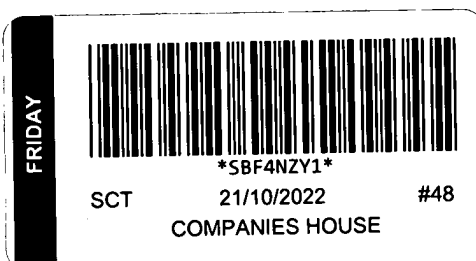


**Company Registration No. SC489188 (Scotland)**

**ABA EQUITY LIMITED**  
**ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2021**



## **ABA EQUITY LIMITED**

### **Company Information**

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<b>Directors</b>	Henry John Jagielko Gail Irene Allan Smith
<b>Company number</b>	SC489188
<b>Registered office</b>	1 Anthony Road Largs North Ayrshire KA30 8EQ
<b>Auditors</b>	Wylie & Bisset (Audit) Limited Chartered Accountants 168 Bath Street Glasgow G2 4TP
<b>Solicitors</b>	Brodies LLP Monteith House George Square 110 Queen Street Glasgow G1 3BX
<b>Bankers</b>	Clydesdale Bank 30 The Square Cumnock KA18 1AR

## **ABA EQUITY LIMITED**

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## **ABA EQUITY LIMITED**

### **Strategic Report For the Year Ended 30 September 2021**

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The directors present their strategic report for the year ended 30 September 2021.

#### **Principal activities**

The principal activity of the group during the year was that of the wholesaling of wines, spirits, beers and soft drinks.

#### **Review of the business**

The directors report turnover in the year of £35m(2020: £44m). Gross margin for the year was 14.1% resulting in a profit of £15k (2020: loss of £583k).

The directors continue to monitor turnover, margins and stockholdings.

The group is committed to product improvement in both quality and presentation.

#### **Principal Risks and uncertainties**

Throughout the majority of the financial year, the UK economy was significantly affected by the COVID-19 outbreak, with the group being severely impacted from the widespread restrictions imposed in the sector. This resulted in the year on year fall in revenue as noted in these accounts.

The directors have prepared detailed financial projections for a period extending to at least 12 months from the date of approval of these financial statements. These have been sensitised to reflect the assumption that, whilst trading may not yet reach pre-pandemic levels, there is an overwhelmingly significant turnaround on the past 2 years' performance. These indicate that the group can continue to comfortably operate within its existing funding and working capital resources.

As for many businesses in this market the environment in which the group operates continues to be challenging. However, although the Scottish market is competitive, the group as experiences significant improvement in its operations in its current year with a review of its product range, growth in margin and a reduction in its cost-base. The directors are optimistic about current and future tradings levels. In common with most business the group continues to monitor the impact of Brexit, in particular its effect on the foreign exchange rates and the ability to secure goods timeously from EU supplier. The group has taken steps to minimize the effect of these risks by forward contracting exchange rates and maintaining its stock levels.

The group is well placed to meet the challenges and remains committed to developing its product range and markets.

#### **Key Performance Indicators**

The groups key financial performance indicators are turnover, margins and stockholdings.

The directors are of the opinion that using non-financial KPIs is not necessary for the understanding of the development, performance and position of the business.

## ABA EQUITY LIMITED

### Strategic Report For the Year Ended 30 September 2021

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#### S172 Statement

The directors of the company believe they have acted in the way they consider to be both in good faith and would be most likely to promote the success of the company for the benefit of its members as a whole. The duties of the directors are detailed in section 172 of the UK Companies Act 2006 which is summarized as follows:

A director of a company must act in the way they consider, in good faith, would be most likely to promote the success of the company for the benefit of its shareholders as a whole and, in doing so, have regard (amongst other matters) to:

- The likely consequences of any decision in the long term;
- The interests of the company's employees;
- The need to foster the company's business relationships with suppliers, customers and others;
- The impact of the company's operations on the community and environment;
- The desirability of the company maintaining a reputation for high standards of business conduct; and
- The need to act fairly as between the shareholders of the company.

#### *Business conduct and relationships*


We understand the importance of engaging with all our stakeholders and the directors regularly discuss issues concerning employees, clients, suppliers, community and environment, health & safety and shareholders which inform our decision-making process. The directors are aware that their strategic decisions can have long term implications for the business and its stakeholders, and these implications are carefully assessed.

We aim to build positive working relationships and partnerships with customers and suppliers. We work hard to develop and maintain these relationships as they are central to our sustainable business ethos. Our aim is to build strong stable long-term working relationship with them and to be fair and transparent in all our dealings.

#### *Employees*

We believe the core strength of the group is its people and we are committed to being a responsible business and employer. The group aims to recruit, develop, motivate and retain the best talent. For the business to continue and succeed, we need to enable our people to perform at their best while ensuring we operate as efficiently and productively as possible.

#### ON BEHALF OF THE BOARD:

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Henry Jagielko  
Director  
14 October 2022

## ABA EQUITY LIMITED

### Directors' Report

For the Year Ended 30 September 2021

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The directors present their report and financial statements for the year ended 30 September 2021.

#### Results and dividends

The group's results for the year are set out on pages 9-10.

#### Directors

The following directors have held office during the year:

Henry John Jagielko

Gail Irene Allan Smith

#### Auditors

Wylie & Bisset (Audit) Limited were appointed auditors to the company and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

#### Energy and carbon report

The total energy consumption across ABA Equity Limited from 1 October 2020 to 30 September 2021 is as follows:

<i>Energy Consumption</i>	<b>Consumption</b>	<b>CO2e (tonnes)</b>
Electricity	184,517 kWh	39
Natural Gas	211,334 kWh	39
Diesel (Fuel Cards)	89,800 Ltr	226
Petrol (Fuel Cards)	2,889 Ltr	6

This totals 310 tonnes of carbon dioxide equivalent (CO2e) emissions.

The company is aware of its obligations to reduce consumption and protect the environment. All new processes initiated, and fixed assets purchased are introduced with energy reduction in mind. In addition, it is understood that operational efficiencies not only reduce power consumption but reduce associated costs. All existing processes, equipment and infrastructure are under constant review to seek opportunity for more power efficient alternatives.

Examples of this include:

1. Motion sensor LED lighting across the offices and warehouse.
2. Existing delivery-vehicle fleet being replaced where necessary with lower-emission fleet which will meet City Centre Low Emission Zone requirements when introduced.
3. Company cars being replaced where necessary with low emission Plug-In Hybrid Electric Vehicles (PHEVs).

The methodology used by the group to calculate UK energy CO2 emission was taken from the UK Government GHG Conversion Factors for Company Reporting advisory.

## **ABA EQUITY LIMITED**

### **Directors' Report**

**For the Year Ended 30 September 2021**

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

The directors are responsible for preparing the Strategic Report and 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 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 the group and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable 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 group will continue in business.

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

#### **Statement of disclosure to auditors**

So far as the directors are aware, there is no relevant audit information of which the group's auditors are unaware. Additionally, the directors 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 group's auditors are aware of that information.

#### **Strategic Report**

The group has chosen in accordance with Companies Act 2006, s. 414c(11) to set out in the group's strategic report information required by Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, Sch. 7 to be contained in the directors' report.

On behalf of the board

DocuSigned by:  
  
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Henry Jagielko  
**Director**  
14 October 2022

## **ABA EQUITY LIMITED**

### **Independent Auditors' Report To the Members of ABA EQUITY LIMITED**

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#### **Opinion**

We have audited the financial statements of ABA Equity Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 30 September 2021 which comprise the group profit and loss account, the group statement of comprehensive income, the group and company balance sheets, the group and company statement of changes in equity, the group cash flow statement 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 Financial Reporting Standard 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 group's and of the parent company's affairs as at 30 September 2021, and of the group's profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the 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 director's 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 12 months from when the financial statements are authorised for issue.

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

#### **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.



## **ABA EQUITY LIMITED**

### **Independent Auditors' Report To the Members of ABA EQUITY LIMITED**

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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 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 has been prepared in accordance with applicable legal requirements.

#### **Matters on which we are required to report by exception**

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

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

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

#### **Responsibilities of directors**

As explained more fully in the directors' responsibilities statement set out on pages 3-4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

## **ABA EQUITY LIMITED**

### **Independent Auditors' Report To the Members of ABA EQUITY LIMITED**

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#### **Auditor's Responsibility 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 and on the Financial Reporting Council's website, to detect material misstatement in respect of irregularities, including fraud.

#### **Extent to which the audit was considered capable of detecting irregularities, including fraud**

We obtain and update our understanding of the entity, its activities, its control environment, and likely future developments, including in relation to the legal and regulatory framework applicable and how the entity is complying with that framework. Based on this understanding, we identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. This includes consideration of the risk of acts by the entity that were contrary to applicable laws and regulations, including fraud.

In response to the risk of irregularities and non-compliance with laws and regulations, including fraud, we designed procedures which included:

- Enquiry of management and those charged with governance around actual and potential litigation and claims as well as actual, suspected, and alleged fraud;
- Assessing the extent of compliance with laws and regulations considered to have a direct material effect on the financial statements or the operations of the entity through enquiry and inspection;
- Reviewing financial statement disclosures and testing to supporting documentation to assess compliance with applicable laws and regulations;
- Performing audit work over the risk of management bias and override of controls, including testing of journal entries and other adjustments for appropriateness, evaluating the business rationale of significant transactions outside the normal course of business and reviewing accounting estimates for indicators of potential bias.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <https://www.frc.org.uk/Our-Work/Audit/Audit-and-assurance/Standards-and-guidance/Standards-and-guidance-for-auditors/Auditors-responsibilities-for-audit/Description-of-auditors-responsibilities-for-audit.aspx>. This description forms part of our auditor's report.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

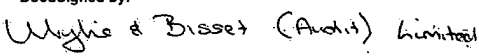
## **ABA EQUITY LIMITED**

### **Independent Auditors' Report To the Members of ABA EQUITY LIMITED**

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#### **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.

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**Claire Dalrymple FCCA (Senior Statutory Auditor)  
for and on behalf of Wylie & Bisset (Audit) Ltd**

**Chartered Accountants  
Statutory Auditor**

**14 October 2022**

168 Bath Street  
Glasgow  
G2 4TP

**ABA EQUITY LIMITED****Group Profit and Loss Account  
For the Year Ended 30 September 2021**

	Notes	Year ended 30 September 2021 £	Year ended 30 September 2020 £
<b>Turnover</b>	<b>3</b>	34,361,062	43,572,103
Cost of sales		<u>29,482,670</u>	<u>37,415,605</u>
<b>Gross profit</b>		4,878,392	6,156,498
Net operating expenses		<u>6,636,147</u>	<u>8,895,804</u>
<b>Operating (loss)</b>	<b>6</b>	(1,757,755)	(2,739,306)
Other operating income	<b>3</b>	1,505,682	1,105,394
Interest receivable and similar income	<b>3</b>	<u>21,992</u> (230,081)	<u>1,944</u> (1,631,968)
Interest payable and similar charges	<b>7</b>	<u>7,933</u>	<u>523</u>
<b>(Loss) on ordinary activities before taxation</b>		(238,014)	(1,632,491)
Tax on profit on ordinary activities	<b>8</b>	<u>(6,580)</u>	<u>(162,916)</u>
<b>(Loss) after tax</b>		(231,434)	(1,469,575)
Minority interest	<b>20</b>	<u>624,055</u>	<u>856,977</u>
<b>Profit/(loss) for the year</b>		<u>392,621</u>	<u>(612,598)</u>

The profit and loss account has been prepared on the basis that all operations are continuing operations.

**ABA EQUITY LIMITED****Group Statement of Comprehensive Income  
For the Year Ended 30 September 2021**


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	Notes	Year ended 30 September 2021 £	Year ended 30 September 2020 £
<b>Profit / (loss) profit on ordinary activities after minority interest</b>		392,621	(612,598)
<b>Other comprehensive income</b>			
Revaluation of tangible fixed assets	12	<u>-</u>	<u>29,159</u>
<b>Total comprehensive income / (loss) for the year</b>		<u>392,621</u>	<u>(583,439)</u>

Total comprehensive income for the year is all attributable to the owners of the parent company.

**ABA EQUITY LIMITED****Group Balance Sheet  
As at 30 September 2021**

		<b>30 September 2021</b>	<b>30 September 2020</b>
	<b>Notes</b>	<b>£</b>	<b>£</b>
<b>Fixed assets</b>			
Intangible fixed assets	<b>11</b>	3,264,785	2,627,554
Tangible fixed assets	<b>12</b>	<u>1,272,434</u>	<u>2,203,035</u>
		4,537,219	4,830,589
<b>Current assets</b>			
Stocks	<b>15</b>	7,353,873	7,522,266
Debtors	<b>16</b>	9,663,374	6,663,709
Cash at bank and in hand		<u>5,385,602</u>	<u>5,151,793</u>
		22,402,849	19,337,768
<b>Creditors: amounts falling due within one year</b>	<b>17</b>	<u>(25,482,897)</u>	<u>(22,645,813)</u>
<b>Net current (liabilities)</b>		<u>(3,080,048)</u>	<u>(3,308,045)</u>
<b>Total assets less current liabilities</b>		1,457,171	1,522,544
<b>Net assets</b>		<u>1,457,171</u>	<u>1,522,544</u>
<b>Capital and reserves</b>			
Called up share capital	<b>19</b>	100	100
Revaluation Reserve		29,159	29,159
Profit and loss account		934,152	541,531
<b>Shareholders' funds</b>		<u>963,411</u>	<u>570,790</u>
Minority interest	<b>20</b>	<u>493,760</u>	<u>951,754</u>
		<u>1,457,171</u>	<u>1,522,544</u>

Approved by the board and authorised for issue on 14 October 2022

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Henry Jagielko  
 Director

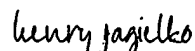
Company Registration No. SC489188

**ABA EQUITY LIMITED****Company Balance Sheet  
As at 30 September 2021**

		<b>30 September 2021 £</b>	<b>30 September 2020 £</b>
<b>Fixed assets</b>	<b>Notes</b>		
Investments	<b>11</b>	<u>3,563,194</u>	<u>2,613,000</u>
		3,563,194	2,613,000
<b>Current assets</b>			
Debtors	<b>16</b>	13,967,170	14,803,108
Cash		668,634	523,205
		<u>14,635,804</u>	<u>15,326,313</u>
<b>Creditors: amounts falling due within one year</b>			
	<b>17</b>	<u>(16,944,784)</u>	<u>(16,945,914)</u>
<b>Net current (liabilities)</b>		<u>(2,308,980)</u>	<u>(1,619,602)</u>
<b>Total assets less current liabilities</b>		<u>1,254,214</u>	<u>993,398</u>
<b>Net Assets</b>		<u>1,254,214</u>	<u>993,398</u>
<b>Capital and reserves</b>			
Called up share capital	<b>19</b>	100	100
Profit and loss account		<u>1,254,114</u>	<u>993,298</u>
<b>Shareholders' funds</b>		<u>1,254,214</u>	<u>993,398</u>

Approved by the board and authorised for issue on 14 October 2022

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Henry Jagielko  
Director

Company Registration No. SC489188

**ABA EQUITY LIMITED****Statement of Changes in Equity  
As at 30 September 2021**

<b>Group</b>	<b>Share capital £</b>	<b>Revaluation Reserve £</b>	<b>Profit and loss reserves £</b>	<b>Total £</b>
<b>Balance at 31 October 2019</b>	100	-	1,154,129	1,154,229
<b>Year ended 30 September 2020:</b>				
Loss for the year	-	-	(612,598)	(612,598)
Other comprehensive income:				
Revaluation of tangible fixed assets	-	29,159	-	29,159
<b>Balance at 30 September 2020</b>	100	29,159	541,531	570,790
<b>Year ended 30 September 2021:</b>				
Profit and total comprehensive income for the year	-	-	392,621	392,621
<b>Balance at 30 September 2021</b>	100	29,159	934,152	963,411

<b>Company</b>	<b>Share capital £</b>	<b>Profit and loss reserves £</b>	<b>Total £</b>
<b>Balance at 31 October 2019</b>	100	719,761	719,861
<b>Year ended 30 September 2020:</b>			
Loss for the year	-	273,537	273,537
Other comprehensive income:			
<b>Balance at 30 September 2020</b>	100	993,298	993,398
<b>Year ended 30 September 2021:</b>			
Profit and total comprehensive income for the year	-	260,816	260,816
<b>Balance at 30 September 2021</b>	100	1,254,114	1,254,214



**ABA EQUITY LIMITED****Group Cash Flow Statement  
For the Year Ended 30 September 2021**

		Year ended 30 September 2021	Year ended 30 September 2020
	Notes	£	£
<b>Net cash inflow from operating activities</b>	<b>1</b>	<b>546,102</b>	<b>2,127,857</b>
<b>Returns on investments and servicing of finance</b>			
Interest paid		(7,933)	(523)
Receipts arising from loans made		-	(210)
<b>Net cash inflow for returns on investments and servicing of finance</b>		<b>538,169</b>	<b>2,127,124</b>
<b>Taxation</b>		<b>(2,667)</b>	<b>8,851</b>
<b>Capital expenditure and financial investments</b>			
Purchase of fixed assets		(150,367)	(66,540)
Proceeds from sale of fixed assets		776,875	33,878
Purchase of Intangible assets		(950,194)	-
<b>Net cash inflow from capital expenditure and financial investments</b>		<b>(323,686)</b>	<b>(32,662)</b>
<b>Financing</b>			
Interest received		21,992	(5,557)
<b>Net cash inflow/(outflow) from financing</b>		<b>21,992</b>	<b>(5,557)</b>
<b>Increase/(Decrease) in cash in year</b>		<b>233,808</b>	<b>2,097,756</b>

**ABA EQUITY LIMITED****Notes to the Group Cash Flow Statement  
For the Year Ended 30 September 2021**

<b>1 Reconciliation of operating profit to net cash inflow from operating activities</b>	<b>Year ended 30 September 2021 £</b>	<b>Year ended 30 September 2020 £</b>
Group loss before taxation	(238,014)	(1,632,491)
Interest receivable and similar income	(21,992)	(1,944)
Interest payable and similar charges	7,933	523
Depreciation	324,275	567,074
Amortisation	479,025	464,922
(Profit)/Loss on disposal of fixed assets	(20,184)	(13,872)
Decrease/(Increase) in stock	168,393	925,288
Decrease/(Increase) in debtors	(2,999,666)	3,667,344
(Decrease)/Increase in creditors	2,846,332	(1,848,987)
<b>Net cash inflow from operating activities</b>	<b>546,102</b>	<b>2,127,857</b>

**Analysis of net debt**

	<b>At 1 October 2020 £</b>	<b>Cashflow £</b>	<b>Other non cash changes £</b>	<b>At 30 September 2021 £</b>
Cash & cash equivalents	5,151,793	241,621	(7,812)	5,385,602
<b>Total net cash</b>	<b>5,151,793</b>	<b>241,621</b>	<b>(7,812)</b>	<b>5,385,602</b>

## **ABA EQUITY LIMITED**

### **Notes to the Financial Statements For the Year Ended 30 September 2021**

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

##### **1.1 Company Information**

ABA Equity Limited is a limited company domiciled and incorporated in Scotland. The registered office is 1 Anthony Road Largs North Ayrshire KA30 8EQ.

##### **1.2 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 as applicable.

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.

##### **1.3 Going Concern**

The group also pays special attention to the recent COVID-19 outbreak and the associated impact on the business, which is detailed within Risks and Uncertainties in the Strategic Report. These risks include:

The directors have prepared detailed financial projections for a period extending to at least 12 months from the date of approval of these financial statements. These have been sensitised to reflect the assumption that whilst trading may not reach pre-pandemic levels, there is an overwhelming significant turnaround on the past 2 years performance. This indicates that the group can continue to operate solvently with existing funding and working capital resources.

As such, the directors consider that it is appropriate to prepare the financial statements on the going concern basis.

##### **1.4 Basis of consolidation**

The group financial statements consolidate the financial statements of the company and each of its subsidiary undertakings for the year to 30 September 2021. Intra-group sales, profits and balances are eliminated fully on Company profit and loss.

##### **1.5 Related party exemption**

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 8: Related Party Disclosures, not to disclose related party transactions with wholly owned subsidiaries within the group.

Transactions between group entities which have been eliminated on consolidation are not disclosed within the financial statements.

##### **1.6 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.

**ABA EQUITY LIMITED****Notes to the Financial Statements  
For the Year Ended 30 September 2021****1.6 Turnover (continued)**

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 account 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.

**1.7 Goodwill**

Goodwill, being the amount paid in connection with the acquisition of businesses in 2012 and 2014, is being amortised evenly over its estimated useful life of 10 years.

**1.8 Intangible fixed assets other than goodwill**

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment loss.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably; the intangible asset arises from contractual or other legal rights; and the intangible asset is separate from the entity.

Amortisation 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:

Software	- 17% straight line
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**1.9 Tangible fixed assets and depreciation**

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life, or if held under a finance lease - over the lease term; whichever is shorter.

Freehold property	- 5% on cost and 4% on cost
Plant and machinery	- 20% on reducing balance and 10% on cost
Fixture and fittings	- 10% on cost
Motor vehicles	- 25% on cost and 20% on cost
Computer equipment	- 20% on reducing balance and 10% - 25% on cost

**1.10 Fixed asset investment**

Equity investments are measured at fair value through profit or loss, except for those equity instruments that are not publicly traded and whose fair value cannot otherwise be measured reliably, which are recognised at cost less impairment until a reliable measure of fair value becomes available.

In the parent company financial statements, investments in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

A subsidiary is an entity controlled by the group. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

## ABA EQUITY LIMITED

### Notes to the Financial Statements (Continued) For the Year Ended 30 September 2021

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#### 1.11 Impairment of fixed assets

At each reporting year end date, the company reviews the carrying amounts of its tangible and intangible 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.

#### 1.12 Cash and cash equivalents

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.

#### 1.13 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 and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognized amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

#### 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.

**ABA EQUITY LIMITED****Notes to the Financial Statements (Continued)  
For the Year Ended 30 September 2021****Impairment of financial assets**

Financial assets, other than those held at fair value through profit or 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 as 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 group 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 group after deducting all of its 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 recognized 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 the profit or loss in finance costs or finance income as appropriate, unless hedge accounting is applied and the hedge is a cash flow hedge.

**ABA EQUITY LIMITED****Notes to the Financial Statements (Continued)  
For the Year Ended 30 September 2021**

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 designed 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 evaluation 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 group's contractual obligations expire or are discharged or cancelled.

**1.14 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.

**1.15 Stocks**

Stocks are stated at the lower of cost and estimated selling price less costs to 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 the lower of cost and replacement 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.

**1.16 Taxation**

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

**Current tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account 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 group'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 is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date. Deferred tax balances are not discounted.

**1.17 Hire purchase and leasing commitments**

Assets obtained under hire purchase contracts and finance leases are capitalised as tangible assets and depreciated over the shorter of the lease term and their useful lives.

The interest element of these obligations is charged to the profit and loss account over the relevant year. The capital element of future payments is treated as a liability.

Rentals paid under operating leases are charged to the profit and loss account on a straight line basis over the period of the lease.

**ABA EQUITY LIMITED****Notes to the Financial Statements (Continued)  
For the Year Ended 30 September 2021****1.18 Pension costs and other post-retirement benefits**

The group operates a defined contribution pension scheme for the benefit of its employees. Contributions payable to the group's pension scheme are charged to the profit and loss account on a straight line basis over the period to which they relate.

**1.19 Foreign exchange**

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated on foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the period.

**1.20 Government grants**

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

Grants relating to turnover are recognised as income over the periods when the related costs are incurred. Grants relating to an asset are recognised in income systematically over the asset's expected useful life. If part of such a grant is deferred it is recognised as deferred income rather than being deducted from the asset's carrying amount.

**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 year in which the estimate is revised where the revision affects only that year, or in the year of the revision and future years where the revision affects both current and future years.

**Critical Judgements**

The following judgements (apart from those involving estimates) have had the most significant effect on amounts recognised in the financial statements.

**Stock and Bad Debt Provisions**

Stocks are valued at the lower of cost and selling price less costs to sell. This includes, where necessary, provisions for slow moving stock calculations of these provisions requires judgements to be made including the competitive and economic environment and market trends.

Calculations made in respect of provisions for doubtful debts requires judgement. This judgement is based on customer base and the economic environment



**ABA EQUITY LIMITED****Notes to the Financial Statements (Continued)  
For the Year Ended 30 September 2021****3. Turnover and Other Revenue**  
**Turnover analysed by class of business**

	2021	2020
	£	£
Wholesale	34,338,984	43,440,852
Retail	22,078	131,251
	<u>34,361,062</u>	<u>43,572,103</u>

**Other significant revenue**

	2021	2020
	£	£
Grants received	1,505,682	1,105,394
Interest income	21,992	1,944

The directors consider there to be one geographical market of turnover, the United Kingdom.

£926k of grants received relate to amounts received under the Coronavirus Job Retention Scheme.

The group also received £500k from the Scottish Government as part of the Scottish Wholesale Food and Drink Resilience Fund and a further £80k Scottish Enterprise Grant.

**4. Staff Costs****Number of employees**

The average monthly number of employees for the year were:

	2021	2020
	No.	No.
Warehouse & distribution	76	118
Selling	22	27
Administration	33	41
	<u>131</u>	<u>186</u>

**Employment costs**

	£	£
Wages and salaries	3,402,919	4,233,104
Social security costs	324,270	408,972
Other pension costs	115,262	146,990
	<u>3,842,451</u>	<u>4,789,066</u>

All employees are those of the subsidiary.

**ABA EQUITY LIMITED****Notes to the Financial Statements (Continued)**  
**For the Year Ended 30 September 2021****5. Directors' Remuneration**

	2021	2020
	£	£
Remuneration for qualifying services	184,513	161,124
Company pension contributions to defined contribution schemes	26,892	26,892
	<u>211,405</u>	<u>188,016</u>

The number of directors for whom retirement benefits are accruing under defined contribution schemes amounted to 2 (2020: 2).

**6. Operating profit**

	2021	2020
	£	£
Operating profit is stated after charging:		
Depreciation – owned assets	324,275	412,915
Auditors' remuneration of parent undertaking – Wylie & Bisset (Audit) Ltd	5,377	5,974
Other non-audit services to parent undertaking	834	810
(Profit)/loss on disposal of fixed assets	(20,184)	(13,872)
Goodwill amortisation	479,025	464,922
Auditors' remuneration of subsidiary undertakings – Azets Audit Services	35,000	32,420
Taxation compliance services – subsidiary undertakings – Azets Audit Services	4,590	4,200
Taxation advisory services – subsidiary undertakings – Azet Audit Services	380	350
Foreign exchange (gains)/losses	<u>(248,683)</u>	<u>(139,273)</u>

**7. Interest payable and similar charges**

	2021	2020
	£	£
Bank interest	121	167
Hire purchase	-	356
Loan interest	7,812	-
	<u>7,933</u>	<u>523</u>

**ABA EQUITY LIMITED****Notes to the Financial Statements (Continued)**  
**For the Year Ended 30 September 2021**

<b>8. Taxation</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
<b>Domestic current year tax:</b>		
UK corporation tax	62,294	(69,567)
Overprovision in respect of prior year	(68,874)	-
<b>Total current tax</b>	<b>(6,580)</b>	<b>(69,567)</b>
<b>Deferred tax</b>		
Deferred tax charge	-	(93,349)
	<b>(6,580)</b>	<b>(162,916)</b>
<b>Factors affecting the tax charge for the year:</b>	<b>£</b>	<b>£</b>
(Loss)/profit on ordinary activities before taxation	(238,014)	(1,632,491)
Profit on ordinary activities before taxation multiplied by the standard rate of UK corporation tax of 19% (2018 – 19%)	(45,223)	(310,173)
<b>Effects of:</b>		
Non deductible expenses	18,968	16,916
Fixed asset differences	2,523	79,874
Tangible fixed asset impairment	-	44,650
Reversal of impairment	-	(15,360)
Deferred tax asset not recognised	86,026	10,195
Adjustment closing deferred tax to average of 19%	-	10,982
Adjustment in respect of prior years	(68,874)	-
<b>Current tax charge for the year</b>	<b>(6,580)</b>	<b>(162,916)</b>

**ABA EQUITY LIMITED****Notes to the Financial Statements (Continued)  
For the Year Ended 30 September 2021****9. Impairment**

Impairment tests have been carried out where appropriate and the following impairment losses have been recognised in profit or loss:

	Note	2021	2020
		£	£
<b>In respect of:</b>			
Property, plant and equipment	12	-	235,000
<b>Recognised in:</b>			
Administrative expenses		-	235,000

The impairment losses in respect of financial assets are recognised in other gains and losses in the profit and loss account.

**10. Profit of parent company**

As permitted by Section 408 of the Companies Act 2006, the Profit and Loss Account of the parent company is not presented as part of these financial statements. The company's profit for the year was £260,816 (year to 30 September 2020: £273,537).

**11. Intangible fixed assets  
Group**

	Goodwill	Software	Total
	£	£	£
<b>Cost</b>			
At 1 October 2020	5,239,617	507,707	5,747,324
Addition	1,116,256	-	1,116,256
At 30 September 2021	6,355,873	507,707	6,863,580
<b>Amortisation</b>			
At 1 October 2020	3,049,619	70,151	3,119,770
Charge for the year	394,407	84,618	479,025
At 30 September 2021	3,444,026	154,769	3,598,795
<b>Net book value</b>			
At 30 September 2021	2,911,847	352,938	3,264,785
At 30 September 2020	2,189,998	437,556	2,627,554

**ABA EQUITY LIMITED****Notes to the Financial Statements (Continued)  
For the Year Ended 30 September 2021****11 Intangible fixed assets (continued)**

The goodwill brought forward within the William Morton Limited Group arose from the transfer of trade assets and liabilities of Inverarity Vaults Limited in 2012 and Dollar Top Limited in 2014.

Goodwill of £2,160,185 arose on the acquisition of William Morton Ltd by the company.

**Company investments**

	<b>Unlisted investments £</b>
<b>Cost</b>	
At 1 October 2020	2,613,000
Addition	950,194
At 30 September 2021	<u>3,563,194</u>
<b>Net book value</b>	
At 30 September 2021	<u>3,563,194</u>
At 30 September 2020	<u>2,613,000</u>

**ABA EQUITY LIMITED****Notes to the Financial Statements (Continued)**  
**For the Year Ended 30 September 2021****12 Tangible fixed assets**  
**Group**

	<b>Freehold property £</b>	<b>Fixtures and fittings £</b>	<b>Motor vehicles £</b>	<b>Totals £</b>
<b>Cost</b>				
At 1 October 2020	1,525,850	2,087,197	1,732,435	5,345,482
Additions		38,006	112,361	150,367
Disposals	(1,000,000)	-	(459,045)	(1,459,045)
At 30 September 2021	<u>525,850</u>	<u>2,125,203</u>	<u>1,385,751</u>	<u>4,036,804</u>
<b>Depreciation</b>				
At 1 October 2020	640,850	988,037	1,513,562	3,142,449
Charge for the year	8,400	201,196	114,679	324,275
Eliminated on disposal	(325,000)	-	(377,354)	(702,354)
At 30 September 2021	<u>324,250</u>	<u>1,189,233</u>	<u>1,250,887</u>	<u>2,764,370</u>
<b>Net book value</b>				
At 30 September 2021	<u>201,600</u>	<u>935,970</u>	<u>134,864</u>	<u>1,272,434</u>
At 30 September 2020	<u>885,000</u>	<u>1,009,160</u>	<u>218,873</u>	<u>2,203,035</u>

**ABA EQUITY LIMITED****Notes to the Financial Statements (Continued)  
For the Year Ended 30 September 2021****13 Fixed asset investments  
Company**

	<b>Subsidiary undertakings</b>
<b>Cost</b>	
At 1 October 2020	2,613,000
Additions	950,194
At 30 September 2021	<u>3,563,194</u>
<b>Net Book Value</b>	
At 30 September 2021	<u>3,563,194</u>
At 30 September 2020	<u>2,613,000</u>

The group or the company's investments at the Balance Sheet date in the share capital of companies include the following:

Subsidiaries:

**William Morton Limited**

Nature of business: Wholesaling of wines, spirits, beers and soft drinks

Class of shares:	%
Ordinary	Holding 50

**14 Subsidiaries**

Details of the company's subsidiaries at 30 September 2021 are as follows:

<b>Name of undertaking</b>	<b>Registered office</b>	<b>Nature of business</b>	<b>Class of shares held</b>	<b>% Held Direct</b>
Inverarity Vaults Limited	1)	Dormant company	Ordinary	100
Dollar Top Limited	1)	Investment holding company	Ordinary	100
Forth Wine Limited	1)	Dormant company	Ordinary	100
Dollar Prop Limited	1)	Property holding company	Ordinary	100
JA Glass Limited	1)	Dormant company	Ordinary	100
William Morton Limited	1)	Trading company	Ordinary	100

1) 7 Evanton Drive, Thornlibank Industrial Estate, Glasgow, G46 8HL.

**ABA EQUITY LIMITED****Notes to the Financial Statements (Continued)  
For the Year Ended 30 September 2021****15 Stocks**

	<b>Group</b>		<b>Company</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Goods for resale	7,353,873	7,522,266	-	-

**16 Debtors**

	<b>Group</b>		<b>Company</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Trade debtors	7,881,831	5,468,886	-	85,936
Amounts owed by related undertakings	938,424	938,424	13,938,424	14,688,424
Other debtors	130,855	18,650	100	100
Prepayments & accrued income	712,264	237,749	28,646	28,647
	<b>9,663,374</b>	<b>6,663,709</b>	<b>13,967,170</b>	<b>14,803,108</b>

**17 Creditors: amounts falling due within one year**

	<b>Group</b>		<b>Company</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>	<b>£</b>	<b>£</b>
Trade creditors	6,016,379	3,695,047	762	-
Amounts owed to group undertakings	511,944	511,944	511,944	511,944
Amounts owed to related parties	16,363,000	16,363,000	16,363,000	16,363,000
Tax	62,294	64,186	62,294	64,186
Other taxes and social security costs	1,278,603	1,368,915	-	-
Other creditors	90,023	166,556	-	-
Accruals and deferred income	1,160,654	476,165	6,784	6,784
	<b>25,482,897</b>	<b>22,645,813</b>	<b>16,944,784</b>	<b>16,945,914</b>



**ABA EQUITY LIMITED****Notes to the Financial Statements (Continued)**  
**For the Year Ended 30 September 2021****18 Provisions for liabilities**

	<b>Group 2021 Deferred tax £</b>	<b>Group 2020 Deferred tax £</b>
Balance at 1 October 2020	-	93,349
Provided during year	-	(93,349)
Balance at 30 September 2021	=	=

**19 Called up share capital**

	<b>2021 £</b>	<b>2020 £</b>
<b>Allotted, issued and fully paid</b>		
100 Ordinary shares of £1 each	<u>100</u>	<u>100</u>

**20 Minority interest**

	<b>2021 £</b>	<b>2020 £</b>
Balance at 1 October 2020	951,754	1,808,731
Change after share purchase	(285,707)	-
Share of retained (losses)/profits	(172,287)	(856,977)
Balance at 30 September 2021	<u>493,760</u>	<u>951,754</u>

**21 Financial commitments, guarantees and contingent liabilities**

A cross guarantee exists between William Morton Limited and other related undertakings in respect of bank borrowings. The bank facilities are secured by a floating charge over the company's assets and undertakings and by a standard security over its freehold property.

The undertakings amongst which cross guarantees exist as follows:

William Morton Limited, Inverarity Vaults Limited, Dollar Top Limited, Dollar Pop Limited and Forth Wines Limited.

**ABA EQUITY LIMITED****Notes to the Financial Statements (Continued)  
For the Year Ended 30 September 2021****22 Pension commitments**

The group operates a defined contribution pension scheme, the assets of which are held separately from those of the group in an independently administered fund.

Contributions made by the group during the year amounted to £115,262 (2020: £146,990). Contributions made by the company during the year were £nil (2020: £nil).

**23 Other financial commitments**

At 30 September 2021 the group had commitments under foreign exchange contracts to purchase EUR Nil (2020 – EUR 1,491,552).

**24 Leasing Agreements**

Minimum lease payments fall due as follows:

<b>Group</b>	<b>Hire purchase contracts</b>	
	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Net obligations repayable:		
Within one year	-	-
Between one and five years	-	-
	<u>=</u>	<u>=</u>

Hire purchase creditors are secured on the assets concerned.

	<b>Non-cancellable operating leases</b>	
	<b>2021</b>	<b>2020</b>
	<b>£</b>	<b>£</b>
Within one year	112,293	131,252
Between one and five years	-	<u>12,293</u>
	<u>112,293</u>	<u>143,545</u>

**ABA EQUITY LIMITED****Notes to the Financial Statements (Continued)  
For the Year Ended 30 September 2021**


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<b>25 Related party disclosures</b>	<b>2021</b>	<b>2020</b>
<b>Remuneration of key management personnel</b>		
<b>The remuneration of key management personnel is as follows.</b>	<b>£</b>	<b>£</b>
Aggregate compensation	<u>184,513</u>	<u>161,124</u>

The directors consider the key management personnel to be the directors.

The following transactions took place during the year between the company and Chelsea Group Limited, LL Limited, Revie and Co Limited, GIAS Limited and Apex Holdings Limited, all entities which have a 20% interest in the group and company.

**Chelsea Group Limited**

£3,272,600 was owed to Chelsea Group Limited at 30 September 2021 (2020: £3,272,600) and is included within shareholder loans in creditors: amounts due within less than one year.

**LL Limited**

£3,272,600 was owed to LL Limited at 30 September 2021 (2020: £3,272,600) and is included within shareholder loans in creditors: amounts due within less than one year.

**Revie and Co Limited**

£3,272,600 was owed to Revie and Co Limited at 30 September 2021 (2020: £3,272,600) and is included within shareholder loans in creditors: amounts due within less than one year.

**GIAS Limited**

£3,272,600 was owed to GIAS Limited at 30 September 2021 (2020: £3,272,600) and is included within shareholder loans in creditors: amounts due within less than one year.

**Apex Holdings Limited**

£3,272,600 was owed to Apex Holdings Limited at 30 September 2021 (2020: £3,272,600) and is included within shareholder loans in creditors: amounts due within less than one year.

**William Morton Ltd**

At the year end a loan of £28,646 (2020: £28,646) was outstanding between William Morton Ltd and ABA Equity Ltd (see note 13). The loan is unsecured and bears interest at 2.5% per annum.

**ABA Estates Ltd**

Ms G Smith, Mr A Bulloch and Mr H Jagielko are directors of ABA Equity Limited and directors of ABA Estates Limited. During the year rent of £100,000 (2020: £75,000) was paid to ABA Estates Limited.

**ABA EQUITY LIMITED**

**Notes to the Financial Statements (Continued)**  
**For the Year Ended 30 September 2021**

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- 26 Ultimate controlling party**  
No single entity or individual controls the company.