

Registered number: 02200398

## **LUSCOMBE DRINKS LIMITED**

### **ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE PERIOD ENDED 31 DECEMBER 2016**



# **LUSCOMBE DRINKS LIMITED**

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## **LUSCOMBE DRINKS LIMITED**

### **COMPANY INFORMATION**

<b>Directors</b>	G L David J M David V David E T Dewing J M Spreadbury
<b>Company secretary</b>	J M Spreadbury
<b>Registered number</b>	02200398
<b>Registered office</b>	Dean Court Lower Dean Buckfastleigh TQ11 0LT
<b>Independent auditors</b>	PricewaterhouseCoopers LLP Chartered Accountants and Statutory Auditors 23 Princess Street Plymouth PL1 2EX

## **LUSCOMBE DRINKS LIMITED**

### **DIRECTORS' REPORT FOR THE PERIOD ENDED 31 DECEMBER 2016**

The directors present their annual report and the audited financial statements of Luscombe Drinks Limited (the "Company") for the 15 month period ended 31 December 2016. The comparatives are for the year ended 30 September 2015.

#### **Results and dividends**

The profit for the financial period amounted to £82,563 (2015: profit of £220,597).

A dividend of £400,000 was paid during the year (2015: £Nil). No further dividend is to be paid in respect of the year.

#### **Directors**

The directors who served during the period and up to the date of signing the financial statements, unless otherwise stated, were:

G L David  
J M David  
V David  
E T Dewing  
J Spreadbury (appointed 1 September 2017)

#### **Directors' responsibilities statement**

The directors are responsible for preparing 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 prepared 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 and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards comprising FRS 102, 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 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.

**LUSCOMBE DRINKS LIMITED**

**DIRECTORS' REPORT (CONTINUED)  
FOR THE PERIOD ENDED 31 DECEMBER 2016**

**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.

**Independent auditors**

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

**Small companies exemption**

In preparing this report, the director have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

This report was approved by the board on

27.09.17

and signed on its behalf by:

  
**G L David**  
Director

## **LUSCOMBE DRINKS LIMITED**

### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LUSCOMBE DRINKS LIMITED**

#### **Report on the financial statements**

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##### **Our opinion**

In our opinion, Luscombe Drinks Limited's financial statements (the "financial statements"):

- give a true and fair view of the state of the company's affairs as at 31 December 2016 and of its profit for the 15 month period (the "period") then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to Smaller Entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

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##### **What we have audited**

The financial statements, included within the Annual Report and Financial Statements (the "Annual Report"), comprise:

- the balance sheet as at 31 December 2016;
- the statement of income and retained earnings for the period then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

The financial reporting framework that has been applied in the preparation of the financial statements is United Kingdom Accounting Standards, comprising FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" Section 1A, and applicable law (United Kingdom Generally Accepted Accounting Practice), applicable to Smaller Entities.

In applying the financial reporting framework, the directors have made a number of subjective judgements, for example in respect of significant accounting estimates. In making such estimates, they have made assumptions and considered future events.

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##### **Opinions on other matter prescribed by the Companies Act 2006**

In our opinion, the information given in the Directors' Report for the financial period for which the financial statements are prepared is consistent with the financial statements.

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##### **Other matters on which we are required to report by exception**

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###### **Adequacy of accounting records and information and explanations received**

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

- we have not received all the information and explanations we require for our audit; or
- 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.

We have no exceptions to report arising from this responsibility.

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##### **Directors' remuneration**

Under the Companies Act 2006 we are required to report to you if, in our opinion, certain disclosures of directors' remuneration specified by law have not been made. We have no exceptions to report arising from this responsibility.

## **LUSCOMBE DRINKS LIMITED**

### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LUSCOMBE DRINKS LIMITED**

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#### **Entitlement to exemptions**

Under the Companies Act 2006 we are required to report to you if, in our opinion, the directors were not entitled to: prepare financial statements in accordance with the small companies regime; take advantage of the small companies exemption in preparing the Directors' Report; and take advantage of the small companies exemption from preparing a strategic report. We have no exceptions to report arising from this responsibility.

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#### **Responsibilities for the financial statements and the audit**

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##### **Our responsibilities and those of the directors**

As explained more fully in the Directors' Responsibilities Statement set out on page 2, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK & Ireland) ("ISAs (UK & Ireland)"). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

This report, including the opinions, has been prepared for and only for the 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.

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##### **What an audit of financial statements involves**

We conducted our audit in accordance with ISAs (UK & Ireland). An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of:

- whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed;
- the reasonableness of significant accounting estimates made by the directors; and
- the overall presentation of the financial statements.

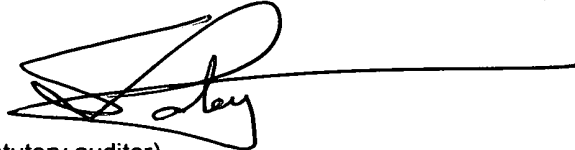
We primarily focus our work in these areas by assessing the directors' judgements against available evidence, forming our own judgements, and evaluating the disclosures in the financial statements.

We test and examine information, using sampling and other auditing techniques, to the extent we consider necessary to provide a reasonable basis for us to draw conclusions. We obtain audit evidence through testing the effectiveness of controls, substantive procedures or a combination of both.

## LUSCOMBE DRINKS LIMITED

### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF LUSCOMBE DRINKS LIMITED

In addition, we read all the financial and non-financial information in the Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

A handwritten signature in black ink, appearing to read 'S Patey', with a long horizontal line extending to the right.

Stephen Patey (Senior statutory auditor)  
for and on behalf of PricewaterhouseCoopers LLP  
Chartered Accountants and Statutory Auditors  
Plymouth  
PL1 2EX

Date: 28<sup>th</sup> September 2017



**LUSCOMBE DRINKS LIMITED**

**STATEMENT OF INCOME AND RETAINED EARNINGS  
FOR THE PERIOD ENDED 31 DECEMBER 2016**

	<b>15 months ended 31 December 2016 £</b>	<b>30 September 2015 £</b>
Turnover	<b>5,794,611</b>	4,181,467
Cost of sales	<b>(3,378,672)</b>	(2,282,597)
<b>Gross profit</b>	<b>2,415,939</b>	1,898,870
Administrative expenses	<b>(2,338,799)</b>	(1,605,472)
Other operating income	<b>22,761</b>	9,112
<b>Operating profit</b>	<b>99,901</b>	302,510
Interest receivable and similar income	<b>3,690</b>	410
Interest payable and similar expenses	<b>-</b>	(1,223)
<b>Profit before tax</b>	<b>103,591</b>	301,697
Tax on profit	<b>(21,028)</b>	(81,100)
<b>Profit after tax</b>	<b>82,563</b>	220,597
<b>Retained earnings:</b>		
Retained earnings at the beginning of the financial period	<b>2,463,583</b>	2,242,986
	<b>2,463,583</b>	2,242,986
Profit for the financial period	<b>82,563</b>	220,597
Dividends declared and paid	<b>(400,000)</b>	-
<b>Retained earnings at the end of the financial period</b>	<b>2,146,146</b>	2,463,583

The notes on pages 9 to 18 form part of these financial statements.

**LUSCOMBE DRINKS LIMITED**  
**REGISTERED NUMBER: 02200398**

**BALANCE SHEET**  
**AS AT 31 DECEMBER 2016**

	Note	31 December 2016 £	30 September 2015 £
<b>Fixed assets</b>			
Intangible assets	4	41,250	60,000
Tangible assets	5	754,044	820,733
		<u>795,294</u>	<u>880,733</u>
<b>Current assets</b>			
Stocks	6	1,416,022	817,794
Debtors	7	783,685	723,879
Cash at bank and in hand		500,612	1,178,085
		<u>2,700,319</u>	<u>2,719,758</u>
Creditors: amounts falling due within one year	8	(1,053,142)	(703,127)
<b>Net current assets</b>		<u>1,647,177</u>	<u>2,016,631</u>
<b>Total assets less current liabilities</b>		<u>2,442,471</u>	<u>2,897,364</u>
Creditors: amounts falling due after more than one year	9	(223,500)	(325,372)
<b>Provisions for liabilities</b>			
Deferred taxation	10	(72,816)	(88,000)
Accruals and deferred income		-	(20,400)
<b>Net assets</b>		<u>2,146,155</u>	<u>2,463,592</u>
<b>Capital and reserves</b>			
Called up share capital		9	9
Profit and loss account		2,146,146	2,463,583
<b>Total shareholders' funds</b>		<u>2,146,155</u>	<u>2,463,592</u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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



27.09.17

**G L David**  
 Director

The notes on pages 9 to 18 form part of these financial statements.

## **LUSCOMBE DRINKS LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2016**

#### **1. Accounting policies**

##### **1.1 Basis of preparation of financial statements**

The financial statements have been prepared on a going concern basis, under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company accounting policies.

The following principal accounting policies have been applied consistently throughout the period:

##### **1.2 Turnover**

Turnover represents amounts chargeable, net of value added tax, in respect of the sale of goods and services to customers. Turnover is recognised on delivery of goods to the customer.

##### **1.3 Intangible assets**

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

The estimated useful lives range as follows:

Intellectual property	-	10% straight line
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##### **1.4 Tangible assets**

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

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

## **LUSCOMBE DRINKS LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2016**

#### **1. Accounting policies (continued)**

##### **1.4 Tangible assets (continued)**

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using both the straight-line and reducing balance methods.

Depreciation is provided on the following basis:

Property improvements	- 10% straight line
Plant and machinery	- 15% - 25% reducing balance
Motor vehicles	- 25% reducing balance

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

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of income and retained earnings.

##### **1.5 Stocks**

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Stock is recognised on a standard cost basis. Work in progress and finished goods include labour and attributable overheads.

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

##### **1.6 Debtors**

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

##### **1.7 Cash and cash equivalents**

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 DECEMBER 2016**

**1. Accounting policies (continued)**

**1.8 Financial instruments**

The Company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of income and retained earnings.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

Financial assets and liabilities are offset and the net amount reported in the Balance sheet when there is an 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.

**1.9 Creditors**

Short term 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.

## **LUSCOMBE DRINKS LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2016**

#### **1. Accounting policies (continued)**

##### **1.10 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.

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 income and retained earnings except when deferred in other comprehensive income as qualifying cash flow hedges.

##### **1.11 Finance costs**

Finance costs are charged to the Statement of income and retained earnings 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.

##### **1.12 Dividends**

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting. Dividends on shares recognised as liabilities are recognised as expenses and classified within interest payable.

##### **1.13 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 the Statement of income and retained earnings 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.

##### **1.14 Interest income**

Interest income is recognised in the Statement of income and retained earnings using the effective interest method.

## **LUSCOMBE DRINKS LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2016**

#### **1. Accounting policies (continued)**

##### **1.15 Borrowing costs**

All borrowing costs are recognised in the Statement of income and retained earnings in the period in which they are incurred.

##### **1.16 Provisions for liabilities**

Provisions are made where an event has taken place that gives the Company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Statement of income and retained earnings in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance sheet.

##### **1.17 Current and deferred taxation**

The tax expense for the period comprises current and deferred tax. Tax is recognised in the Statement of income and retained earnings, 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. Auditors' remuneration**

Fees payable to the Company's auditor for the audit of the Company's annual financial statements totalled £11,750 (2015: £8,850).

#### **3. Employees**

The average monthly number of employees, including directors, during the period was 45 (2015: 45).

**LUSCOMBE DRINKS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 DECEMBER 2016**

**4. Intangible assets**

	Intellectual property £
<b>Cost</b>	
At 1 October 2015	150,000
At 31 December 2016	<u>150,000</u>
<b>Accumulated amortisation</b>	
At 1 October 2015	90,000
Charge for the year	18,750
At 31 December 2016	<u>108,750</u>
<b>Net book value</b>	
At 31 December 2016	<u>41,250</u>
At 30 September 2015	<u>60,000</u>



# LUSCOMBE DRINKS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2016

### 5. Tangible assets

	Property improvements £	Plant and machinery £	Motor vehicles £	Total £
<b>Cost</b>				
At 1 October 2015	663,100	1,869,795	105,753	2,638,648
Additions	48,083	145,665	-	193,748
Disposals	-	(6,235)	(9,151)	(15,386)
At 31 December 2016	<u>711,183</u>	<u>2,009,225</u>	<u>96,602</u>	<u>2,817,010</u>
<b>Accumulated depreciation</b>				
At 1 October 2015	434,167	1,324,378	59,370	1,817,915
Charge for the period	77,853	163,568	10,674	252,095
Disposals	-	(4,756)	(2,288)	(7,044)
At 31 December 2016	<u>512,020</u>	<u>1,483,190</u>	<u>67,756</u>	<u>2,062,966</u>
<b>Net book value</b>				
At 31 December 2016	<u>199,163</u>	<u>526,035</u>	<u>28,846</u>	<u>754,044</u>
At 30 September 2015	<u>228,933</u>	<u>545,417</u>	<u>46,383</u>	<u>820,733</u>

### Leased assets

Included within the net book value of tangible assets is £25,640 (2015: £268,948) in respect of assets held under hire purchase agreements. Depreciation for the year on these assets was £9,521 (2015: £89,650).

### 6. Stocks

	31 December 2016 £	30 September 2015 £
Raw materials and consumables	821,932	504,753
Finished goods and goods for resale	594,090	313,041
	<u>1,416,022</u>	<u>817,794</u>

# LUSCOMBE DRINKS LIMITED

## NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2016

### 7. Debtors

	31 December 2016 £	30 September 2015 £
Trade debtors	693,202	633,097
Other debtors	31,523	50,308
Prepayments and accrued income	58,960	40,474
	<u>783,685</u>	<u>723,879</u>

### 8. Creditors: Amounts falling due within one year

	31 December 2016 £	30 September 2015 £
Trade creditors	480,677	247,787
Corporation tax	41,042	68,915
Other taxation and social security	58,392	157,693
Obligations under hire purchase agreements	75,924	75,924
Other creditors	214,087	71,661
Accruals and deferred income	183,020	81,147
	<u>1,053,142</u>	<u>703,127</u>

Obligations under hire purchase agreements are secured against the assets to which they relate.

Included within other creditors is directors' current account of £197,315 (2015: £6,603).

### 9. Creditors: Amounts falling due after more than one year

	31 December 2016 £	30 September 2015 £
Net obligations under finance leases and hire purchase agreements	<u>223,500</u>	<u>325,372</u>

Obligations under hire purchase agreements are secured against the assets to which they relate.

**LUSCOMBE DRINKS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE PERIOD ENDED 31 DECEMBER 2016**

**10. Deferred taxation**

	<b>2016 £</b>
At beginning of year	<b>88,000</b>
Charged to profit or loss	<b>15,184</b>
<b>At end of year</b>	<b>72,816</b>

The provision for deferred taxation is made up as follows:

	<b>31 December 2016 £</b>	<b>30 September 2015 £</b>
Fixed asset timing differences	<b>73,075</b>	88,000
Short term timing differences - trading	<b>(259)</b>	-
	<b>72,816</b>	88,000

**11. Commitments under operating leases**

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

	<b>31 December 2016 £</b>	<b>30 September 2015 £</b>
Not later than 1 year	<b>43,539</b>	3,058
Later than 1 year and not later than 5 years	<b>98,231</b>	2,548
Later than 5 years	<b>229</b>	-
	<b>141,999</b>	5,606

## **LUSCOMBE DRINKS LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2016**

#### **12. Related party transactions**

During the year, the company made the following related party transactions:

##### **G L David**

(A director of the company)

During the current and previous year a loan account existed between the company and G L David. The loan is repayable on demand. At the balance sheet date the amount due to G L David was £197,315 (2015: £6,603).

##### **J M David**

(A director of the company)

During the year rent of £9,547 (2015: £7,638) was paid on property owned by the director J M David. At the balance sheet date the amount due to J M David was £Nil (2015: £Nil).

#### **13. Controlling party**

The company is controlled by J M David, a director of the company, owning 66% of the share capital.