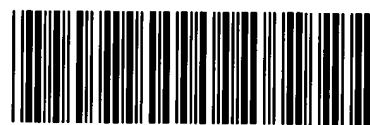


Company Registration No. 03139952 (England and Wales)

**INTERNATIONAL MARKETING (COMMODITIES) LIMITED**  
**ANNUAL REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 JUNE 2018**

FRIDAY



\*L7L92T77\*

L23

21/12/2018

#35

COMPANIES HOUSE

# INTERNATIONAL MARKETING (COMMODITIES) LIMITED

## COMPANY INFORMATION

---

<b>Directors</b>	C J Harniman H M D Frost
<b>Secretary</b>	Management Accountants Limited
<b>Company number</b>	03139952
<b>Registered office</b>	One Hinde Street London W1U 2AY
<b>Auditor</b>	Berley Chartered Accountants, Statutory Auditors 76 New Cavendish Street London W1G 9TB

---

# **INTERNATIONAL MARKETING (COMMODITIES) LIMITED**

## **CONTENTS**

---

	<b>Page</b>
Strategic report	1
Directors' report	2 - 3
Independent auditor's report	4 - 5
Statement of comprehensive income	6
Statement of financial position	7
Statement of changes in equity	8
Statement of cash flows	9
Notes to the financial statements	10 - 18

---

# INTERNATIONAL MARKETING (COMMODITIES) LIMITED

## STRATEGIC REPORT

**FOR THE YEAR ENDED 30 JUNE 2018**

---

The directors present the strategic report for the year ended 30 June 2018.

### **Fair review of the business**

The principal activity of the company has continued to be that of distributor of wines and food.

The directors believe that their selection of fine wines and food, coupled with the company's quality of service and pricing structure, fits with the emerging economic background and its ultimate customers desire to be able to enjoy fine wines and dining at affordable prices. All stock is held in central London, duty paid and ready for immediate shipment.

### **Principal risks and uncertainties**

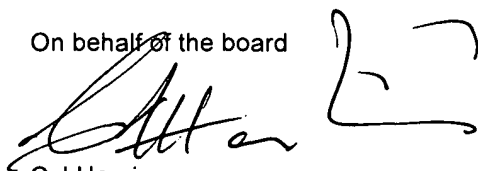
The principal uncertainty and risk faced by the company is the generation of turnover. This continues to be addressed by active engagement in the development of medium to longer term marketing projects.

### **Key performance indicators**

The key financial highlights are as follows:

	Year Ended 30 June 2018	Year Ended 30 June 2017	Year Ended 30 June 2016
Turnover	148,145	113,737	134,047
Gross profit	103,666	182,588	114,419
Gross margin	69.98%	160.54%	85.36%
Profit/(loss) before tax	(91,844)	19,341	(68,970)

On behalf of the board



C J Harniman

**Director**

20 December 2018

# **INTERNATIONAL MARKETING (COMMODITIES) LIMITED**

## **DIRECTORS' REPORT**

***FOR THE YEAR ENDED 30 JUNE 2018***

---

The directors present their annual report and financial statements for the year ended 30 June 2018.

### **Principal activities**

The principal activity of the company remains that of distributor of wines and food.

### **Directors**

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

C J Harniman  
H M D Frost

### **Results and dividends**

The results for the year are set out on page 6.

No ordinary dividends were paid. The directors do not recommend payment of a final dividend.

### **Supplier payment policy**

The company's current policy concerning the payment of trade creditors is to:

- settle the terms of payment with suppliers when agreeing the terms of each transaction;
- ensure that suppliers are made aware of the terms of payment by inclusion of the relevant terms in contracts; and
- pay in accordance with the company's contractual and other legal obligations.

### **Auditor**

The auditor, Berley Chartered Accountants, Statutory Auditors, is deemed to be reappointed under section 487 (2) of the Companies Act 2006.

### **Statement of directors' responsibilities**

The directors are responsible for preparing the annual 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 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.

# INTERNATIONAL MARKETING (COMMODITIES) LIMITED

## DIRECTORS' REPORT (CONTINUED)

**FOR THE YEAR ENDED 30 JUNE 2018**

---

### Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board



C J Harniman

**Director**

20 December 2018

# INTERNATIONAL MARKETING (COMMODITIES) LIMITED

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF INTERNATIONAL MARKETING (COMMODITIES) LIMITED

---

#### Opinion

We have audited the financial statements of International Marketing (Commodities) Limited (the 'company') for the year ended 30 June 2018 which comprise the statement of comprehensive income, the statement of financial position, the statement of changes in equity, the statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 June 2018 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

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

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

#### Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

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

We have nothing to report in this regard.

#### Opinions on other matters prescribed by the Companies Act 2006

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

# **INTERNATIONAL MARKETING (COMMODITIES) LIMITED**

## **INDEPENDENT AUDITOR'S REPORT (CONTINUED)**

### **TO THE MEMBERS OF INTERNATIONAL MARKETING (COMMODITIES) LIMITED**

---

#### **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 and 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, 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.

#### **Auditor's responsibilities for the audit of the financial statements**

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

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

**Jeremy H Berman (Senior Statutory Auditor)**  
**76 New Cavendish Street, London, W1G 9TB**

**For and on behalf of Berley Chartered Accountants, Statutory Auditors**

21 December 2018



# INTERNATIONAL MARKETING (COMMODITIES) LIMITED

## STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2018

	Notes	2018 £	2017 £
Turnover	3	148,145	113,737
Cost of sales		(44,479)	68,851
<b>Gross profit</b>		<b>103,666</b>	<b>182,588</b>
Distribution costs		(165,771)	(135,467)
Administrative expenses		(29,739)	(27,780)
<b>(Loss)/profit before taxation</b>		<b>(91,844)</b>	<b>19,341</b>
Tax on (loss)/profit	6	-	-
<b>(Loss)/profit for the financial year</b>		<b>(91,844)</b>	<b>19,341</b>

The Income Statement has been prepared on the basis that all operations are continuing operations.

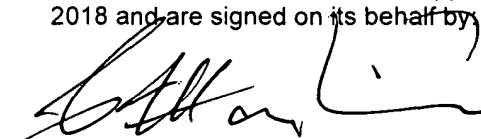
# INTERNATIONAL MARKETING (COMMODITIES) LIMITED

## STATEMENT OF FINANCIAL POSITION

AS AT 30 JUNE 2018

	Notes	2018 £	£	2017 £	£
<b>Fixed assets</b>					
Tangible assets	7		-		588
<b>Current assets</b>					
Stocks	9	405,577		354,913	
Debtors	10	45,949		44,207	
Cash at bank and in hand		2,492		15,875	
		<u>454,018</u>		<u>414,995</u>	
<b>Creditors: amounts falling due within one year</b>	11	<u>(1,191,398)</u>		<u>(1,061,119)</u>	
<b>Net current liabilities</b>			(737,380)		(646,124)
<b>Total assets less current liabilities</b>			<u>(737,380)</u>		<u>(645,536)</u>
<b>Capital and reserves</b>					
Called up share capital	12		10,000		10,000
Profit and loss reserves			(747,380)		(655,536)
<b>Total equity</b>			<u>(737,380)</u>		<u>(645,536)</u>

The financial statements were approved by the board of directors and authorised for issue on 20 December 2018 and are signed on its behalf by:



C J Harniman  
Director

Company Registration No. 03139952

# INTERNATIONAL MARKETING (COMMODITIES) LIMITED

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 30 JUNE 2018

---

	Share capital £	Profit and loss reserves £	Total £
Balance at 1 July 2016	10,000	(674,877)	(664,877)
Year ended 30 June 2017:			
Profit and total comprehensive income for the year	-	19,341	19,341
	<hr/>	<hr/>	<hr/>
Balance at 30 June 2017	10,000	(655,536)	(645,536)
Year ended 30 June 2018:			
Loss and total comprehensive income for the year	-	(91,844)	(91,844)
	<hr/>	<hr/>	<hr/>
Balance at 30 June 2018	10,000	(747,380)	(737,380)
	<hr/>	<hr/>	<hr/>

# INTERNATIONAL MARKETING (COMMODITIES) LIMITED

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 JUNE 2018

	Notes	2018 £	£	2017 £	£
<b>Cash flows from operating activities</b>					
Cash (absorbed by)/generated from operations	15		(13,383)		15,526
<b>Net cash used in investing activities</b>			-		-
<b>Net cash used in financing activities</b>			-		-
<b>Net (decrease)/increase in cash and cash equivalents</b>			(13,383)		15,526
Cash and cash equivalents at beginning of year			15,875		349
<b>Cash and cash equivalents at end of year</b>			2,492		15,875

# INTERNATIONAL MARKETING (COMMODITIES) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

**FOR THE YEAR ENDED 30 JUNE 2018**

---

### **1 Accounting policies**

#### **Company information**

International Marketing (Commodities) Limited is a private company limited by shares incorporated in England and Wales. The registered office is One Hinde Street, London, W1U 2AY.

The principal activity of the company has continued to be that of distributor of wines and food.

#### **1.1 Accounting convention**

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

#### **1.2 Going concern**

At the time of approving the financial statements, the directors have confidence that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

The company has the continued support of its parent company, which itself received loan capital from Mr C J Harniman, the ultimate controlling party. The loan is interest free, unsecured and repayable on demand. On this basis, the directors consider it appropriate to prepare the accounts on a going concern basis.

#### **1.3 Turnover**

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

#### **1.4 Tangible fixed assets**

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures, fittings & equipment	20% Straight Line
--------------------------------	-------------------

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

# INTERNATIONAL MARKETING (COMMODITIES) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

---

### 1 Accounting policies

(Continued)

#### 1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

#### 1.6 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of replacement cost and cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

#### 1.7 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

#### 1.8 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with 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.

# INTERNATIONAL MARKETING (COMMODITIES) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

---

### 1 Accounting policies

(Continued)

#### **Basic financial assets**

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method 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. Financial assets classified as receivable within one year are not amortised.

#### **Other financial assets**

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, 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.

#### **Impairment of financial assets**

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. 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 amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

#### **Derecognition of financial assets**

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

#### **Classification of financial liabilities**

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

# INTERNATIONAL MARKETING (COMMODITIES) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

---

### 1 Accounting policies

(Continued)

#### **Basic financial liabilities**

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares 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 payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

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

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts 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 creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

#### **Other financial liabilities**

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial 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 hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value through profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

#### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

### 1.9 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

### 1.10 Derivatives

Derivatives are initially recognised at fair value at the date a derivative contract is entered into and are subsequently remeasured to fair value at each reporting end date. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset, whereas a derivative with a negative fair value is recognised as a financial liability.

### 1.11 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.



# INTERNATIONAL MARKETING (COMMODITIES) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

---

### 1 Accounting policies

(Continued)

#### **Current tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

#### **Deferred tax**

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are 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. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

#### **1.12 Employee benefits**

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

### 2 Judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

# INTERNATIONAL MARKETING (COMMODITIES) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

**FOR THE YEAR ENDED 30 JUNE 2018**

### 3 Turnover and other revenue

An analysis of the company's turnover is as follows:

	2018 £	2017 £
<b>Turnover analysed by class of business</b>		
Sale of finished goods	128,145	93,737
Other income	20,000	20,000
	<u>148,145</u>	<u>113,737</u>

	2018 £	2017 £
<b>Turnover analysed by geographical market</b>		
United Kingdom	<u>148,145</u>	<u>113,737</u>

### 4 Operating (loss)/profit

	2018 £	2017 £
Operating (loss)/profit for the year is stated after charging/(crediting):		
Fees payable to the company's auditor for the audit of the company's financial statements	1,530	2,530
Depreciation of owned tangible fixed assets	<u>588</u>	<u>709</u>

### 5 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2018 Number	2017 Number
Directors	2	2
Marketing and distribution	2	1
	<u>4</u>	<u>3</u>

Their aggregate remuneration comprised:

	2018 £	2017 £
Wages and salaries	<u>51,635</u>	<u>54,293</u>

# INTERNATIONAL MARKETING (COMMODITIES) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

### 6 Taxation

The company has estimated tax losses of £848,989 (2016: £869,039) available for carry forward against future trading profits.

The actual charge for the year can be reconciled to the expected (credit)/charge for the year based on the profit or loss and the standard rate of tax as follows:

	2018 £	2017 £
(Loss)/profit before taxation	(91,844)	19,341
Expected tax (credit)/charge based on the standard rate of corporation tax in the UK of 19.00% (2017: 20.00%)	(17,450)	3,868
Unutilised tax losses carried forward	17,338	-
Depreciation	112	142
Tax losses utilised	-	(4,010)
Taxation charge for the year	-	-

### 7 Tangible fixed assets

	Fixtures, fittings & equipment £
<b>Cost</b>	
At 1 July 2017 and 30 June 2018	2,834
<b>Depreciation and impairment</b>	
At 1 July 2017	2,246
Depreciation charged in the year	588
At 30 June 2018	2,834
<b>Carrying amount</b>	
At 30 June 2018	-
At 30 June 2017	588

### 8 Financial instruments

	2018 £	2017 £
<b>Carrying amount of financial assets</b>		
Debt instruments measured at amortised cost	24,699	39,207
<b>Carrying amount of financial liabilities</b>		
Measured at amortised cost	1,189,334	1,051,238

# INTERNATIONAL MARKETING (COMMODITIES) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

### 9 Stocks

	2018 £	2017 £
Finished goods and goods for resale	405,577	354,913

### 10 Debtors

	2018 £	2017 £
<b>Amounts falling due within one year:</b>		
Trade debtors	24,699	34,207
Other debtors	-	5,000
Prepayments and accrued income	21,250	5,000
	45,949	44,207

### 11 Creditors: amounts falling due within one year

	2018 £	2017 £
Trade creditors	19,039	12,238
Amounts due to group undertakings	1,150,000	1,037,500
Other taxation and social security	2,064	9,881
Other creditors	18,795	-
Accruals and deferred income	1,500	1,500
	1,191,398	1,061,119

### 12 Share capital

	2018 £	2017 £
<b>Ordinary share capital</b>		
<b>Issued and fully paid</b>		
10,000 Ordinary Shares of £1 each	10,000	10,000
	10,000	10,000

# INTERNATIONAL MARKETING (COMMODITIES) LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 JUNE 2018

### 13 Related party transactions

#### Transactions with related parties

The company trades with Management Accountants Limited, a company with common shareholders and director. During the year, Management Accountants Limited paid expenses on behalf of the company. At the year-end, an amount of £nil (2017: £nil) was owed to Management Accountants Limited.

The company has an interest free loan from the director, C J Harniman. At the year-end, an amount of £3,688 (2016: £nil) was owed to C J Harniman.

During the year, the company received a loan of £112,500 (2017: £175,000) from its parent company, International Marketing plc. At the year-end, an amount of £1,150,000 (2017: £1,037,500) was owed to International Marketing plc. This loan is repayable on demand.

### 14 Controlling party

The ultimate parent company is International Marketing plc, a company registered in England and Wales. International Marketing plc prepares group financial statements and copies can be obtained from the public register at Companies House.

The ultimate controlling party is C J Harniman through his ownership of the majority of the share capital of International Marketing plc.

### 15 Cash generated from operations

	2018 £	2017 £
(Loss)/profit for the year after tax	(91,844)	19,341
<b>Adjustments for:</b>		
Depreciation and impairment of tangible fixed assets	588	709
<b>Movements in working capital:</b>		
(Increase) in stocks	(50,664)	(141,569)
(Increase) in debtors	(1,742)	(13,328)
Increase in creditors	130,279	150,373
<b>Cash (absorbed by)/generated from operations</b>	<b>(13,383)</b>	<b>15,526</b>