensive income.

Principal risks and uncertainties

The cider industry is subject to the impact of the prevailing alcohol strategy of the UK Government. As an executive member of the foremost industry trade body, the National Association of Cider Makers ("NACM"), (of which our CEO Gordon Johncox is Chairman) the Group seeks to inform and positively contribute to the formation of government strategy as it applies to our industry.

As noted earlier, Minimum Unit Pricing (MUP) was implemented in Scotland in May 2018 and in Wales in March 2020. We continue to work with industry bodies, as well as customers and consumers to assess the impact that this legislation is having on alcohol consumption in both countries.

Our detailed analysis is that overall per capita consumption is not markedly different, though there is considerable substitution as consumers switch from one category to another, prompting increased revenues for (off-trade) retailers, though no additional revenue for the Exchequer. This feature and the flawed approach, in our opinion, of whole population measures to address the behaviour of a small minority effectively and proportionately is something we will continue to highlight at every opportunity.

The Group's exposure to the volatility of raw material costs is managed and mitigated through the arrangement of a series of short, medium and long-term supply contracts.

The Group uses financial instruments including cash, borrowings and receivables financing, the main purpose of which are to raise finance for its activities. It is the Group's policy not to enter trading of a speculative nature in respect of financial instruments.

Financial risk management

Price risk

The Group is exposed to price risk on its raw material purchases. The Group aims to purchase raw materials through a blend of short, medium and long-term supply contracts, reducing exposure to price volatility.

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations, resulting in financial loss to the Company. Management has a credit policy in place and exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all customers requiring credit, using information supplied by independent rating agencies where available. At the balance sheet date, there were no significant concentrations of credit risk.

The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the balance sheet.

Strategic Report (*continued*)

Business Performance and Position (*continued*)

Financial risk management (*continued*)

Taxation risk

As a producer of alcoholic beverages, the Group is exposed to the risk of rises in excise duty and associated legislation on its products. The Group's diverse portfolio of products does mitigate some of this risk, and in addition, the Group is represented at various trade bodies, and in particular is an executive member of the NACM.

Cash flow and liquidity risk

Liquidity risk is the risk that the Group may not be able to meet its financial obligations as they fall due. The Group ensures that there are sufficient levels of committed facilities, cash and cash equivalents such that the Group is, at all times, able to meet its financial commitments. Liquidity risk is managed by continuous monitoring of forecast and actual cash flows and matching the maturity profile of financial assets and liabilities. The Group has no significant interest-bearing assets and consequently, its income and cash flows are largely independent of changes in market interest rates. All interest-bearing borrowings comprising of bank overdrafts and bank loans have variable interest rates based upon the bank base rate and are therefore subject to fluctuations in such rates. Other loans have a fixed interest rate. The Group does not use interest rate swaps or other instruments to manage its interest rate exposure.

Social and Community

During the financial year ended 31 December 2020, we made donations to registered charities totalling £65,235 *(2019: £108,179)*.

We have maintained our strong relationship with GroceryAid – the national charity that helps people across the whole of the grocery industry – from the largest factory, through the supply chain, to the smallest store. GroceryAid operates a free 24/7 helpline which we promote to staff who want to seek some external advice and assistance in their lives.

Human Rights

At Aston Manor we strongly believe in ethical trading principles underlining everything that we do. All of our production sites are SEDEX (Supplier Ethical Data Exchange) approved. During the financial year ended 31 December 2020 our Tiverton site passed a SMETA (Sedex Members Ethical Trade Audit) audit.

Aston Manor has been a Stronger Together business partner for the last four years, promoting ethical standards across our staff in all business units.

People Strategy (including employee involvement and disabled employees)

The organisational values and behaviours we have at Aston Manor have become embedded in the period since we first articulated them. This, we believe, is as a result of our reference to them in relevant communication and because colleagues at all levels have demonstrated the values and behaviours in how they have responded to the challenges of 2020.

The Covid-19 pandemic will be mentioned a number of times given the scale of the impact felt in all areas of operation. As with other organisations, it has and continues to test the resilience of Aston Manor and the demonstration of values and behaviours has been key to our response for the benefit of colleagues, customers, suppliers and all other stakeholders.

In relation to the physical and mental wellbeing of all colleagues we continue to work with GroceryAid as our preferred partner for the provision of an Employee Assistance Programme (EAP). This is available, free, to all employees and their families and we are increasing the communication and visibility on our EAP and on access to support on any issue related to wellbeing more generally.

For the second year running, in 2020, we were recognised with a Gold Award by GroceryAid. This is their highest accolade and reflects Aston Manor's commitment to the work they do on behalf of the whole grocery sector.

In relation to the recruitment and development of colleagues, we have continued with a progressive plan to attract and retain outstanding and ambitious people. The introduction of a Referral Scheme rewards employees with a monetary payment for all recommended candidates that are recruited.

Strategic Report (*continued*)

Business Performance and Position *(continued)*

People Strategy (including employee involvement and disabled employees) *(continued)*

As a major element in our wish to develop the talent in our business and to provide opportunities for colleagues to continue to learn and grow, we have introduced a new Performance and Development Review (PDR) process. We are confident that this approach to performance management is fundamental to becoming a performance-driven, values-led organisation.

The rollout of the PDR process has been supported by training and awareness sessions and the creation of materials to guide the completion of the reporting that follows discussions all colleagues will have with their line manager throughout the year. Focused on outcomes, objectives set are linked to behavioural competencies aligned with those of the business.

Through the Apprenticeship Levy we actively consider how we can create opportunities for young people and address skills gaps across Aston Manor.

We continue to review and innovate our internal communication processes and channels in light of operational needs, including the move to remote working for many colleagues, and to support the achievement of organisational objectives. During a period of remote working, face to face updates to all staff on the company's operational and financial performance have moved online via email news updates, video messages from the Executive Leadership Team and the Chief Executive Officer.

The work on internal communication is ongoing and, reflecting our values, will consider how to maximise the impact of communication from the Executive Leadership Team, the feedback and challenge provided by all parts of the business, and the flows of information and communication between teams and colleagues across Aston Manor.

Our Chief Executive and other members of the Executive Leadership Team, observing social distancing and other protocols, regularly walk around production sites and engage informally with shop floor colleagues. The motivation to do this has increased since the start of the Covid-19 pandemic to hear first-hand from those working on site. All feedback given and suggestions made are seriously considered and as a result, several process improvements have been made.

Our salary rates are in line with prescribed National Living Wage requirements. We review both the salary levels and the total remuneration packages offered to ensure we are competitive in the employment sectors we operate in and we seek to be an employer of choice in both our industry and in the locations where we are based. We objectively assess the value of each role when considering recruitment, promotion and as part of the annual review process.

All managers involved in recruitment are trained on best practice, with a focus on ensuring equality and diversity. We recruit on merit and job-related skills and experience. For any person with a disability that is successful in a selection process, we will make reasonable adjustments and accommodate them where possible. This same principle is applied to internal training and development opportunities.

In the event that a colleague becomes disabled, we will make every effort to make reasonable adjustments to support their continued employment.

Covid-19 Pandemic

The global Covid-19 pandemic has been referenced throughout this report given the impact it has had in all areas of operations. This impact was evident throughout most of 2020 and is ongoing. We said in the Strategic Report for 2019 that the virus and the response to it would create disruption on a scale that many businesses have not experienced before, and this has been borne out.

For Aston Manor, as part of the food and drink industry, in line with UK Government guidelines we continued to operate. What has been at the heart of our response has been the health and wellbeing of colleagues and their families, as well as that of suppliers, customers and others we engage with.

A crisis management team was convened at the outset and still reviews and directs our actions. As well as the guidance produced by the UK Government, we have considered best practice and listened to colleagues to support their needs and to ensure we are vigilant in our compliance with protocols in place to be Covid-19 secure. It is a feature of our business, reflected in external recognition via independent audits, that we do have clear processes and protocols and we are very diligent in adhering to them. Though not surprised, the senior executives, are extremely proud of how

Strategic Report (*continued*)

Business Performance and Position *(continued)*

Covid-19 Pandemic ***(continued)***

colleagues have managed so well during a very difficult period. In demonstrating our company values, the response of people in all parts of Aston Manor has shown us at our best.

We are grateful to colleagues in Agrial for providing PPE at the outset of the pandemic, meaning we were always able to provide our teams with what they needed in whatever setting they were working in.

As mentioned previously in this report, the long-term impact resulting from deferred activities, events that were cancelled, the closure of the hospitality sector and the impact on businesses as a result, is not known. Though we are confident that our resilience, agility and ambition will mean that Aston Manor is well placed to be able to respond to future events and opportunities.

Section 172(1) Statement

The above content of the Strategic Report describes how the directors have had regard to the matters set out in section 172(1)(a) to (f) when performing their duty under section 172.

Approved by the board of directors on 15/7/2021 and signed on its behalf by:

Sarah Allcock
Head of Finance and Company Director

Directors' report

The directors present their annual report and the audited consolidated financial statements of the Group and Company for the year ended 31 December 2020.

Dividends (Group and Company)

No dividends were paid or proposed during the year *(2019: £Nil)*.

The Group's research and development activity is outlined in the Strategic Report.

Directors

The directors of the Company who were in office during the year and up to the date of signing the financial statements were as follows:

S Allcock
G Johncox
Y Jacobs
M Roubaud
L Spiers

Directors' third-party qualifying indemnity insurance was in place throughout the year and at the date of signing the financial statements for the benefit of all Company directors.

Financial risk management

The Group's financial risk management objectives are described in the Strategic Report on pages 6 and 7.

Employee engagement

The Group's employee engagement (People) strategy is described in the Strategic Report on pages 7 and 8.

Future Developments

In 2021 we will continue to invest in plant and equipment across all our facilities in line with the Group's strategic plans. This investment is geared towards the continuous improvement in the quality of our products and the efficiency of their production. Further, we will continue to make commercial investment into our brand portfolio.

Our multi-channel strategy enables us to participate in the strongest growing parts of the market. Aston Manor has historically operated almost exclusively within the UK market. Through our new group owners, Agrial S.A., we are exploring opportunities to consolidate and expand upon relationships outside of the UK as well as exploring the opportunities to sell products produced by the wider Group into the UK. The Group remains highly confident that the strong prospects for the business will be reflected in the financial results for 2021 and beyond.

Going Concern

The directors consider that the Group has sufficient available financial resources to continue as a going concern and that the Company is well placed to manage its business risks successfully. The global pandemic of Covid-19 has posed operational challenges to be managed and has had a limited impact on the company's financial position but does not change our overall assessment on going concern. As Aston Manor Limited operates in the food and drink sector it has been given key worker status by the UK Government and continues to trade and remains financially healthy.

The directors have reviewed current business performance and considered downside risk scenarios and have a reasonable expectation that the Group will remain profitable and cash generative and has adequate resources through a combination of cash and bank facilities. The bank facilities are renewed annually with facilities expiring in June 2021. The directors have undertaken discussions with the bank and have agreed terms to renew the bulk of the facilities through to June 2022. They have confidence that the remaining facilities will continue to be renewed at current levels and on acceptable terms to the Company. The Group therefore continues to adopt the going concern basis in preparing the annual report and financial statements.

Directors' report *(continued)*

Streamlined Energy & Carbon Reporting

The section below includes our first year of reporting under the new Streamlined Energy & Carbon Reporting requirements. The reporting period is the same as the Group's financial year, 1st January 2020 to 31st December 2020.

Organisation Boundary and Scope of Emissions

We have reported on all the emission sources required under the Companies Act 2006 (Strategic Report and Directors' Reports) Regulations 2018.

An operational control approach has been used to define our organisational boundary. This is the basis for determining the Scope 1, Scope 2 and Scope 3 emissions for which the Group is responsible.

Methodology

For the Group's reporting, the Group has employed the services of a specialist adviser to quantify and calculate the Greenhouse Gas (GHG) emissions associated with the Group's operations.

The following methodology was applied in the preparation and presentation of this data:

- the Greenhouse Gas Protocol published by the World Business Council for Sustainable Development and the World Resources Institute (the "WBCSD/WRI GHG Protocol");
- application of appropriate emission factors to the Group's activities to calculate GHG emissions;
- scope 2 reporting methods – application of location-based and market-based emission factors for electricity supplies;
- inclusion of all the applicable Kyoto gases, expressed in carbon dioxide equivalents, or CO_2e;
- presentation of gross emissions as the Group does not purchase carbon credits (or equivalents); and
- where data was missing, values were estimated using an extrapolation of available data or available benchmarks.

Absolute Emissions

The total Scope 1 and 2 GHG emissions from the Group's operations in the year ending 31st December 2020 were:

- **8,395.5** tonnes of CO_2 equivalent (tCO_2e) using a 'location-based' emission factor methodology for Scope 2 emissions; and
- **5,713.8** tonnes of CO_2 equivalent (tCO_2e) using a 'market-based' emission factor methodology for Scope 2 emissions.

Scope 1 emissions from onsite combustion of natural gas, fuels and fuels used in fleet/group-owned vehicles.
Scope 2 emissions from purchased electricity using the location-based and market-based method.
Scope 3 emissions from fuel for personal cars for business use.

Intensity Ratio

As well as reporting the absolute emissions, the Group's GHG emissions are reported below on the tonnes of CO_2 equivalent per hectolitre. This was decided as the most appropriate metric for the Group.

Directors' report (continued)

Streamlined Energy & Carbon Reporting (continued)

Intensity Ratio (continued)

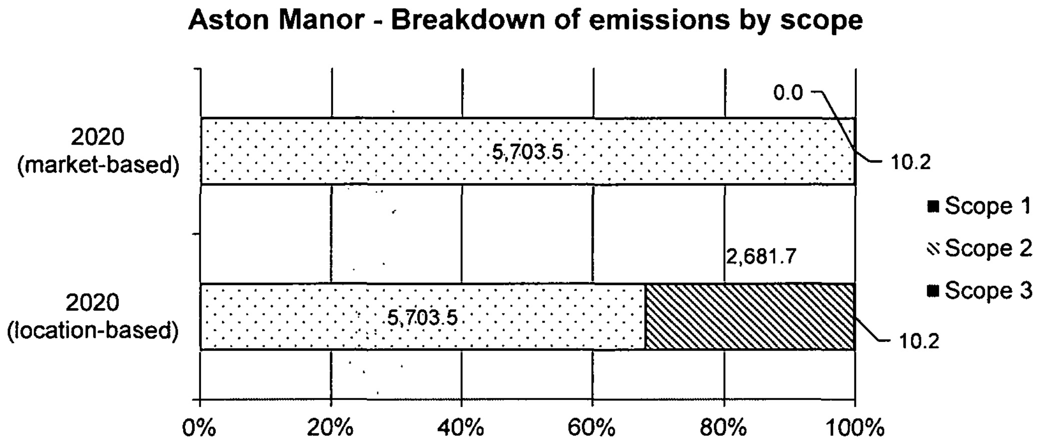
The intensity metric has been calculated as follows:

- 0.003 tCO_2e per hectolitre using the location-based method and 0.002 tCO_2e per hectolitre using the market-based method.

Target and Baselines

The Group's objective is to maintain or reduce its GHG emissions per hectare litre each year and will report each year whether it has been successful in this regard.

Key Figures



Strategic Report

GHG emissions	2020	
	Tonnes CO_2e	tCO_2e / Hectolitres [5]
Scope 1[1]	5,703.5	0.002
Scope 2[2]	2,681.7	0.001
Scope 2[3]	-	-
Sub-total (location-based)	**8,385.2**	**0.003**
Sub-total (market-based)	**5,703.5**	**0.002**
Scope 3 [4]	10.3	-
Total GHG emissions (Location-based)	**8,395.5**	**0.003**
Total GHG emissions (Market-based)	**5,713.8**	**0.002**

Total Energy Use

The total energy use for the Group for FY2020 was 35,964,511 kWh.

	2020						
	Electricity (kWh)	Gas (kWh)	LPG (kWh)	Gas oil (kWh)	Diesel (kWh)	Unknown fuel/car type (kWh)	Total Energy Use (kWh)
Electricity/fuel	11,502,741	4,016,442	2,574,879	7,649,881	-	-	25,743,943
Transport fuel	-	-	-	-	10,179,297	-	10,179,297
Mileage claim	-	-	-	-	-	41,271	41,271
TOTAL							**35,964,511**

Directors' report (continued)

Energy Efficiency Actions (continued)

A number of energy saving initiatives have been implemented in 2020. These include:

- Forklift trucks at Aston being changed to all electric instead of LPG canisters. These new batteries take less to charge and are cheaper to run.
- Across the two main warehouses, lighting has been switched to LED lighting which will result in significant energy saving and better lighting.
- For a new tunnel pasteuriser, the Group added an adiabatic chiller which uses ambient air to cool rather than more inefficient and costly energy solutions.

Statement of directors' responsibilities in respect of the financial statements

The directors are responsible for preparing the Annual Report and the consolidated financial statements in accordance with applicable law and regulation.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the Group and Company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law).

Under company law, 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 Group and Company and of the profit or loss of the Group and Company for that period. In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable United Kingdom Accounting Standards, comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and Company will continue in business.

The directors are also responsible for safeguarding the assets of the Group and Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group's and Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and Company and enable them to ensure that the financial statements comply with the Companies Act 2006.

Director's confirmations

In the case of each director in office at the date the Directors' Report is approved:

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

Directors' report (continued)

Independent Auditors

Pursuant to Section 487 of the Companies Act 2006, the auditors will be deemed to be re-appointed and PricewaterhouseCoopers LLP will therefore continue in office.

Approved by the board of directors on 15/7/2021 and signed on its behalf by:

Sarah Allcock
Head of Finance and Company Director

Deykin Avenue
Witton
Birmingham
B6 7BH

Independent auditors' report to the members of Aston Manor Limited

Report on the audit of the financial statements

Opinion

In our opinion, Aston Manor Limited's group financial statements and parent company financial statements (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 2020 and of the group's and parent company's profit and the group's cash flows for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland", and applicable law); and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual report and consolidated financial statements (the "Annual Report"), which comprise: the consolidated and company statements of financial position as at 31 December 2020; the consolidated and company statements of comprehensive income , the consolidated statement of cash flows, and the consolidated and company statements of changes in equity for the year then ended; and the notes to the financial statements, which include a description of the significant accounting policies.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We remained independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Conclusions relating to going concern

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and the parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the group's and the parent company's ability to continue as a going concern.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Reporting on other information

The other information comprises all of the information in the Annual Report other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

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 an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of 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 based on these responsibilities.

Independent auditors' report to the members of Aston Manor Limited (continued)

Reporting on other information ***(continued)***

With respect to the Strategic report and Directors' report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Strategic report and Directors' report

In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' report for the year ended 31 December 2020 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the group and parent company and their environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' report.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements

As explained more fully in the Statement of directors' responsibilities in respect of the financial statements, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view. The directors are also responsible for such internal control as they 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.

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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the group and industry, we identified that the principal risks of non-compliance with laws and regulations related to tax legislation, employment regulations, health and safety legislation and other legislation specific to the industry in which the Group operates such as environmental regulations and those relating to alcohol duties, and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as the Companies Act 2006. We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to fraudulent revenue recognition to overstate the performance of the Group and management bias in applying accounting estimates and judgements.. Audit procedures performed by the engagement team included:

- Discussions with management regarding laws and regulations, including inquiring about known or suspected instances of non-compliance with laws and regulations and about any instances of actual or alleged fraud
- Review of meeting minutes with the board and those charged with governance
- Inspection of documentation relating to laws and regulations including evidence of timely and accurate submission of VAT and PAYE returns
- Consideration of any changes to the control environment, including as a result of the Covid-19 pandemic
- Review of legal expenses during the year and up to the date of signing
- Identifying and testing journal entries impacting revenue with unexpected account combinations and journals posted by members of key management
- Incorporating unpredictability into the nature, timing and/or extent of our testing

Independent auditors' report to the members of Aston Manor Limited (continued)

Responsibilities for the financial statements and the audit *(continued)*

Auditors' responsibilities for the audit of the financial statements (continued)

- Assessing key judgements made by management for evidence of bias. Key judgements and estimates include useful economic lives of tangible assets, inventory provisioning, impairment of debtors and sales provisions. Our procedures included the review of accounting policies to ensure consistency year-on-year, review of management's assumptions, assessing the reliability of key reports used in developing estimates, look-back testing and reperformance of calculations.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

A further description of our responsibilities for the audit of the financial statements is located on the FRC's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditors' report.

Use of this report

This report, including the opinions, has been prepared for and only for the parent company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

Other required reporting

Companies Act 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- 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
- certain disclosures of directors' remuneration specified by law are not made; or
- the parent company financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Mark Kingsbury (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Birmingham
16 July 2021

Consolidated statement of comprehensive income
for the year ended 31 December 2020

	Note	**2020**	2019
		£	£
Turnover	*5*	**153,991,038**	137,310,137
Cost of sales		**(137,294,096)**	(121,463,867)
Gross profit		**16,696,942**	15,846,270
Distribution costs		**(8,738,418)**	(8,958,940)
Administrative expenses		**(5,452,964)**	(4,253,458)
Other operating income		**124,699**	-
Interest receivable and similar income	*8*	**134**	-
Group operating profit being profit before interest and taxation	*6*	**2,630,393**	2,633,872
Interest payable and similar expenses	*7*	**(172,440)**	(215,141)
Profit before taxation		**2,457,953**	2,418,731
Tax on profit	*10*	**(825,669)**	(568,560)
Profit for the financial year		**1,632,284**	1,850,171
Profit for the financial year attributable to:			
Owners of the parent company		**1,632,284**	1,850,171

All of the Group's operations are derived from continuing activities.

There are no items of other comprehensive income.

The notes on pages 25 to 45 form an integral part of these financial statements.

Company statement of comprehensive income

for the year ended 31 December 2020

	Note	2020 £	2019 £
Turnover	5	**153,991,038**	137,310,137
Cost of sales		**(137,901,292)**	(122,082,705)
Gross profit		**16,089,746**	15,227,432
Distribution costs		**(8,738,418)**	(8,958,939)
Administrative expenses		**(5,452,960)**	(4,253,458)
Other operating income		**124,699**	-
Company operating profit being profit before interest and taxation	6	**2,023,067**	2,015,035
Interest payable and similar expenses	8	**(221,754)**	(258,693)
Profit before taxation		**1,801,313**	1,756,342
Tax on profit	10	**(826,413)**	(309,891)
Profit for the financial year		**974,900**	1,446,451

All of the Company's operations are derived from continuing activities.

There are no items of other comprehensive income.

The notes on pages 25 to 45 form an integral part of these financial statements.

Consolidated statement of financial position
as at 31 December 2020

	Note	2020 £	2020 £	2019 £	2019 £
Fixed assets					
Intangible assets	11		-		-
Tangible assets	12		25,205,598		22,736,499
			25,205,598		22,736,499
Current assets					
Inventories	14	9,750,497		8,310,506	
Debtors	15	29,786,936		28,033,395	
Cash at bank and in hand		1,498,800		509,698	
		41,036,233		36,853,599	
Creditors: Amounts falling due within one year	16	(25,337,280)		(21,553,569)	
Net current assets			15,698,953		15,300,030
Total assets less current liabilities			40,904,551		38,036,529
Creditors: Amounts falling due after more than one year	17		(5,825,084)		(4,924,726)
Provisions for liabilities	19		(938,847)		(603,467)
Net assets			34,140,620		32,508,336
Capital and reserves					
Called up share capital	20		185,796		185,796
Share premium account			188,063		188,063
Other reserves			320,554		320,554
Profit and loss account			33,446,207		31,813,923
Total equity			34,140,620		32,508,336

The notes on pages 25 to 45 form an integral part of these financial statements.
These financial statements on pages 18 to 45 were approved and authorised for issue by the board of directors on 15/7/2021 and were signed on its behalf by:

Sarah Allcock
Head of Finance and Company Director

Registered number: 01699439

Company statement of financial position
as at 31 December 2020

	Note	2020 £	2020 £	2019 £	2019 £
Fixed assets					
Intangible assets	*11*		**-**		-
Tangible assets	*12*		**20,556,190**		18,116,112
Investments	*13*		**2**		2
			20,556,192		18,116,114
Current assets					
Inventories	*14*	**9,750,497**		8,310,506	
Debtors	*15*	**29,786,936**		28,105,177	
Cash at bank and in hand		**1,456,503**		467,399	
		40,993,936		36,883,082	
Creditors: Amounts falling due within one year	*16*	**(27,935,239)**		(23,643,440)	
Net current assets			**13,058,697**		13,239,642
Total assets less current liabilities			**33,614,889**		31,355,756
Creditors: Amounts falling due after more than one year	*17*		**(5,825,084)**		(4,924,726)
Provisions for liabilities	*19*		**(973,435)**		(589,560)
Net assets			**26,816,370**		25,841,470
Capital and reserves					
Called up share capital	*20*		**185,796**		185,796
Share premium account			**188,063**		188,063
Other reserves			**320,554**		320,554
Profit and loss account			**26,121,957**		25,147,057
Total equity			**26,816,370**		25,841,470

The notes on pages 25 to 45 form an integral part of these financial statements.
These financial statements on pages 18 to 45 were approved and authorised for issue by the board of directors on 15/7/2021 and were signed on its behalf by:

Sarah Allcock
Head of Finance and Company Director

Registered number: 01699439

Consolidated statement of cash flows
for the year ended 31 December 2020

	Note	2020 £	2020 £	2019 £	2019 £
Profit for the financial year		**1,632,284**		1,850,171	
Tax on profit	10	**825,669**		568,560	
Interest receivable and similar income		**(134)**		-	
Interest payable and similar expenses		**172,440**		215,141	
Profit before investment income, interest and taxation		**2,630,259**		2,633,872	
Adjustments for:					
Depreciation of tangible fixed assets	12	**4,072,912**		3,593,889	
Profit on disposal of tangible assets and investments		**(98,913)**		(28,450)	
Increase in stocks	14	**(1,439,991)**		(491,686)	
Increase in debtors	15	**(2,028,754)**		(2,298,672)	
Increase / (decrease) in creditors	16	**8,891,012**		(1,114,851)	
Cash generated from operations		**12,026,525**		2,294,102	
Income taxes paid		**(7,187)**		(365,277)	
Interest received	7	**134**		-	
Net cash generated from operating activities			**12,019,472**		1,928,825
Cash flows from investing activities					
Proceeds from sale of tangible fixed assets		**122,609**		28,450	
Purchases of tangible fixed assets		**(6,565,707)**		(3,599,429)	
Net cash used in investing activities			**(6,443,098)**		(3,570,979)
Cash flows from financing activities					
Receipt of unsecured loans	21	**1,267,960**		536,857	
Repayment of unsecured loans	21	**(114,922)**		-	
Interest paid	8	**(172,440)**		(215,141)	
Net cash generated from financing activities			**980,598**		321,716
Net increase / (decrease) in cash and cash equivalents			**6,556,972**		(1,320,438)
Cash and cash equivalents at beginning of year			**(5,173,469)**		(3,853,031)
Cash and cash equivalents at end of year	21		**1,383,503**		(5,173,469)

The notes on pages 25 to 45 form an integral part of these financial statements.

Consolidated statement of changes in equity
for the year ended 31 December 2020

	Called up share capital £	Share premium account £	Other reserves £	Profit and loss account £	Total equity £
At 1 January 2019	185,796	188,063	320,554	29,963,752	30,658,165
Profit for the financial year	-	-	-	1,850,171	1,850,171
Total comprehensive income for the year	-	-	-	1,850,171	1,850,171
At 31 December 2019	185,796	188,063	320,554	31,813,923	32,508,336
Profit for the financial year	-	-	-	1,632,284	1,632,284
Total comprehensive income for the year	-	-	-	1,632,284	1,632,284
At 31 December 2020	**185,796**	**188,063**	**320,554**	**33,446,207**	**34,140,620**

Called up share capital – represents the nominal value of shares that have been issued.

Share premium account – includes any premiums received on issue of share capital. Any transaction costs associated with the issuing of shares are deducted from share premium.

Other reserves – represents the nominal value of shares re-purchased by the Group.

Profit and loss account – includes all current and prior year retained profits and accumulated losses.

Company statement of changes in equity

for the year ended 31 December 2020

	Called up share capital £	Share premium account £	Other reserves £	Profit and loss account £	Total equity £
At 1 January 2019	185,796	188,063	320,554	23,700,606	24,395,019
Profit for the financial year	-	-	-	1,446,451	1,446,451
Total comprehensive income for the year	-	-	-	1,446,451	1,446,451
At 31 December 2019	185,796	188,063	320,554	25,147,057	25,841,470
Profit for the financial year	-	-	-	974,900	974,900
Total comprehensive income for the year	-	-	-	974,900	974,900
At 31 December 2020	**185,796**	**188,063**	**320,554**	**26,121,957**	**26,816,370**

Called up share capital – represents the nominal value of shares that have been issued.

Share premium account – includes any premiums received on issue of share capital. Any transaction costs associated with the issuing of shares are deducted from share premium.

Other reserves – represents the nominal value of shares re-purchased by the Company.

Profit and loss account – includes all current and prior year retained profits and accumulated losses.

Notes
(forming part of the financial statements)

1 Company information

Aston Manor Limited is a private company limited by shares, incorporated in England whose principal activity is the production of a range of alcoholic and non-alcoholic beverages.

The Company's registered office is Deykin Avenue, Witton, Birmingham, B6 7BH.

The Company operates across four sites:
- Head Office and National Distribution Centre – Deykin Avenue, Witton, Birmingham, B6 7BH
- Aston Production Site – 173 Thimble Mill Lane, Aston, Birmingham, B7 5HS
- Tiverton Production Site – Howden Road, Tiverton, Devon, EX16 5NU
- Stourport Production Site – Nelsons Wharf, Sandy Lane, Stourport-on-Severn, DY13 9QB

2 Statement of compliance

These financial statements have been prepared in accordance with applicable United Kingdom Accounting Standards, including Financial Reporting Standard 102 – 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' ('FRS 102') and the Companies Act 2006.

3 Summary of significant accounting policies

The principal accounting policies applied in the preparation of these consolidated and separate financial statements are set out below. These policies have been consistently applied in all years presented unless otherwise stated.

These financial statements have been prepared under FRS 102 and are presented in Sterling (£).

3.1 Basis of preparation

These consolidated and separate financial statements are prepared on a going concern basis, under the historical cost convention, as modified by the recognition of certain financial assets and liabilities at fair values.

3.2 Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiary undertakings made up to 31 December 2020. The acquisition method of accounting has been adopted. Under this method, the results of subsidiary undertakings are included in the consolidated statement of comprehensive income from the date of acquisition or up to the date of disposal. Uniform accounting policies are used throughout the Group. All intra-group transactions, balances, income and expenses are eliminated on consolidation.

3.3 Going concern

The Group's business activities, together with the factors likely to affect its future development, performance and position are set out in the business review in the strategic report. The financial position of the Group is shown in the statement of financial position. The Group's cash flows and liquidity position are described in the statement of cash flows. The borrowing facilities of the Group are described in note 18. In addition, the directors' report includes the Group's objectives towards its financial risk management and its exposures to credit and liquidity risks.

The directors consider that the Group has sufficient available financial resources to continue as a going concern and that the Company is well placed to manage its business risks successfully. The global pandemic of Covid-19 has posed operational challenges to be managed and has had a limited impact on the company's financial position but does not change our overall assessment on going concern. As Aston Manor Limited operates in the food and drink sector it has been given key worker status by the UK Government and continues to trade and remains financially healthy.

Notes *(continued)*

3 Summary of significant accounting policies *(continued)*

3.3 Going concern (continued)

The directors have reviewed current business performance and considered downside risk scenarios and have a reasonable expectation that the Group will remain profitable and cash generative and has adequate resources through a combination of cash and bank facilities. The bank facilities are renewed annually with facilities expiring in June 2021. The directors have undertaken discussions with the bank and have agreed terms to renew the facilities through to June 2022. They have confidence that the facilities will continue to be renewed at current levels and on acceptable terms to the Company. The Group therefore continues to adopt the going concern basis in preparing the annual report and financial statements.

3.4 Exemptions

FRS 102 allows a qualifying entity certain disclosure exemptions, subject to certain conditions, which have been complied with, including notification of, and no objections to, the use of exemptions by the Company's shareholders.

The Company has taken advantage of the following exemptions:

(i) From preparing a statement of cash flows, on the basis that it is a qualifying entity and the consolidated statement of cash flows, included in these financial statements, includes the Company's cash flows; and

(ii) From disclosing the Company Key Management Personnel compensation, as required by FRS 102 paragraph 33.7 as it is considered that there are no key management personnel.

3.5 Business combinations

Acquisitions of subsidiaries and businesses are accounted for using the purchase method. The cost of the business combination is measured at the aggregate of the fair values (at the date of exchange) of assets given, liabilities incurred or assumed, and equity instruments issued by the group in exchange for control of the acquired plus costs directly attributable to the business combination.

Any excess of the cost of the business combination over the acquirer's interest in the net fair value of the identifiable assets and liabilities is recognised as goodwill. If the net fair value of the identifiable assets and liabilities exceeds the cost of the business combination the excess is recognised separately on the face of the consolidated statement of financial position immediately below goodwill.

Positive goodwill is amortised to £nil by equal annual instalments over its estimated useful life of 4 years.

3.6 Investment in subsidiaries

The consolidated financial statements incorporate the financial statements of the company and entities (including special purpose entities) controlled by the group (its subsidiaries). Control is achieved where the group has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the year are included in total comprehensive income from the effective date of acquisition and up to the effective date of disposal, as appropriate using accounting policies consistent with those of the parent. All intra-group transactions, balances, income and expenses are eliminated in full on consolidation.

Investments in subsidiaries are accounted for at cost less impairment in the individual financial statements.

3.7 Tangible assets

Tangible assets are measured at cost (or deemed cost) less accumulated depreciation and any accumulated impairment losses.

Depreciation is calculated to write down the cost less estimated residual value of all tangible fixed assets, other than freehold land, over their expected useful lives, using the straight-line method as follows:

Freehold properties	-	40 years
Plant and machinery	-	4-10 years
Fixtures and fittings	-	3-10 years

Notes *(continued)*

3 Summary of significant accounting policies *(continued)*

3.7 Tangible assets (continued)

Properties held by the Group's investment property company, Aston Manor Freeholds Limited, are accounted for as freehold property held at cost in the Group statement of financial position where they are used by the Group.

Assets in the course of construction are not depreciated until they are available for use.

The carrying amount of any replacement component is derecognised. Major components are treated as separate assets where they have significantly different patterns of consumption of economic benefits and are depreciated separately over the useful life.

Repairs, maintenance and minor inspection costs are expensed as incurred.

3.8 Impairment of assets

At each reporting date non-financial assets not held at fair value are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared with its carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss. The recoverable amount of the asset is the higher of the fair value less costs to sell and value in use.

If an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

3.9 Inventories

Inventories are stated at the lower of cost, using the first in first out method, and selling price less costs to complete and sell. For work in progress and finished goods, cost is taken as production cost, which includes an appropriate proportion of attributable overheads. Provision is made for any foreseeable losses where appropriate.

Inventories are recognised as an expense in the period in which the related turnover is recognised.

3.10 Debtors

Short term debtors are measured at transaction price, less any impairment.

3.11 Creditors

Short term trade creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

3.12 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership of the leased asset to the Group. All other leases are classified as operating leases.

Assets held under finance leases are recognised initially at the fair value of the leased asset (or, if lower, the present value of minimum lease payments) at the inception of the lease. The corresponding liability to the lessor is included in the statement of financial position as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation using the effective interest method so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are deducted in measuring profit or loss. Assets held under finance leases are included in tangible fixed assets and depreciated and assessed for impairment losses in the same way as owned assets.

Rentals payable under operating leases are charged to profit or loss on a straight-line basis over the lease term, unless the rental payments are structured to increase in line with expected general inflation, in which case the Group recognises annual rent expense equal to amounts owed to the lessor.

Notes *(continued)*

3 Summary of significant accounting policies *(continued)*

3.13 Provisions for liabilities

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value using a pre-tax discount rate. The unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

3.14 Contingencies

Contingent liabilities are not recognised, except those acquired in a business combination. Contingent liabilities arise as a result of past events when (i) it is not probable that there will be an outflow of resources or that the amount cannot be reliably measured at the reporting date or (ii) when the existence will be confirmed by the occurrence or non-occurrence of uncertain future events not wholly within the Group's control. Contingent liabilities are disclosed in the financial statements unless the probability of an outflow of resources is remote.

Contingent assets are not recognised. Contingent assets are disclosed in the financial statements when an inflow of economic benefits is probable.

3.15 Financial instruments

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

(i) Financial assets

Basic financial assets, including trade and other receivables, cash and bank balances and investments, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest.

Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised 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 profit or loss.

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 amounts would have been had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Other financial assets, including investment in equity instruments which are not subsidiaries, are initially measured at fair value, which is normally the transaction price.

Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Financial assets are derecognised 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) despite having retained some significant risks and rewards of ownership, 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.

Notes *(continued)*

3 Summary of significant accounting policies *(continued)*

3.15 Financial instruments (continued)

(ii) Financial liabilities

Basic financial liabilities, including trade and other payables, bank loans, loans from fellow Group companies that are classified as debt, are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future receipts discounted at a market rate of interest.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. 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 amortised cost using the effective interest method.

Derivatives, including forward foreign exchange contracts, are not basic instruments.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate unless they are included in a hedging arrangement.

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

(iii) Offsetting

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

(iv) Hedging arrangements

The Group does not generally apply hedge accounting in respect of forward foreign exchange contracts held to manage the cash flow exposures of forecast transactions denominated in foreign currencies.

3.16 Taxation

Current tax is recognised as the amount of income tax payable in respect of the taxable profit for the current or past reporting periods using the tax rates and laws that have been enacted or substantively enacted by the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date, except as otherwise indicated.

Deferred tax assets are only recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

If and when all conditions for retaining tax allowances for the cost of a fixed asset have been met, the deferred tax is reversed.

Deferred tax is recognised when income or expenses from a subsidiary or associate have been recognised, and will be assessed for tax in a future period, except where:

- the Group is able to control the reversal of the timing difference; and
- it is probable that the timing difference will not reverse in the foreseeable future.

A deferred tax liability or asset is recognised for the additional tax that will be paid or avoided in respect of assets and liabilities that are recognised in a business combination. The amount attributed to goodwill is adjusted by the amount of deferred tax recognised.

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

Notes *(continued)*

3 Summary of significant accounting policies *(continued)*

3.17 Turnover

Turnover is measured at the fair value of the consideration received or receivable, net of discounts and value added taxes. Turnover includes revenue earned from the sale of goods and from the rendering of services. The Group recognises turnover when (a) the significant risks and rewards of ownership have been transferred to the buyer; (b) the Group retains no continuing involvement or control over the goods; (c) the amount of turnover can be measured reliably and (d) it is probable that future economic benefits will flow to the entity.

(i) Sale of goods

Turnover from the sale of goods is recognised when the significant risks and rewards of ownership of the goods has transferred to the buyer. This is usually at the point that the customer has signed for the delivery of goods.

3.18 Government grants

Government grants are recognised at fair value of the asset received or receivable when there is reasonable assurance that the grant conditions will be met and the grants will be received.

Government grants relating to turnover (such as the Coronavirus Job Retention Scheme) are recognised as income over the periods when the related costs are incurred.

3.19 Employee benefits

The Group provides a range of benefits to employees, including annual bonus arrangements and defined contribution pension plans.

(i) Short term benefits

Short-term employee benefits and contributions to defined contribution plans are recognised as an expense in the period in which the service is received.

(ii) Defined contribution pension plans

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 payment obligations. The contributions are recognised as an expense when they are due. Amounts not paid are shown in accruals in the balance sheet. The assets of the plan are held separately from the Group in independently administered funds.

(iii) Annual bonus plan

The Group operates annual bonus plans for employees. An expense is recognised in the Statement of Comprehensive Income when the Group has a legal or constructive obligation to make payments under the plans as a result of past events and a reliable estimate of the obligation can be made.

3.20 Foreign currency translation

The Group and Company's functional and presentation currency is pound sterling. In preparing the financial statements of the individual entities, transactions in currencies other than the functional currency of the individual entities (foreign currencies) are recognised at the spot rate at the dates of the transactions, or at an average rate where this rate approximates the actual rate at the date of the transaction. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

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 Statement of Comprehensive Income in the period in which they arise.

Notes *(continued)*

3 Summary of significant accounting policies *(continued)*

3.21 Exceptional items

The Group classifies certain one-off charges or credits that have a material impact on the Group's financial results as 'exceptional items'. These are disclosed separately to provide further understanding of the financial performance of the Group.

3.22 Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand. For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

3.23 Interest-bearing loans and borrowings

All interest-bearing loans and borrowings which are basic financial instruments are initially recognised at the present value of cash payable to the bank. After initial recognition they are measured at amortised cost using the effective interest rate method, less impairment.

3.24 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.

3.25 Distributions to equity holders

Dividends and other distributions to the Group's shareholders are recognised as a liability in the financial statements in the period in which the dividends and other distributions are approved by the shareholders. These amounts are recognised in the statements of changes in equity.

3.26 Related party transactions

The Group discloses transactions with related parties which are not wholly owned within the same Group. Where appropriate, transactions of a similar nature are aggregated unless, in the opinion of the directors, separate disclosure is necessary to understand the effect of the transactions on the Group financial statements.

4 Critical accounting judgements and estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

There are no critical accounting judgements.

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 financial year are addressed below.

i. Useful economic lives of tangible assets

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.

ii. Inventory provisioning

As the group's principal activity is the production of a range of alcoholic and non-alcoholic beverages it is necessary to consider the recoverability of the cost of inventory and the associated provisioning required. When calculating the inventory provision, management considers the nature and condition of the inventory, as well as applying assumptions around anticipated saleability of finished goods and future usage of raw materials.

Notes *(continued)*

4 Critical accounting judgements and estimation uncertainty *(continued)*

iii. Impairment of debtors

The Group makes an estimate of the recoverable value of trade and other debtors. When assessing impairment of trade and other debtors, management considers factors including the current financial viability of the debtor, the ageing profile of debtors and historical experience.

iv. Sales provisions

The Group recognises a refund provision for expected volume discounts payable to customers in relation to sales made until the end of the reporting period. These sales provisions require management's best estimate of the costs that will be incurred to satisfy the contractual requirements with customers.

5 Turnover

The turnover and profit before taxation are attributable to the one principal activity of the Group.

Turnover, analysed geographically between markets, was as follows:

Group and Company	**2020**	2019
	£	£
United Kingdom	**150,951,863**	135,286,968
Rest of Europe	**2,993,457**	1,859,996
Rest of World	**45,717**	163,173
	153,991,038	137,310,137

Notes *(continued)*

6 Group and company operating profit being profit before investment income, interest and taxation

	2020 £	2019 £
Operating profit is stated after charging/(crediting)		
Group – Depreciation:		
Owned tangible fixed assets	**4,072,912**	3,593,889
Company – Depreciation:		
Owned tangible fixed assets	**3,930,677**	3,462,727
Group		
Operating leases – land and buildings	**834,214**	629,056
Company		
Operating leases – land and buildings	**1,584,214**	1,379,056
Group and Company		
Foreign exchange (losses) / gains realised	**(192,429)**	92,195
Foreign exchange gains / (losses) unrealised	**3,639**	(4,470)
Research and development	**248,699**	189,420
Inventories recognised in cost of sales	**40,941,749**	35,195,566
Provisions for impairment of inventories	**(65,069)**	114,725
Provisions for impairment of trade debtors	**(51,101)**	65,378
Profit on sale of tangible assets	**(98,912)**	(28,450)
Government grants	**(124,699)**	-

	2020 £	2019 £
Auditor's remuneration:		
Fees payable for the audit of the consolidated annual financial statements	**69,125**	62,750
Fees payable to the Group's auditors and its associates for other services:		
Audit of financial statements of subsidiaries	**1,000**	1,000
Tax compliance services	**8,328**	8,148
Tax advisory services	**12,750**	11,500
Other services	**9,500**	5,500

7 Interest receivable and similar income

Group	2020 £	2019 £
Interest income		
Other interest income	**134**	-
	134	-

Notes *(continued)*

8 Interest payable and similar expenses

Group	**2020**	2019
	£	£
Bank loans and overdrafts	**161,309**	213,358
Unsecured loans	**11,131**	1,783
	172,440	215,141

Company		
Bank loans and overdrafts	**161,309**	213,358
Unsecured loans	**11,131**	1,783
Intra-group loans	**49,314**	43,552
	221,754	258,693

9 Directors and employees

	2020	2019
Group and Company staff costs during the year were as follows:	**£**	£
Wages and salaries	**11,667,702**	10,822,258
Social security costs	**1,116,074**	1,074,009
Other pension costs	**406,399**	352,313
	13,190,175	12,248,580

The company operates a stakeholder defined contribution pension scheme for the benefit of the employees and directors. The assets of the scheme are administered by an independent pension provider. Pension payments recognised as an expense during the year amount to £392,871 *(2019: £331,211)*. At 31 December 2020 £82,612 *(31 December 2019: £69,084)* was outstanding.

	Number of employees	
The monthly average number of employees of the Group and Company (including directors) during the year was:	**2020**	2019
Production	**200**	184
Distribution	**87**	91
Administrative	**43**	39
	330	314

Remuneration in respect of the directors was as follows:	**£**	£
Emoluments	**589,268**	601,326
Pension contributions to money purchase pension schemes	**13,622**	10,000
	602,890	611,326

Three company directors are employed by and remunerated by the company's parent group Agrial S.A, which makes no recharge to the company. These three directors are directors of the parent company and a number of fellow subsidiaries, and it is not possible to make an accurate apportionment of their remuneration in respect of each of the subsidiaries. Accordingly, the above details include no remuneration in their respect. Their total remuneration is included in the aggregate of directors' remuneration disclosed in the financial statements of the parent company.

Notes *(continued)*

9 Directors and employees *(continued)*

During the year 2 directors *(2019: 2)* participated in money purchase pension schemes. The aggregate emoluments (including benefits) of the highest paid director were £447,090 *(2019: £391,989)* and the Company made pension contributions of £Nil *(2019: £Nil)* on his behalf.

10 Tax on profit

Group

Analysis of charge for the year

	2020	2020	2019	2019
	£	£	£	£
UK corporation tax				
Current tax on income for the year	**607,544**		581,509	
Adjustments in respect of prior years	**(45,473)**		(47,526)	
Total current tax		**562,071**		533,983
Deferred tax (see note 19)				
Origination and reversal of timing differences	**(41,432)**		(79,763)	
Adjustments in respect of prior years	**242,761**		114,340	
Effects of change in tax status	**62,269**		-	
Total deferred tax		**263,598**		34,577
Tax on profit		**825,669**		568,560

Factors affecting the tax charge for the year

The tax assessed for the year is higher *(2019: higher)* than the standard rate of corporation tax in the UK of 19.00% *(2019: 19.00%)*. The differences are explained below:

	2020	2019
	£	£
Total tax reconciliation		
Profit before taxation	**2,457,953**	2,418,731
Current tax at 19.00% *(2019: 19.00%)*	**467,012**	459,559
Effects of:		
Expenses not deductible for tax purposes	**54,100**	32,804
Additional deduction for R&D expenditure	**45,000**	-
Adjustments in respect of prior years	**197,288**	66,814
Effects of changes in tax rates	**62,269**	9,383
Tax on profit	**825,669**	568,560

The aggregate current and deferred tax relating to items that are recognised as items of other comprehensive income is £Nil *(2019: £Nil)*.

In the Spring Budget 2020, the Government announced that from 1 April 2020 the corporation tax rate would remain at 19% (rather than reducing to 17%, as previously enacted in September 2016). This new law was substantively enacted on 17 March 2020. As the proposal to keep the rate at 19% was substantively enacted at 31 December 2020, its effects have been included in these financial statements. The impact of the tax rate change was to increase the deferred tax liability by £62,269.

Notes *(continued)*

10 Tax on profit *(continued)*

Company

Analysis of charge for the year

	2020 £	2020 £	2019 £	2019 £
UK corporation tax				
Current tax on income for the year	**476,500**		443,598	
Adjustments in respect of prior years	**(33,962)**		(47,526)	
Total current tax		**442,538**		396,072
Deferred tax (see note 19)				
Origination and reversal of timing differences	**(62,175)**		(91,273)	
Adjustments in respect of prior years	**376,690**		5,092	
Effects of changes in tax rates	**69,360**		-	
Total deferred tax		**383,875**		(86,181)
Tax on profit		**826,413**		309,891

Factors affecting the tax charge for the year

The tax assessed for the year is higher *(2019: lower)* than the standard rate of corporation tax in the UK of 19.00% *(2019: 19.00%)*. The differences are explained below:

	2020 £	2019 £
Total tax reconciliation		
Profit before taxation	**1,801,313**	1,756,342
Current tax at 19.00% *(2019: 19.00%)*	**342,250**	333,705
Effects of:		
Expenses not deductible for tax purposes	**27,075**	7,883
Additional deduction for R&D expenditure	**45,000**	-
Adjustments in respect of prior years	**342,728**	(42,434)
Effects of changes in tax rates	**69,360**	10,737
Tax on profit	**826,413**	309,891

The aggregate current and deferred tax relating to items that are recognised as items of other comprehensive income is £Nil *(2019: £Nil)*.

In the Spring Budget 2020, the Government announced that from 1 April 2020 the corporation tax rate would remain at 19% (rather than reducing to 17%, as previously enacted in September 2016). This new law was substantively enacted on 17 March 2020. As the proposal to keep the rate at 19% was substantively enacted at 31 December 2020, its effects have been included in these financial statements. The impact of the tax rate change was to increase the deferred tax liability by £69,360.

Factors that may affect future charges

In the Spring Budget 2021, the Government announced that from 1 April 2023 the Corporation tax rate will increase to 25%. Since the proposal to increase the rate to 25% had not been substantively enacted at the balance sheet date, its effects are not included in these financial statements. However, it is likely that the overall effect of the change would be immaterial, had it been substantively enacted by the balance sheet date. Deferred taxes at the balance sheet date have been measured using the enacted tax rate of 19% and reflected in these financial statements.

Notes *(continued)*

11 Intangible assets

Group and Company

	Goodwill
	£
Cost	
At 1 January 2020 and 31 December 2020	700,002
Accumulated amortisation	
At 1 January 2020	700,002
Charge for year	-
At 31 December 2020	700,002
Net book value	
At 31 December 2020	**-**
At 31 December 2019	-

12 Tangible assets

Group

	Freehold properties	Plant and machinery	Fixtures and fittings	Assets in course of construction	Total
	£	£	£	£	£
Cost					
At 1 January 2020	5,471,326	32,737,643	1,673,802	1,297,514	41,180,285
Additions	171,256	-	-	6,394,451	6,565,707
Transfers	-	6,389,749	996,526	(7,386,275)	-
Disposals	-	(337,257)	(520)	-	(337,777)
At 31 December 2020	5,642,582	38,790,135	2,669,808	305,690	47,408,215
Accumulated depreciation					
At 1 January 2020	850,940	16,536,733	1,056,113	-	18,443,786
Charge for the year	142,235	3,716,846	213,831	-	4,072,912
Disposals	-	(314,072)	(9)	-	(314,081)
At 31 December 2020	993,175	19,939,507	1,269,935	-	22,202,617
Net book value					
At 31 December 2020	**4,649,407**	**18,850,628**	**1,399,873**	**305,690**	**25,205,598**
At 31 December 2019	4,620,386	16,200,910	617,689	1,297,514	22,736,499

Tangible fixed assets with a carrying value of £Nil *(2019: £Nil)* are pledged as security for the Group's bank loans.

Notes *(continued)*

12 Tangible assets *(continued)*

Fixed assets stated at valuation

Aston Manor Freeholds Limited, Deykin Avenue, Witton, Birmingham B6 7BH, is an investment property company and has adopted the accounting policy under FRS102 amendment to hold freehold property at depreciated cost. All tangible fixed assets of Aston Manor Limited are held at cost. Any investment properties used within the Group are held at cost in the Group.

The carrying amount of freehold property comprises:

	Group		Company	
	2020	2019	**2020**	2019
	£	£	**£**	£
Freehold buildings	**833,657**	804,636	-	-
Freehold land	**3,815,750**	3,815,750	-	-
Total	**4,649,407**	4,620,386	-	-

Capital commitments

The Group and Company had capital commitments at 31 December 2020 of £Nil *(2019: £3,936,757).*

Assets held under finance leases

Included in the total Group and Company net book value of plant and machinery is £Nil *(2019: £Nil)* in respect of assets held under finance leases. Depreciation for the year on these assets was £Nil *(2019: Nil).*

Company

	Plant and machinery	Fixtures and fittings	Assets in course of construction	Total
	£	£	£	£
Cost				
At 1 January 2020	32,737,643	1,673,802	1,297,514	35,708,959
Additions	-	-	6,394,451	6,394,451
Transfers	6,389,749	996,526	(7,386,275)	-
Disposals	(337,257)	(520)	-	(337,777)
At 31 December 2020	38,790,135	2,669,808	305,690	41,765,633
Accumulated depreciation				
At 1 January 2020	16,536,734	1,056,113	-	17,592,847
Charge for the year	3,716,846	213,831	-	3,930,677
Disposals	(314,072)	(9)	-	(314,081)
At 31 December 2020	19,939,508	1,269,935	-	21,209,443
Net book value				
At 31 December 2020	**18,850,627**	**1,399,873**	**305,690**	**20,556,190**
At 31 December 2019	16,200,909	617,689	1,297,514	18,116,112

Notes *(continued)*

13 Investments

Company

	Shares in Group undertakings £
Cost and net book value	
1 January 2020 and 31 December 2020	2

The Directors believe that the carrying value of the investments is supported by their underlying net assets.

The principal undertakings in which the Group's interest at the year-end is more than 20.00% are as follows:

	Country of incorporation	Nature of business	Percentage of shares held	Class of shares
Subsidiary undertaking				
Aston Manor Freeholds Limited	England	Property investment company	100.00%	Ordinary

The registered office of Aston Manor Freeholds Limited is the same as that for Aston Manor Limited.

14 Inventories

	Group and Company 2020 £	2019 £
Raw materials	**5,686,654**	3,836,934
Work in progress	**1,304,112**	1,466,414
Finished goods	**2,759,731**	3,007,158
	9,750,497	8,310,506

There is no significant difference between the replacement cost of the inventory and its carrying amount. Inventories are stated net of provisions for impairment of £77,167 *(2019: £142,236)*.

15 Debtors

	Group 2020 £	Group 2019 £	Company 2020 £	Company 2019 £
Trade debtors	**28,397,575**	26,101,292	**28,397,575**	26,101,292
Corporation tax	**-**	275,213	**-**	346,995
Other debtors	**139,072**	78,506	**139,072**	78,506
Prepayments and accrued income	**1,250,289**	1,578,384	**1,250,289**	1,578,384
	29,786,936	28,033,395	**29,786,936**	28,105,177

There are no *(2019: Nil)* debtors due in more than one year. Trade debtors are stated net of provisions for impairment of £32,077 *(2019: £83,178)*.

Notes *(continued)*

16 Creditors: Amounts falling due within one year

	Group		Company	
	2020	2019	**2020**	2019
	£	£	**£**	£
Bank loans and overdrafts (secured – see note 18)	**115,297**	5,683,167	**115,297**	5,683,167
Trade creditors	**9,991,165**	8,505,667	**9,991,165**	8,505,667
Amounts owed to group undertakings	-	-	**2,640,905**	2,150,656
Other taxation and social security	**8,564,406**	2,533,310	**8,526,906**	2,496,217
Corporation tax	**231,580**	23,692	**226,136**	-
Other loans (unsecured – see note 18)	**359,777**	107,097	**359,777**	107,097
Accruals and deferred income	**6,075,055**	4,700,636	**6,075,053**	4,700,636
	25,337,280	21,553,569	**27,935,239**	23,643,440

The bank borrowings are secured by a fixed and floating charge on all of the Company's assets.

Amounts owed by group undertakings are due on demand, unsecured and interest bearing at 1.50% above the Bank of England base rate

17 Creditors: Amounts falling due after more than one year

	Group		Company	
	2020	2019	**2020**	2019
	£	£	**£**	£
Bank loans and overdrafts (secured – see note 18)	**4,494,966**	4,494,966	**4,494,966**	4,494,966
Other loans (unsecured – see note 18)	**1,330,118**	429,760	**1,330,118**	429,760
	5,825,084	4,924,726	**5,825,084**	4,924,726

18 Borrowings

	Group		Company	
	2020	2019	**2020**	2019
	£	£	**£**	£
Amounts in respect of receivables financing:				
Due within one year	-	5,683,167	-	5,683,167
Bank loans and overdraft:				
Due within one year	**115,297**	-	**115,297**	-
Due within one to two years	**4,494,966**	4,494,966	**4,494,966**	4,494,966
	4,610,263	4,494,966	**4,610,263**	4,494,966
Other loans				
Due within one year	**359,777**	107,097	**359,777**	107,097
Due within one to two years	**359,777**	107,097	**359,777**	107,097
Due within two to five years	**970,341**	322,663	**970,341**	322,663
	1,689,895	536,857	**1,689,895**	536,857
Total borrowings	**6,300,158**	10,714,990	**6,300,158**	10,714,990

Notes *(continued)*

18 Borrowings *(continued)*

Bank loans and overdrafts

The Group is engaged in a receivables financing arrangement with a commercial bank under which a loan facility is made available based on a calculation of the book debts of the company subject to an overall cap value. As at 31 December 2020, the maximum facility available was £15,500,000 *(2019: £15,500,000)*. Interest was charged at a rate of 1.25% above the Bank of England base rate.

The bank loans comprise a term loan of £4,500,000. The term loan is repayable on or before 31 January 2022. Interest on the term loan was charged at a rate of 1.25% above the Bank of England base rate.

Other Loans

Other loans comprise unsecured loans from Agrial Finance, a group company to the parent undertaking Agrial S.A. which are repayable over the loan term of five years in equal annual instalments. Interest is charged at the fixed rate of 1.5%.

19 Provisions for liabilities

Group

	Deferred Taxation	
	2020	2019
	£	£
At 1 January	603,467	640,672
Deferred tax credit to income statement for the year	(41,432)	(79,763)
Adjustment in respect of previous years	241,761	114,340
Effects of change in tax rates	62,269	-
Recognition of deferred tax asset	71,782	(71,782)
At 31 December	**938,847**	603,467

Company

	2020	2019
	£	£
At 1 January	589,560	675,741
Deferred tax credit to income statement for the year	(62,175)	(91,273)
Adjustment in respect of previous years	376,690	5,092
Effects of changes in tax rates	69,360	-
At 31 December	**973,435**	589,560

Deferred taxation provided for at 19% *(2019: 17.00%)* in the financial statements is set out below:

	Group		Company	
	2020	2019	**2020**	**2019**
	£	£	**£**	**£**
Accelerated capital allowances	**956,469**	567,625	**991,057**	603,027
Other timing differences	**(17,622)**	35,842	**(17,622)**	(13,467)
	938,847	603,467	**973,435**	589,560

The amount of the net reversal of deferred tax expected to occur next year is £Nil *(2019: £Nil)*, relating to the reversal of existing timing differences on tangible fixed assets.

Notes *(continued)*

20 Called up share capital

Group and Company	2020	2019
	£	£
Allotted, called up and fully paid:		
Ordinary shares		
185,336 *(2019: 185,336)* ordinary shares of £1 *(2019: £1)* each	**185,336**	185,336
"A" ordinary shares		
26,288 *(2019: 26,288)* "A" ordinary shares of £0.0175 *(2019: £0.0175)* each	**460**	460
31 December	**185,796**	185,796

Ordinary shares carry one voting right per share. "A" ordinary shares carry no voting rights. There are no restrictions on the distribution of dividends and the repayment of capital.

21 Cash and cash equivalents at end of year

Cash and cash equivalents

	Group		Company	
	At 31 December 2020	At 31 December 2019	**At 31 December 2020**	At 31 December 2019
	£	£	**£**	£
Cash at bank and in hand	**1,498,800**	509,698	**1,456,503**	467,399
Overdrafts	**(115,297)**	(5,683,167)	**(115,297)**	(5,683,167)
Cash and cash equivalents	**1,383,503**	(5,173,469)	**1,341,206**	(5,215,768)

Analysis of changes in net debt

	Group			
	At 1 January 2020	Cash flows	Non-cash movement	**At 31 December 2020**
	£	£	£	**£**
Net cash:				
Cash at bank and in hand	509,698	989,102	-	**1,498,800**
Overdrafts	(5,683,167)	5,567,870	-	**(115,297)**
	(5,173,469)	6,556,972	-	**1,383,503**
Debt:				
Due within one year	(107,097)	114,922	(367,602)	**(359,777)**
Due after one year	(4,924,726)	(1,267,960)	367,602	**(5,825,084)**
	(5,031,823)	(1,153,038)	-	**(6,184,861)**
Net debt	(10,205,292)	5,403,934	-	**(4,801,358)**

Notes *(continued)*

22 Financial instruments

	Group		Company	
	2020	2019	**2020**	2019
	£	£	**£**	£
Financial assets that are equity instruments measured at cost less impairment	**-**	-	**2**	2
Financial assets that are debt instruments measured at amortised cost				
Trade receivables	**28,397,575**	26,101,292	**28,397,575**	26,101,292
Other receivables	**139,072**	78,506	**139,072**	78,506
Financial liabilities measured at amortised cost				
Receivables financing	**-**	(5,683,167)	**-**	(5,683,167)
Bank loans and overdrafts	**(4,610,263)**	(4,494,966)	**(4,610,263)**	(4,494,966)
Unsecured loans	**(1,689,895)**	(536,857)	**(1,689,895)**	(536,857)
Trade creditors	**(9,991,165)**	(8,505,667)	**(9,991,165)**	(8,505,667)

Derivative financial instruments – Forward contracts

At 31 December 2020, the Group and Company had entered into forward foreign currency contracts. The maturity of all forward contracts at the year-end was less than twelve months. They are measured at fair value.

The notional principal amounts of the outstanding foreign currency forward contracts at 31 December 2020 were €3,350,000, at a contract value of £3,040,382.

Gains and losses on foreign currency forward contracts are recognised within cost of sales, as the forward contracts are utilised to mitigate foreign currency risk associated with purchases in currencies other than the Group's sterling functional currency.

	2020	2019
	£	£
Liabilities		
Foreign currency forward contracts	**27,251**	-

23 Leasing commitments

Future minimum operating lease payments are as follows:

Group

	Land and buildings	
	2020	2019
	£	£
Operating leases which expire:		
Within one year	**916,452**	647,056
Within two to five years	**3,237,717**	2,535,724
After five years	**3,667,285**	4,224,341
	7,821,454	7,407,121

Notes *(continued)*

23 Leasing commitments *(continued)*

Company

	2020	2019
	£	£
Operating leases which expire:		
Within one year	**1,666,452**	1,397,056
Within two to five years	**6,237,717**	5,535,724
After five years	**14,917,285**	16,224,341
	22,821,454	23,157,121

24 Transactions with related parties

Group and Company

Group and Company

	2020	2019 Restated
	£	£
Key management personnel compensation	**1,397,494**	1,244,189

During the year ended 31 December 2020 the Group has reassessed its definition of key management personnel and restated the key management personnel compensation for 2019 in line with the new definition.

G Friel is a director of Cool Apple Limited, a company registered in England. Cool Apple Limited is a supplier to Aston Manor Limited.

During the financial year ended 31 December 2020, Aston Manor Limited paid £35,307 *(2019: £99,644)* to Cool Apple Limited.

At 31 December 2020, Cool Apple Limited was owed £Nil by Aston Manor Limited (*2019: £25,858*).

During the financial years ended 31 December 2020 and 31 December 2019, Aston Manor Limited undertook transactions with fellow companies within the Agrial S.A. group as follows:

2020	Sales to	Purchases from	Loans from	Owed by	Owed to
	£	£	£	£	£
Agrial	-	947	-	-	947
CSR	84,578	1,959,980	-	20,478	325,403
Eclor Enterprises	-	506,856	-	-	40,751
Eclor Boissons	149,046	1,860,402	-	-	93,447
ETS Guillet Freres	321	58,183	-	-	1,881
Agrial Finances	-	29,578	1,153,038	-	2,249
Agrial Fresh Produce UK	-	62,640	-	-	47,520

2019	Sales to	Purchases from	Loans from	Owed by	Owed to
	£	£	£	£	£
Agrial	1,944	-	-	-	-
CSR	68,071	69,298	-	2,131	17,293
Eclor Enterprises	-	480,385	-	-	38,901
Eclor Boissons	47,891	2,498,993	-	9,855	167,477
ETS Guillet Freres	179	37,804	-	-	-
Agrial Finances	-	-	536,857	-	-
Agrial Fresh Produce UK	-	-	-	-	-

Notes *(continued)*

25 Financial risk management

The Group has exposure to four areas of risk – price, credit, taxation and cash flow & liquidity.

Price risk

The Group is exposed to price risk on its raw material purchases. The Group aims to purchase raw materials through a blend of long term, medium term and spot market contracts, reducing exposure to price volatility.

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations, resulting in financial loss to the Company. Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all customers requiring credit, using information supplied by independent rating agencies where available. At the financial year end, there were no significant concentrations of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position.

Taxation risk

As a producer of alcoholic beverages, the Group is exposed to the risk of rises in excise duty and associated legislation on its products. The Group's diverse portfolio of products does mitigate some of this risk, and in addition, the Group is represented at various trade bodies, and in particular is an executive member of the "National Association of Cider Makers" (NACM).

Cash flow and liquidity risk

Liquidity risk is the risk that the Group may not be able to meet its financial obligations as they fall due. The Group ensures that there are sufficient levels of committed facilities, cash and cash equivalents such that the Group is, at all times, able to meet its financial commitments. Liquidity risk is managed by continuous monitoring of forecast and actual cash flows and matching the maturity profile of financial assets and liabilities. The Group has no significant interest-bearing assets and consequently, its income and cash flows are largely independent of changes in market interest rates. All interest-bearing borrowings comprising of bank overdrafts and bank loans have variable interest rates based upon the bank base rate and are therefore subject to fluctuations in such rates. The Group does not use interest rate swaps or other instruments to manage its interest rate exposure.

26 Controlling parties

The ultimate parent company and ultimate controlling party is Agrial S.A., a Company incorporated in France, which owns 100% of the issued share capital of Aston Manor Limited.

Eclor Entreprises is the immediate parent undertaking and Agrial is the parent undertaking of the largest group of undertakings to consolidate these financial statements at 31 December 2020. The consolidated financial statements of Agrial S.A. are available from its registered office at 4 rue des Roquemonts, 14050 CAEN Cedex, France. Eclor Enterprises is the smallest group of undertakings to consolidate these financial statements at 31 December 2020. The consolidated financial statements of Eclor Enterprises are available from 20 rue Rouget de l'Isle, 92130 Issy-les-Moulineaux.