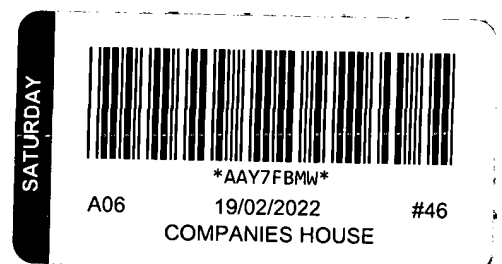

BERKMANN WINE CELLARS LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021



BERKMANN WINE CELLARS LIMITED

COMPANY INFORMATION

Directors	J K Berkmann - Founder President R A Berkmann - Chief Executive Officer A Levett - Chairperson (appointed 1 July 2021) N R Vimala-Raj - Finance Director A J Hunt C E Marshall F J McGuire W P Lowe
Company secretary	S J Clark
Registered number	02190816
Registered office	104d St John Street London EC1M 4EH
Independent auditors	Nexia Smith & Williamson Chartered Accountants & Statutory Auditor Portwall Place Portwall Lane Bristol BS1 6NA
Bankers	HSBC Bank plc Level 6 71 Queen Victoria Street London EC4V 4AY
Solicitors	Gregg Latchams Limited 6 Queen Square Bristol BS1 4JE

BERKMANN WINE CELLARS LIMITED

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BERKMANN WINE CELLARS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 MARCH 2021

The Directors present their report and the financial statements for the year ended 31 March 2021.

Results for the year and dividends

The loss for the year, after taxation, amounted to £1,200,903 (2020 - profit £935,312).

A dividend of £nil (2020 - £216,000) was paid in the year.

Directors

The Directors who served during the year were:

J K Berkmann - Founder President
R A Berkmann - Chief Executive Officer
W P Lowe - Chairman (resigned as chair 1 July 2021)
N R Vimala-Raj - Finance Director
A J Hunt
C E Marshall
B Ricard (resigned 29 June 2020)
E W J Martin (resigned 30 April 2021)
F J McGuire

Directors' responsibilities statement

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

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

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

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

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

BERKMANN WINE CELLARS LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021**

Greenhouse gas emissions, energy consumption and energy efficiency action

In this section of the report

- "tCO₂e" means tonnes of carbon dioxide equivalent
- "kWh" means kilowatt hours

	2021	2020
Revenue in £'m	44.53	78.39
The annual quantity of emissions in tCO ₂ resulting from activities in which the company purchased electricity	7.0	42.6
The annual quantity of emissions in tCO ₂ resulting from activities in which the company (i) consumed fuel for the purposes of transport or (ii) purchased gas for its own use	291.8	603.5
The annual quantity of energy consumed in kWh from activities for which the group was responsible (i) the purchase of electricity (ii) the combustion of gas and (iii) consumed fuel for the purpose of transport	1,287,929	2,754,945
The Company's annual emissions ratio tonnes of CO ₂ e per million £ of turnover	6.71:1	8.24:1

The consumption figures were calculated as follows:

The kWh resulting from purchase of electricity and the combustion of gas: Taken directly from third party supplier invoices and then converted to tCO₂e from current conversion factors published by The Department for Business, Energy and Industrial Strategy

Fuel for Purposes of Transport: Total cost of petrol or diesel fuel per vehicle was received from third party fuel card supplier. This was converted to litres and then converted again to tCO₂e from current conversion factors published by The Department for Business, Energy and Industrial Strategy

During the period, the company continued to pursue measures to improve the group's energy efficiency, including posting signage around office sites reminding staff to close doors and turn off lights where possible, beginning detailed monitoring of meter usage and continuing to refine our transport planning to increase the efficiency of deliveries. On top of this, we have invested in a new fuel-efficient fleet which uses Selective Catalytic Reduction to reduce emissions and improve fuel efficiency. These actions have helped us in achieving the Greenmark Level 1 certification, an internationally recognised environmental accreditation.

BERKMANN WINE CELLARS LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021**

Future developments

COVID-19 was declared a pandemic by the World Health Organisation on 11 March 2020. The core customer base of the group operates in the hospitality trade and as a result, the impact of the pandemic has been significant and a sharp decline in post year end revenue has been unavoidable. Management have taken advantage of various forms of government assistance, including furlough, HMRC payment deferrals and a CLBILS facility which has minimised the losses generated by the group in this period and has protected liquidity. Having been quick to address the cost base of the group and implement a number of cost saving measures, management remain confident in the future prospects of the group and a return to the level of profitability experienced in recent years

Disclosure of information to auditors


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

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

Auditors

The auditors, Nexia Smith & Williamson, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 28/01/2022 and signed on its behalf.


R A Berkmann (Jan 28, 2022 05:30 GMT+1)

.....
R A Berkmann
Director

BERKMANN WINE CELLARS LIMITED

STRATEGIC REPORT FOR THE YEAR ENDED 31 MARCH 2021

Berkmann Wine Cellars is the largest family-owned and family-run wine importer in the UK. Selling fine wine to restaurants since 1964 with an expertise that has grown organically alongside its outstanding portfolio, Berkmann recognises the power of strong marketing, providing support, advice, and bespoke training to help restaurants, gastropubs, hotels and bars provide an unbeatable wine experience for their customers.

A differentiation strategy summed up by the strapline 'the heart of hospitality' demonstrates how the business views itself: emotionally linked to the on-trade, with an opportunity to spread bonhomie whenever and wherever its wines are represented. This ethos was epitomised by the 'Help 4 Hospitality' campaign initiated during COVID-19 lockdown, where 200+ on-trade customers participated to raise £85k + for charity and the hard-hit hospitality sector.

From our origins in the restaurant business, our scale and reach now extends across all trade channels, bringing renowned Berkmann service and on-trade flair into the retail environment. Berkmann remains consistent in its approach to both the customers we supply and the producers we represent: to foster proactive, long-term partnerships and create mutual sustainable success.

As a leading player in such a diverse and complicated marketplace, Berkmann remains specialised in high-quality wine, thus avoiding the distraction of a composite business model, with a consistent dedication toward building brands, which it sees as the key to its long-term future.

BERKMANN WINE CELLARS LIMITED

STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

Business review

In any given year the UK wine market is a testing environment, but the unheralded shock of a national lockdown presented the industry and our organisation with its most significant challenge in many years.

The financial year commenced on 1st April amidst a full national lockdown, initiated by the UK government, in response to the COVID-19 pandemic. The cessation of trade had already been in effect since March; however, the business proactively adapted to the constantly changing environment and rules issued by government.

When the pandemic took effect, the organisation moved promptly and decisively to reduce all unnecessary cost. The board of directors convened weekly to review business performance and take appropriate action to protect our customer base whilst providing continuity of service.

- Staff were encouraged to work from home, in line with government guidelines. Significant investments were made in IT hardware to facilitate the smooth running of business from the home. Also, the business invested in Personal Protective Equipment (PPE) for its drivers and to make the office environment covid-secure for returning employees.
- Retention of our loyal customers remained paramount, through regular dialogue and constant reviews of credit agreements. In addition, a temporary waiver on minimum delivery quantity was implemented, with an impact on our cost to serve.
- A fluid and self-controlled distribution network matched to an exceptional geographical spread of customers enabled the business to capitalise fully on the 'Eat Out to Help Out' campaign.
- The rapid introduction of government furlough support allowed the business to keep its commercial capabilities intact for when restrictions lifted. The company did undertake some necessary restructuring that saw a reduction of headcount, but most of this contraction was due to outsourcing our London and York warehousing to London City Bond, as well as some employees reevaluating their career options and choosing to seek employment outside the wine trade.
- Careful husbandry of cash reserves, with the assistance of our loyal long-term brand partners, was paramount. The business also successfully applied for a CLBIL loan.

Despite the unparalleled market conditions, and impact on cost to serve, we still managed to offer unwavering support and unrivalled quality of service to the hospitality sector, which the board of directors believe to be essential to the long-term success of the business.

Understandably sales were significantly affected, decreasing by 44.1% to £44.5m, effectively returning the business to the scale it was in FY2008/09. However, the board of directors were heartened by the way all employees rallied to keep the trading loss down to £157k. The reported net loss of £1,453k includes two accounting adjustments: the fair-value loss on open FX contracts of £854k, and the deferral of gross profit from en primeur sales of £442k.

With a dogged focus on quality, service levels and delivering value, Berkmann continues to define a widening differential versus its competitor set. This differential is being further enhanced by investments in marketing and fine wine capability to increase added value, to inspire new customers and attract like-minded talent and exclusive producers to the business.

By continuing to invest despite market adversity, and remaining dedicated to brand building, Berkmann has made significant strides to increase market relevance, winning exclusive representation of two iconic producers and several more award-winning brands during lockdown. The company is set to meet future challenges with confidence.

BERKMANN WINE CELLARS LIMITED

STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 31 MARCH 2021

Key performance indicators

Given the straightforward nature of the business, the directors are of the opinion that analysis using KPIs, other than those disclosed in the financial statements, is not necessary for an understanding of the development, performance or position of the business.

Principal risks and uncertainties

The execution of the company's strategies is subject to a number of risks including competition, stock availability, foreign exchange movements and the challenging economic conditions.

Financial risk management objectives and policies

The financial risk management objectives of the company are set by the board of directors with a view to minimising exposure to price risk, exchange risk, credit risk, liquidity risk and cash flow risk. The use of forward foreign exchange contracts is considered to mitigate risk, subject to strict control of exposures.

Directors' statement of compliance with duty to promote the success of the Company

As the largest family-run wine importer in the UK, we have the benefit of being able to make decisions with a long-term view, thereby promoting success in a sustainable and ongoing manner. We recognise though that our current and future success is dependent upon building and maintaining relationships with all our stakeholders, who include:

Employees

Our greatest asset, successfully maintaining this relationship is the foundation on which our success is built. We ensure employees understand our values and strategy by hosting all new starters to a full-day induction with leaders from across the organisation. We have a flat corporate structure allowing excellent communication through all levels of management. We also ensure that 'People' is a regular topic at Board Meetings and are at the forefront of the Board's mind.

Customers

We aim to foster proactive, long-term partnerships and create sustainable mutual success with our customers. Our origins are in the restaurant business, so we understand and can provide all the support and service our customers need. We have many customers that we have worked with successfully for more than two decades.

Suppliers

The wineries we represent are just like us, progressive and fiercely independent. Many are family-run and hold the same core values that we do. We regularly meet and speak with our suppliers to both inform them of our progress as well as listening to their feedback and advice. As with our customers, we have strong and mutually beneficial relationships with numerous of our suppliers dating back to the 1990s.

Community and The Environment

As a distributor, a large part of our environmental impact is the importing and subsequent delivery of wines. We have worked to optimise our supply chain to minimise the number of shipments we make, and our delivery vehicles meet exacting EU emissions standards.


BERKMANN WINE CELLARS LIMITED

**STRATEGIC REPORT (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021**

This report was approved by the board on

28/01/2022

and signed on its behalf.


R A Berkmann (Jan 28, 2022 05:30 GMT+1)

R A Berkmann
Director

BERKMANN WINE CELLARS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BERKMANN WINE CELLARS LIMITED

Opinion

We have audited the financial statements of Berkmann Wine Cellars Limited (the 'company') for the year ended 31 March 2021 which comprise the Statement of income and retained earnings, Balance sheet, Statement of cash flows and the notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2021 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

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

Conclusions relating to going concern

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.

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 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.

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

BERKMANN WINE CELLARS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BERKMANN WINE CELLARS LIMITED (CONTINUED)

Other information

The other information comprises the information included in the Directors' report and financial statements, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the Director' report and financial statements. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. 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 course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 1, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

BERKMANN WINE CELLARS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BERKMANN WINE CELLARS LIMITED (CONTINUED)

Auditor's responsibilities for the audit of the financial statements

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

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.

We obtained a general understanding of the company's legal and regulatory framework through enquiry of management concerning their understanding of the relevant laws and regulations and the entity's policies and procedures regarding compliance. We also drew on our existing understanding of the company's industry and regulation. We understand that the Company complies with the framework through:

- The appointment of suitably qualified staff to ensure compliance with regulatory requirements;
- Outsourcing statutory accounts preparation, tax compliance and specialist legal services to external experts; and
- Making note of relevant updates from external experts, and updating internal procedures and controls as necessary as legal and regulatory requirements change.

In the context of the audit, we considered those laws and regulations which determine the form or content of the financial statements, which are central to the company's ability to conduct its business and where there is a risk that failure to comply could result in material penalties.

We identified the following laws and regulations as being of significance in the context of the company:

- The Companies Act 2006 and FRS 102 in respect of the preparation and presentation of the financial statements.

We performed the following specific procedures to gain evidence about compliance with the significant laws and regulations identified above:

- Discussions with responsible individuals whether any areas of significant non-compliance have arisen during the year; and
- Obtaining written management representations regarding the adequacy of procedures in place.

The senior statutory auditor led a discussion with senior members of the engagement team regarding the susceptibility of the company's financial statements to material misstatement, including how fraud might occur. The key areas identified as part of this discussion were the risk of manipulation of the financial statements through fraudulent journal entries, particularly as the size of the company means that there is little opportunity for segregation of duties.

The procedures we carried out to gain evidence in the above areas included:

- Testing a sample of manual journal entries, selected through applying specific risk assessments based on the company's processes and controls surrounding manual journal entries.

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

BERKMANN WINE CELLARS LIMITED

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BERKMANN WINE CELLARS LIMITED
(CONTINUED)

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Carl Deane

Carl Deane (Jan 31, 2022 16:13 GMT)

Carl Deane (Senior statutory auditor)

for and on behalf of

Nexia Smith & Williamson

Chartered Accountants & Statutory Auditor

Portwall Place

Portwall Lane

Bristol

BS1 6NA

Date:

31/01/2022

BERKMANN WINE CELLARS LIMITED

**STATEMENT OF INCOME AND RETAINED EARNINGS
FOR THE YEAR ENDED 31 MARCH 2021**


	Note	2021 £	2020 £
Turnover	3	44,534,842	78,388,250
Cost of sales		(37,019,168)	(62,365,110)
Gross profit		7,515,674	16,023,140
Administrative expenses		(10,833,366)	(14,546,346)
Other operating income		1,902,081	-
Operating (loss)/profit	5	(1,415,611)	1,476,794
Amounts written off investments		-	(200,000)
Interest payable and similar expenses	9	(37,576)	(6,253)
(Loss)/profit before tax		(1,453,187)	1,270,541
Tax on (loss)/profit	10	252,284	(335,229)
(Loss)/profit after tax		(1,200,903)	935,312
Retained earnings at the beginning of the year		10,864,381	10,145,069
		10,864,381	10,145,069
(Loss)/profit for the year		(1,200,903)	935,312
Dividends declared and paid		-	(216,000)
Retained earnings at the end of the year		9,663,478	10,864,381
The notes on pages 17 to 33 form part of these financial statements.			

BERKMANN WINE CELLARS LIMITED
REGISTERED NUMBER: 02190816

BALANCE SHEET
AS AT 31 MARCH 2021

	Note	2021 £	2020 £
Fixed assets			
Intangible assets	12	636,047	762,805
Tangible assets	13	4,440,914	4,609,774
Investments	14	110,003	50,003
		<u>5,186,964</u>	<u>5,422,582</u>
Current assets			
Stocks	15	12,435,235	12,915,202
Debtors: amounts falling due within one year	16	15,006,337	15,473,869
Cash at bank and in hand	17	739,083	800,007
		<u>28,180,655</u>	<u>29,189,078</u>
Creditors: amounts falling due within one year	18	(16,706,178)	(19,987,990)
Net current assets		<u>11,474,477</u>	<u>9,201,088</u>
Total assets less current liabilities		<u>16,661,441</u>	<u>14,623,670</u>
Creditors: amounts falling due after more than one year	19	(4,083,289)	(826,550)
Provisions for liabilities			
Deferred tax		(154,674)	(172,739)
Net assets		<u><u>12,423,478</u></u>	<u><u>13,624,381</u></u>
Capital and reserves			
Called up share capital	21	2,160,000	2,160,000
Share premium account	22	100,000	100,000
Other reserves	22	500,000	500,000
Profit and loss account	22	9,663,478	10,864,381
		<u><u>12,423,478</u></u>	<u><u>13,624,381</u></u>

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 28/01/2022


R A Berkmann (Jan 28, 2022 05:30 GMT+1)

R A Berkmann - Chief Executive Officer
Director



N R Vimala-Raj - Finance Director
Director

The notes on pages 17 to 33 form part of these financial statements.

BERKMANN WINE CELLARS LIMITED

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2021**

	2021 £	2020 £
Cash flows from operating activities		
(Loss)/profit for the financial year	(1,200,903)	935,312
Adjustments for:		
Amortisation of intangible assets	126,758	127,608
Depreciation of tangible assets	236,490	216,388
Impairments of fixed assets	-	200,000
Loss on disposal of tangible assets	(6,851)	-
Government grants	(1,902,081)	-
Interest paid	37,576	6,253
Taxation charge	(252,284)	335,229
Decrease in stocks	479,967	1,379,850
Decrease in debtors	215,765	1,813,185
Decrease in amounts owed by groups	251,767	-
Increase/(decrease) in creditors	2,726,668	(2,747,525)
Net fair value (gains) recognised in P&L	(281,373)	(214,868)
Corporation tax received/(paid)	4	(293,004)
Net cash generated from operating activities	431,503	1,758,428
Cash flows from investing activities		
Purchase of tangible fixed assets	(85,361)	(382,674)
Sale of tangible fixed assets	24,582	-
Purchase of unlisted and other investments	(60,000)	-
Net cash from investing activities	(120,779)	(382,674)
Cash flows from financing activities		
New secured loans	3,935,000	-
Repayment of loans	-	(165,000)
Dividends paid	-	(174,750)
Interest paid	(37,576)	(6,253)
Net cash used in financing activities	3,897,424	(346,003)
Net increase in cash and cash equivalents	4,208,148	1,029,751
Cash and cash equivalents at beginning of year	(5,735,120)	(6,764,871)
Cash and cash equivalents at the end of year	(1,526,972)	(5,735,120)
Cash and cash equivalents at the end of year comprise:		

BERKMANN WINE CELLARS LIMITED

STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE YEAR ENDED 31 MARCH 2021

	2021 £	2020 £
Cash at bank and in hand	739,083	800,007
Bank overdrafts	(2,266,055)	(6,535,127)
	<u>(1,526,972)</u>	<u>(5,735,120)</u>

BERKMANN WINE CELLARS LIMITED

**ANALYSIS OF NET DEBT
FOR THE YEAR ENDED 31 MARCH 2021**

	At 1 April 2020 £	Cash flows £	Other non- cash changes £	At 31 March 2021 £
Cash at bank and in hand	800,007	(60,924)	-	739,083
Bank overdrafts	(6,535,127)	4,269,072	-	(2,266,055)
Debt due after 1 year	(826,550)	250,143	(3,506,882)	(4,083,289)
Debt due within 1 year	(165,000)	(843,261)	165,000	(843,261)
	<u>(6,726,670)</u>	<u>3,615,030</u>	<u>(3,341,882)</u>	<u>(6,453,522)</u>

The notes on pages 17 to 33 form part of these financial statements.

BERKMANN WINE CELLARS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

1. Accounting policies

1.1 Basis of preparation of financial statements

Berkmann Wine Cellars Limited is a private limited company incorporated in England and Wales. The address of the registered office is 104d St John Street, London, EC1M 4EH.

The financial statements have been prepared under the historical cost convention in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the United Kingdom and the Republic of Ireland and the Companies Act 2006.

At the end of the year the company was under control of its parent company, incorporated in the United Kingdom, which prepares consolidated financial statements. As a result, in accordance with section 400 of the Companies Act 2006, the company is not required to produce, and has not produced consolidated financial statements.

The financial statements present information about Berkmann Wine Cellars Limited as an individual undertaking and not about its group.

1.2 Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 11 Financial Instruments paragraphs 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of Berkmann Family Holdings Limited as at 31 March 2021 and these financial statements may be obtained from 104d St John Street, London, EC1M 4EH.

1.3 Going concern

The trading results of Berkmann Wine Cellars Limited have suffered significantly since the year end as a direct result of COVID-19. While revenues have declined significantly, the impact on bottom line has been partially mitigated by the implementation of cost saving measures and utilisation of the furlough scheme. The liquidity of the company has also been protected through VAT, duty and payroll tax deferrals in addition to the drawdown of a £4.1m CLBILS facility through the company's primary lender.

Through the preparation of detailed cash flow forecasts which take into account the actions noted above, the directors are confident that the company has adequate available resources to continue in operation for the foreseeable future.

BERKMANN WINE CELLARS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

1. Accounting policies (continued)

1.4 Turnover

Turnover comprises revenue recognised by the company in respect of goods and services supplied during the year, exclusive of Value Added Tax and trade discounts.

Revenue due from En Primeur Sales to customers is recognised when the wine is made available to the customer. If this is in the subsequent year, the revenue is treated as deferred income on the balance sheet and the associated cost is accounted for as a supplier prepayment. At the point of availability, these balances are released to the profit and loss account.

1.5 Intangible assets

Goodwill arising on the acquisition of a business is capitalised as an intangible asset.

Amortisation is calculated so as to write off the cost of the asset, less its estimated residual value, over its economic life as follows:

Goodwill	- over 15 years
Trademarks	- over 10 years

1.6 Tangible fixed assets

Tangible fixed assets are stated at cost less depreciation.

Depreciation is provided on the following basis:

L/Term Leasehold Property	- over term of lease
Plant & equipment	- 10 - 25% straight line
Furniture, fittings and office equipment	- 10% straight line

Works of art are not being depreciated in the financial statements. In the opinion of the directors, the useful economic life of these assets is so long that any depreciation charge would be insignificant. Regular impairment reviews are carried out on these assets and should any impairment in value occur, full provision will be made in the financial statements.

1.7 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

Investments in unlisted Company shares, whose market value can be reliably determined, are remeasured to market value at each balance sheet date. Gains and losses on remeasurement are recognised in the Statement of income and retained earnings for the period. Where market value cannot be reliably determined, such investments are stated at historic cost less impairment.

1.8 Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow-moving items. Cost represents purchase costs, inclusive of import duties, freight and handling charges where appropriate.

BERKMANN WINE CELLARS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

1. Accounting policies (continued)

1.9 Financial instruments

Financial assets and financial liabilities are recognised in the balance sheet when the company becomes a party to the contractual provisions of the instrument.

Trade and other debtors and creditors are classified as basic financial instruments and measured at initial recognition at transaction price. Debtors and creditors are subsequently measured at amortised cost using the effective interest rate method. A provision is established when there is objective evidence that the company will not be able to collect all amounts due.

Cash and cash equivalents are classified as basic financial instruments and comprise cash in hand and at bank, short-term bank deposits with an original maturity of three months or less and an invoice financing facility which is an integral part of the company's cash management.

Derivative financial instruments are classified as other financial instruments. They are measured at fair value on initial recognition and at the end of each reporting period, with changes in fair value recognised in profit or loss.

Financial liabilities and equity instruments issued by the company are classified in accordance with the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs.

Interest bearing bank loans and other loans which meet the criteria to be classified as basic financial instruments are initially recorded at the present value of cash payable to the bank, which is ordinarily equal to the proceeds received net of direct issue costs. These liabilities are subsequently measured at amortised cost, using the effective interest rate method.

1.10 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of income and retained earnings in the same period as the related expenditure.

BERKMANN WINE CELLARS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

1. Accounting policies (continued)

1.11 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP.

Transactions and balances

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

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

1.12 Finance costs

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

1.13 Foreign currencies

Monetary assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the Balance Sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of the transaction. Exchange differences are taken into account in arriving at the operating result.

1.14 Dividends

Equity dividends are recognised when they become legally payable.

1.15 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the lease term.

1.16 Pensions

Defined contribution pension plan

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

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance sheet. The assets of the plan are held separately from the Company in independently administered funds.

BERKMANN WINE CELLARS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2021

1. Accounting policies (continued)

1.17 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

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

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

2. Judgements in applying accounting policies and key sources of estimation uncertainty

The preparation of the financial statements in conformity with FRS 102 requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the date of the financial statements. The areas where the most judgement is required are highlighted below:

Impairment of Assets

Property, plant and equipment, and goodwill are reviewed for impairment where events or changes in circumstance indicate that the carrying amount may not be recoverable. When a review for impairment is conducted, the recoverable amount of an asset or a cash-generating unit is determined based on value-in-use calculations driven by assumptions and estimates surrounding future performance.

Stock Valuation

Stock is valued at the lower of cost and net realisable value. Where stock is considered to be impaired, it is written down to net realisable value which requires management to make an assessment of the projected retail value of that item together with the costs expected to be incurred in achieving the sale.

Debtor Valuation

Trade debtors are assessed periodically by management for recoverability. Where a debtor balance is not considered recoverable in full, an estimate of the projected recovery is required.

BERKMANN WINE CELLARS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

3. Turnover

The turnover and results before tax are attributable to the principal activity of the company.

In the directors' opinion, disclosure of geographic analysis of turnover would be prejudicial to the company's interests and has therefore been omitted.

4. Other operating income

	2021 £	2020 £
Government grants receivable	1,902,081	-
	<u>1,902,081</u>	<u>-</u>

The above reflects amounts recovered under the Government's Coronavirus Job Retention Scheme.

5. Operating (loss)/profit

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

	2021 £	2020 £
Depreciation of tangible fixed assets	236,490	216,388
Amortisation of intangible assets, including goodwill	126,756	127,608
Exchange differences	572,725	(501,461)
Defined contribution pension cost	259,398	289,240
Government grants	(1,902,081)	-
	<u>(1,902,081)</u>	<u>-</u>

6. Auditors' remuneration

	2021 £	2020 £
Fees payable to the Company's auditor and its associates for the audit of the Company's annual financial statements	36,000	35,000
	<u>36,000</u>	<u>35,000</u>

The Company has taken advantage of the exemption not to disclose amounts paid for non audit services as these are disclosed in the group accounts of the parent Company.

BERKMANN WINE CELLARS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

7. Employees

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

	2021 £	2020 £
Wages and salaries	6,578,463	8,916,437
Social security costs	744,814	877,210
Cost of defined contribution scheme	259,398	289,240
	<u>7,582,675</u>	<u>10,082,887</u>

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

	2021 No.	2020 No.
Sales, distribution and administration	<u>166</u>	<u>207</u>

8. Directors' remuneration

	2021 £	2020 £
Directors' emoluments	1,257,713	1,714,529
Company contributions to defined contribution pension schemes	71,404	72,177
	<u>1,329,117</u>	<u>1,786,706</u>

During the year retirement benefits were accruing to 7 Directors (2020 - 7) in respect of defined contribution pension schemes.

The highest paid Director received remuneration of £405,957 (2020 - £486,433).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid Director amounted to £NIL (2020 - £NIL).

9. Interest payable

	2021 £	2020 £
Bank interest payable	37,576	6,253
	<u>37,576</u>	<u>6,253</u>

BERKMANN WINE CELLARS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

10. Taxation

	2021 £	2020 £
Corporation tax		
Current tax on profits for the year	-	261,717
Adjustments in respect of previous periods	(234,219)	10,870
	<u>(234,219)</u>	<u>272,587</u>
Total current tax	<u>(234,219)</u>	<u>272,587</u>
Deferred tax		
Origination and reversal of timing differences	(17,951)	50,218
Changes to tax rates	(114)	12,424
	<u>(18,065)</u>	<u>62,642</u>
Total deferred tax	<u>(18,065)</u>	<u>62,642</u>
Taxation on (loss)/profit on ordinary activities	<u><u>(252,284)</u></u>	<u><u>335,229</u></u>

BERKMANN WINE CELLARS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

10. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2020 - *higher than*) the standard rate of corporation tax in the UK of 19% (2020 - 19%). The differences are explained below:

	2021 £	2020 £
(Loss)/profit on ordinary activities before tax	(1,453,187)	1,270,541
(Loss)/profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020 - 19%)	(276,106)	241,403
Effects of:		
Expenses not deductible for tax purposes	7,222	62,136
Utilisation of tax losses	234,333	-
Adjustments to tax charge in respect of prior periods	(234,219)	10,870
Fixed asset differences	12,892	12,892
Other differences leading to an increase (decrease) in the tax charge	(114)	(4,496)
Remeasurement of deferred tax for change in tax rates	-	12,424
Other permanent differences	3,708	-
Total tax charge for the year	(252,284)	335,229

Factors that may affect future tax charges

The main rate of corporation tax is expected to remain unchanged.

11. Dividends

	2021 £	2020 £
Dividends paid on equity capital	-	216,000
	-	216,000

BERKMANN WINE CELLARS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

12. Intangible fixed assets

	Trademarks £	Goodwill £	Total £
Cost			
At 1 April 2020	76,980	2,466,865	2,543,845
At 31 March 2021	<u>76,980</u>	<u>2,466,865</u>	<u>2,543,845</u>
Amortisation			
At 1 April 2020	56,304	1,724,736	1,781,040
Charge for the year on owned assets	3,070	123,688	126,758
At 31 March 2021	<u>59,374</u>	<u>1,848,424</u>	<u>1,907,798</u>
Net book value			
At 31 March 2021	<u>17,606</u>	<u>618,441</u>	<u>636,047</u>
At 31 March 2020	<u>20,676</u>	<u>742,129</u>	<u>762,805</u>

BERKMANN WINE CELLARS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

13. Tangible fixed assets

	L/Term Leasehold Property £	Plant & equipment £	Furniture, fittings and office equipment £	Works of art £	Total £
Cost or valuation					
At 1 April 2020	3,799,758	1,170,356	420,497	69,250	5,459,861
Additions	-	30,454	54,907	-	85,361
Disposals	-	(113,620)	(6,562)	-	(120,182)
At 31 March 2021	3,799,758	1,087,190	468,842	69,250	5,425,040
Depreciation					
At 1 April 2020	288,374	463,944	97,769	-	850,087
Charge for the year on owned assets	67,854	129,953	38,683	-	236,490
Disposals	-	(101,045)	(1,406)	-	(102,451)
At 31 March 2021	356,228	492,852	135,046	-	984,126
Net book value					
At 31 March 2021	3,443,530	594,338	333,796	69,250	4,440,914
At 31 March 2020	3,511,384	706,412	322,728	69,250	4,609,774

BERKMANN WINE CELLARS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

14. Fixed asset investments

	Investments in subsidiary companies £	Unlisted investments £	Total £
Cost or valuation			
At 1 April 2020	3	50,000	50,003
Additions	-	60,000	60,000
	<hr/>	<hr/>	<hr/>
At 31 March 2021	3	110,000	110,003
Net book value			
At 31 March 2021	<hr/> <hr/> 3	<hr/> <hr/> 110,000	<hr/> <hr/> 110,003
At 31 March 2020	<hr/> <hr/> 3	<hr/> <hr/> 50,000	<hr/> <hr/> 50,003

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Principal activity	Class of shares	Holding
Spirit Cartel Limited	Dormant	Ordinary	100%
Churchill Vintners Limited	Dormant	Ordinary	100%

The original cost of the investments amounted to £1,855,326. This value was transferred to goodwill in 2012 and is being amortised over the useful life of the related trade.

BERKMANN WINE CELLARS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

15. Stocks

	2021 £	2020 £
Goods for resale	12,435,235	12,915,202
	<u>12,435,235</u>	<u>12,915,202</u>

16. Debtors

	2021 £	2020 £
Trade debtors	9,732,169	11,305,677
Amounts owed by group undertakings	2,148,173	2,399,940
Other debtors	784,889	1,143,269
Prepayments and accrued income	2,341,106	624,983
	<u>15,006,337</u>	<u>15,473,869</u>

17. Cash and cash equivalents

	2021 £	2020 £
Cash at bank and in hand	739,083	800,007
Less: bank overdrafts	(2,266,055)	(6,535,127)
	<u>(1,526,972)</u>	<u>(5,735,120)</u>

BERKMANN WINE CELLARS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

18. Creditors: Amounts falling due within one year

	2021 £	2020 £
Bank overdrafts	2,266,055	6,535,127
Bank loans	843,261	165,000
Trade creditors	8,994,884	9,660,910
Amounts owed to group undertakings	10,000	10,000
Corporation tax	(210,428)	23,787
Other taxation and social security	1,440,186	1,610,029
Other creditors	231,991	41,250
Accruals and deferred income	3,130,229	1,941,887
	<u>16,706,178</u>	<u>19,987,990</u>

Bank loans and overdrafts are secured by fixed and floating charges over all assets of the company, a legal assignment of contract monies and a legal mortgage over the long term leasehold property.

The company was party to 64 (2020 - 26) forward exchange rate contracts at the year end. The fair value of these contracts at 31 March 2021 has been determined by the bank using a Monte Carlo valuation model. The derivative liability at 31 March 2021 totalled £639,230 (2020 - asset of £214,868) and is reflected in other creditors.

19. Loans

Analysis of the maturity of loans is given below:

	2021 £	2020 £
Amounts falling due within one year		
Bank loans	843,261	165,000
	<u>843,261</u>	<u>165,000</u>
Amounts falling due 1-2 years		
Bank loans	4,083,289	826,550
	<u>4,083,289</u>	<u>826,550</u>
	<u>4,926,550</u>	<u>991,550</u>

BERKMANN WINE CELLARS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

20. Deferred taxation

	2021 £	2020 £
At beginning of year	(172,739)	(110,097)
Charge for the year	18,065	(62,642)
At end of year	<u>(154,674)</u>	<u>(172,739)</u>

The provision for deferred taxation is made up as follows:

	2021 £	2020 £
Fixed asset timing differences	(159,808)	(177,578)
Short term timing differences	5,134	4,839
	<u>(154,674)</u>	<u>(172,739)</u>

21. Share capital

	2021 £	2020 £
Allotted, called up and fully paid		
2,160,000 (2020 - 2,160,000) Ordinary shares shares of £1.00 each	<u>2,160,000</u>	<u>2,160,000</u>

22. Reserves

Share premium account

The share premium account is used to record the aggregate value of premiums paid when the company's shares are issued at an amount in excess of nominal value.

Other reserves

The other reserve account is a capital redemption reserve created on repurchase of own shares.

Profit & loss account

This reserve relates to the cumulative retained earnings less amounts distributed to shareholders.

BERKMANN WINE CELLARS LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021

23. Contingent liabilities

The company has a guarantee in favour of HM Customs and Excise which varies according to seasonal requirements. At 31 March 2021 this guarantee stood at £2,920,000 (2020 - £3,194,000).

24. Pension commitments

The pension cost charge represents contributions payable by the company to the fund and amounted to £259,397 (2020 - £289,240). Contributions totalling £50,079 (2020 - £55,697) were payable to the fund at the Balance Sheet date.

25. Operating lease commitments

At 31 March 2021 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2021 £	2020 £
Land and buildings		
Not later than 1 year	111,000	115,125
Later than 1 year and not later than 5 years	444,000	444,000
Later than 5 years	4,967,250	5,078,250
	<u>5,522,250</u>	<u>5,637,375</u>
	2021 £	2020 £
Other		
Not later than 1 year	159,632	329,282
Later than 1 year and not later than 5 years	71,843	209,955
	<u>231,475</u>	<u>539,237</u>

BERKMANN WINE CELLARS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2021**

26. Related party transactions

At 31 March 2021 non-trading balances of £10,000 (2020: £10,000) were due to dormant subsidiary undertakings.

At 31 March 2021, £1,000,644 (2020: £1,000,644) was due from Berkmann Family Holdings Limited, the parent undertaking, in respect of a general non-trading account.

During the year ended 31 March 2021, £3,226 (2020: £108,537) of sales were made to a fellow subsidiary company. At the year end £1,271,522 (2020: £1,314,296) was owed to Berkmann Wine Cellars Limited in respect of these transactions. A loan of £180,000 was also advanced to this subsidiary company and remained outstanding at the year end date (2020: £85,000).

At 31 March 2021, £491,996 (2020: £477,473) was due from Latin American Rum Traders SA, the ultimate parent company, in respect of a loan advanced. Interest of £14,523 (2020: £13,229) was charged on this loan during the year.

During the year ended 31 March 2021, sales of £19,421 (2020: £171,741) were made to companies related by common directorship. At 31 March 2021, £11,069 (2020: £15,605) was owed to Berkmann Wine Cellars Limited by these companies.

Dividends declared payable to Berkmann Family Holdings Limited totalled £Nil (2020: £212,500). Dividends of £nil (2020: £3,500) were paid to the directors of the company.

At 31 March 2021, £101,122 (2020: £66,637) was due from a director of the Holding company in respect of a short term loan made during the year.

27. Ultimate parent undertaking and controlling party

The company is controlled by Berkmann Family Holdings Limited. The ultimate parent company is Latin American Rum Traders SA, a company incorporated in Panama. Copies of the group financial statements on Berkmann Family Holdings Limited are available from Companies House, Crown Way, Maindy, Cardiff, CF4 3UZ. Financial statements for the ultimate parent company are not available.

Rupert Berkmann is considered to be the ultimate controlling party.