
W.BREWIN AND COMPANY LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2017



W.BREWIN AND COMPANY LIMITED

COMPANY INFORMATION

Directors	P L Brewin A C Bexon T C Tilly M C Brewin M R Brewin E P Spence P J Brewin J M Kendall
Company secretary	E P Spence
Registered number	00259857
Registered office	145 Parker Drive Leicester Leicestershire LE4 0JP
Independent auditor	Grant Thornton UK LLP Chartered Accountants & Statutory Auditor Regent House 80 Regent Road Leicester LE1 7NH
Bankers	Barclays Bank plc Midlands Corporate Banking PO Box 3333 15 Colmore Row Birmingham B3 2WN

W.BREWIN AND COMPANY LIMITED

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W.BREWIN AND COMPANY LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 OCTOBER 2017

The directors present their report and the financial statements for the year ended 31 October 2017.

Directors

The directors who served during the year were:

P L Brewin
A C Bexon
T C Tilly
M C Brewin
M R Brewin
E P Spence
P J Brewin
J M Kendall

Directors' Responsibilities Statement

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations.

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

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements and may differ from legislation in other jurisdictions.

W.BREWIN AND COMPANY LIMITED

**DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 OCTOBER 2017**

Disclosure of information to auditor

The directors confirm that:

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


Auditor

The auditor, Grant Thornton UK LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

Small companies note

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

This report was approved by the board and signed on its behalf.


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P L Brewin
Director

Date: 29 June 2018



INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF W.BREWIN AND COMPANY LIMITED

Opinion

We have audited the financial statements of W.Brewin And Company Limited for the year ended 31 October 2017, which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity and the related notes, 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 Company's affairs as at 31 October 2017 and of its 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 Auditors' 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 United Kingdom, including the Financial Reporting Council'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.

Who we are reporting to

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.

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.



**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF W.BREWIN AND COMPANY LIMITED
(CONTINUED)**

Other information

The directors are responsible for the other information. The other information comprises the information included in the Directors' Report, but does not include 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.

Opinion on other matters prescribed by the Companies Act 2006

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

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

Matter on which we are required to report by the Companies Act 2006

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 Directors' Report.

Matters on which we are required to report by exception

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, 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' Report and from the requirement to prepare a strategic report.



**INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF W.BREWIN AND COMPANY LIMITED
(CONTINUED)**

Responsibilities of directors for the financial statements

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

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

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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: www.frc.org.uk/auditorsresponsibilities. The description forms part of our Auditor's Report.



Thomas Copson (Senior Statutory Auditor)
for and on behalf of
Grant Thornton UK LLP
Chartered Accountants
Statutory Auditor
East Midlands

29 June 2018

W.BREWIN AND COMPANY LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 OCTOBER 2017**

	Note	2017 £	2016 £
Turnover		5,576,757	6,099,745
Cost of sales		(3,839,204)	(4,121,291)
Gross profit		1,737,553	1,978,454
Administrative expenses		(1,592,993)	(1,760,063)
Operating profit	3	144,560	218,391
Income from participating interests		221,130	98,930
Interest receivable and similar income	5	3,815	2,969
Other finance costs		(24,000)	(8,000)
Profit before tax		345,505	312,290
Tax on profit	7	(741)	(594)
Profit for the year		344,764	311,696
Other comprehensive income for the year			
Actuarial losses on defined benefit pension scheme		(305,000)	(631,000)
Movement of deferred tax relating to pension surplus		49,500	110,940
Other comprehensive income for the year		(255,500)	(520,060)
Total comprehensive income for the year		89,264	(208,364)

There were no recognised gains and losses for 2017 or 2016 other than those included in the Statement of Comprehensive Income.

The notes on pages 9 to 21 form part of these financial statements.

W.BREWIN AND COMPANY LIMITED
REGISTERED NUMBER:00259857

BALANCE SHEET
AS AT 31 OCTOBER 2017

	Note	2017 £	2016 £
Fixed assets			
Tangible assets	9	955,853	959,063
Investments	10	13,000	13,000
		<u>968,853</u>	<u>972,063</u>
Current assets			
Stocks	11	574,314	635,617
Debtors: amounts falling due within one year	12	977,137	1,186,639
Cash at bank and in hand		1,954,203	1,418,111
		<u>3,505,654</u>	<u>3,240,367</u>
Creditors: amounts falling due within one year	13	(405,140)	(415,188)
Net current assets		<u>3,100,514</u>	<u>2,825,179</u>
Total assets less current liabilities		<u>4,069,367</u>	<u>3,797,242</u>
Pension liability		(1,152,000)	(813,000)
Net assets		<u><u>2,917,367</u></u>	<u><u>2,984,242</u></u>
Capital and reserves			
Called up share capital		106,260	106,260
Share premium account		1,501	1,501
Profit and loss account		2,809,606	2,876,481
		<u><u>2,917,367</u></u>	<u><u>2,984,242</u></u>

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

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 29 June 2018.



P L Brewin
Director

The notes on pages 9 to 21 form part of these financial statements.

W.BREWIN AND COMPANY LIMITED

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 OCTOBER 2017**

	Called up share capital	Share premium account	Profit and loss account	Total equity
	£	£	£	£
At 1 November 2016	106,260	1,501	2,876,481	2,984,242
Comprehensive income for the year				
Profit for the year	-	-	344,764	344,764
Remeasurement of net defined benefit liability and deferred tax movement	-	-	(255,500)	(255,500)
Total comprehensive income for the year	-	-	89,264	89,264
Dividends: Equity capital	-	-	(156,139)	(156,139)
Total transactions with owners	-	-	(156,139)	(156,139)
At 31 October 2017	106,260	1,501	2,809,606	2,917,367

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 OCTOBER 2016**

	Called up share capital	Share premium account	Profit and loss account	Total equity
	£	£	£	£
At 1 November 2015	106,260	1,501	3,266,161	3,373,922
Comprehensive income for the year				
Profit for the year	-	-	311,696	311,696
Remeasurement of net defined benefit liability and deferred tax movement	-	-	(520,060)	(520,060)
Total comprehensive income for the year	-	-	(208,364)	(208,364)
Dividends: Equity capital	-	-	(181,316)	(181,316)
Total transactions with owners	-	-	(181,316)	(181,316)
At 31 October 2016	106,260	1,501	2,876,481	2,984,242

The notes on pages 9 to 21 form part of these financial statements.

W.BREWIN AND COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 OCTOBER 2017

1. General information

The Company is a private entity, limited by shares and is incorporated in England and its registered office is 145 Parker Drive, Leicester, LE4 0JP.

The principal activity of the Company is the manufacture, import and merchanting of hosiery products.

2. Accounting policies

2.1 Basis of preparation of financial statements

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

The following principal accounting policies have been applied:

2.2 Revenue

Turnover is recognised to the extent that it is probable that the economic benefits will flow to the Company and the turnover can be reliably measured. Turnover is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before turnover is recognised:

Sale of goods

Turnover from the sale of goods is recognised when all of the following conditions are satisfied:

- the Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of turnover can be measured reliably;
- it is probable that the Company will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

2.3 Tangible fixed assets

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

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

W.BREWIN AND COMPANY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2017**

2. Accounting policies (continued)

2.3 Tangible fixed assets (continued)

Land is not depreciated. Depreciation on other assets is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Freehold property	- 2% per annum on cost
Plant & machinery & motor vehicles	- 10% per annum on cost (Motor vehicles - 20% per annum on cost)
Fixtures & fittings	- 10% per annum on cost
Computer equipment	- 20% per annum on cost

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

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in the Statement of Comprehensive Income.

2.4 Valuation of investments

Investments in unlisted company shares, where market value cannot be reliably determined, are stated at historic cost less impairment.

2.5 Stocks

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

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

2.6 Debtors

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

W.BREWIN AND COMPANY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2017**

2. Accounting policies (continued)

2.7 Financial instruments

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

2.8 Creditors

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

2.9 Dividends

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

2.10 Pensions

Defined contribution pension plan

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

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

Defined benefit pension plan

The Company operates a defined benefit plan for certain employees. A defined benefit plan defines the pension benefit that the employee will receive on retirement, usually dependent upon several factors including but not limited to age, length of service and remuneration. A defined benefit plan is a pension plan that is not a defined contribution plan.

The liability recognised in the Balance Sheet in respect of the defined benefit plan is the present value of the defined benefit obligation at the end of the Balance Sheet date less the fair value of plan assets at the Balance Sheet date (if any) out of which the obligations are to be settled.

The defined benefit obligation is calculated using the projected unit credit method. Annually the Company engages independent actuaries to calculate the obligation. The present value is determined by discounting the estimated future payments using market yields on high quality corporate bonds that are denominated in sterling and that have terms approximating to the estimated period of the future payments ('discount rate').

W.BREWIN AND COMPANY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2017**

2. Accounting policies (continued)

Pensions (continued)

The fair value of plan assets is measured in accordance with the FRS 102 fair value hierarchy and in accordance with the Company's policy for similarly held assets. This includes the use of appropriate valuation techniques.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income. These amounts together with the return on plan assets, less amounts included in net interest, are disclosed as 'Remeasurement of net defined benefit liability'.

The cost of the defined benefit plan, recognised in profit or loss as employee costs, except where included in the cost of an asset, comprises:

- a) the increase in net pension benefit liability arising from employee service during the period; and
- b) the cost of plan introductions, benefit changes, curtailments and settlements.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is recognised in profit or loss as a 'finance expense'.

2.11 Interest income

Interest income is recognised in the Statement of Comprehensive Income using the effective interest method.

2.12 Current and deferred taxation

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

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

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

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

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

W.BREWIN AND COMPANY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2017**

3. Operating profit

The operating profit is stated after charging:

	2017	2016
	£	£
Fees payable to the Company's auditor for the audit of the Company's annual financial statements	9,600	9,775

4. Employees

The average monthly number of employees, including directors, during the year was 43 (2016: 44).

5. Interest receivable

	2017	2016
	£	£
Other interest receivable	3,815	2,969

6. Other finance costs

	2017	2016
	£	£
Net interest cost on net defined benefit liability	24,000	8,000

7. Taxation

	2017	2016
	£	£
Corporation tax		
Current tax on profits for the year	741	594
Total current tax	741	594
Deferred tax		
Total deferred tax	-	-
Taxation on profit on ordinary activities	741	594

W.BREWIN AND COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2017

7. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is lower than (2016: lower than) the standard rate of corporation tax in the UK of 19.4% (2016: 20%). The differences are explained below:

	2017 £	2016 £
Profit on ordinary activities before tax	345,505	312,290
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 19.4% (2016: 20%)	67,028	62,458
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	695	67
Non-taxable income less expenses not deductible for tax purposes	(42,899)	(19,786)
Deferred tax not recognised	(24,083)	(42,145)
Total tax charge for the year	741	594

Factors that may affect future tax charges

The Company has trading losses of 843,996 (2016: £1,011,691) to carry forward which are not recognised as deferred tax assets.

8. Dividends

	2017 £	2016 £
Dividends paid on ordinary shares	78,832	86,836
Dividends paid on 'A' ordinary shares	34,813	43,080
Dividends paid on 'B' ordinary shares	42,494	51,400
	156,139	181,316

W.BREWIN AND COMPANY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2017**

9. Tangible fixed assets

	Freehold property £	Plant, machinery & motor vehicles £	Fixtures & fittings £	Computer equipment £	Total £
Cost or valuation					
At 1 November 2016	1,132,320	1,398,195	208,835	97,785	2,837,135
Additions	-	49,326	412	7,653	57,391
Disposals	-	(129,667)	-	(2,463)	(132,130)
At 31 October 2017	<u>1,132,320</u>	<u>1,317,854</u>	<u>209,247</u>	<u>102,975</u>	<u>2,762,396</u>
Depreciation					
At 1 November 2016	251,015	1,332,554	205,802	88,701	1,878,072
Charge for the year on owned assets	18,456	26,260	754	6,162	51,632
Disposals	-	(120,784)	-	(2,377)	(123,161)
At 31 October 2017	<u>269,471</u>	<u>1,238,030</u>	<u>206,556</u>	<u>92,486</u>	<u>1,806,543</u>
Net book value					
At 31 October 2017	<u>862,849</u>	<u>79,824</u>	<u>2,691</u>	<u>10,489</u>	<u>955,853</u>
At 31 October 2016	<u>881,305</u>	<u>65,641</u>	<u>3,033</u>	<u>9,084</u>	<u>959,063</u>

W.BREWIN AND COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2017

10. Fixed asset investments

	Unlisted investments £
Cost	
At 1 November 2016	13,000
At 31 October 2017	<u>13,000</u>
Net book value	
At 31 October 2017	<u>13,000</u>
At 31 October 2016	<u>13,000</u>

Participating interests

The Company holds 28% of the ordinary share capital of Povoas Packaging Limited, a company incorporated in England. The principal activity is the manufacturing of packaging materials.

The aggregate of the share capital and reserves of that company as at 31 October 2017 was £11,906,000 and its profit for the year ended on that date was £2,450,000.

11. Stocks

	2017 £	2016 £
Raw materials and consumables	118,936	126,172
Work in progress	41,522	52,532
Finished goods	413,856	456,913
	<u>574,314</u>	<u>635,617</u>

W.BREWIN AND COMPANY LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2017**

12. Debtors

	2017 £	2016 £
Trade debtors	746,110	1,017,647
Amounts owed by other participating interests	3,375	202
Other debtors	-	678
Prepayments and accrued income	31,812	21,772
Deferred taxation	195,840	146,340
	<u>977,137</u>	<u>1,186,639</u>

13. Creditors: Amounts falling due within one year

	2017 £	2016 £
Trade creditors	193,902	216,545
Corporation tax	741	594
Other taxation and social security	111,535	94,132
Other creditors	46,210	46,094
Accruals and deferred income	52,752	57,823
	<u>405,140</u>	<u>415,188</u>

14. Deferred taxation

	2017 £	2016 £
At beginning of year	146,340	35,400
Movement in other comprehensive income	49,500	110,940
At end of year	<u>195,840</u>	<u>146,340</u>

The deferred tax asset is made up as follows:

	2017 £	2016 £
Defined benefit liability	<u>195,840</u>	<u>146,340</u>

W.BREWIN AND COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2017

15. Pension commitments

The Company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the Company in an independently administered fund. The pension cost charge represents contributions payable by the Company to the fund and amounted to £24,950 in the year ended 31 October 2017 (2016: £25,826).

The Company operates a Defined Benefit Pension Scheme.

The pension cost and provision for the year ended 31 October 2017 relating to the Company are based on the advice of a professionally qualified actuary. The most recent formal valuation is dated 11 May 2014. Preliminary results of the triennial funding valuation of the scheme at 11 May 2017 have been updated to 31 October 2017.

The contribution made for the year ended 31 October 2017 was £43,000. With effect from 12 May 2018 the scheme has been closed to future service accrual and a contribution plan is in place to clear the deficit over 20 years. The future expected contributions are £21,500 up to May 2018 followed by £13,200 per annum under the contribution plan.

Reconciliation of present value of plan liabilities:

	2017 £	2016 £
Reconciliation of present value of plan liabilities		
At the beginning of the year	2,800,000	2,357,000
Current service cost	62,000	48,000
Interest cost	83,000	94,000
Actuarial losses	265,000	441,000
Benefits paid	(75,000)	(140,000)
At the end of the year	3,135,000	2,800,000

	2017 £	2016 £
Reconciliation of plan assets		
At the beginning of the year	1,987,000	2,180,000
Current service cost	9,000	10,000
Interest income	59,000	86,000
Actuarial losses	(40,000)	(190,000)
Contributions	43,000	41,000
Benefits paid	(75,000)	(140,000)
At the end of the year	1,983,000	1,987,000

W.BREWIN AND COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
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15. Pension commitments (continued)

Composition of plan assets:

	2017 £	2016 £
Investment Funds	1,977,000	1,962,000
Bank and cash	6,000	25,000
Total plan assets	1,983,000	1,987,000
	2017 £	2016 £
Fair value of plan assets	1,983,000	1,987,000
Present value of plan liabilities	(3,135,000)	(2,800,000)
Net pension scheme liability	(1,152,000)	(813,000)

The amounts recognised in profit or loss are as follows:

	2017 £	2016 £
Interest income on plan assets	24,000	8,000
Current service cost	53,000	38,000
Total	77,000	46,000

W.BREWIN AND COMPANY LIMITED

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15. Pension commitments (continued)

Principal actuarial assumptions at the Balance Sheet date:

	2017	2016
	%	%
Discount rate	2.55	3.0
Future salary increases	1% and 2.5%	1% and 2.5%
Future pension increases	2.15% to 3.05%	2.3% to 3.2%
Inflation assumption	3.1	3.3
Mortality rates		
- for a male aged 65 now	22.3	22.5
- at 65 for a male aged 45 now	24.2	23.7
- for a female aged 65 now	23.7	24.2
- at 65 for a female member aged 45 now	25.7	25.3

W.BREWIN AND COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
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16. Related party transactions

Transactions with directors

Remuneration in respect of key management personnel including contributions to defined contribution pension schemes totaled £251,489 (2016: £257,505). In addition three (2016: three) of the directors are accruing benefits under the defined benefit pension scheme.

The following directors were paid dividends during the year as outlined in the table below:

	2017 £	2016 £
P L Brewin	23,335	25,704
M R Brewin	1	1
M C Brewin	34,813	43,080
P J Brewin	42,493	51,400
J M Kendall	1,804	1,987
A C Bexon	1,234	1,360
T C Tilly	1,234	1,360
	<u>104,914</u>	<u>124,892</u>

In addition to the above, dividends were also paid to directors as follows:

M R Brewin and M C Brewin (as Trustees) - £8,116 (2016: £8,940)

M R Brewin (as a Trustee for C D Brewin Will Trust) - £23,335 (2016: £25,705)

Other Transactions

The Company holds an investment in Povoas Packaging Limited (see Note 10). During the year the Company received dividends from Povoas Packaging Limited amounting to £221,130 (2016: £98,930). The Company made sales/recharges of services amounting to £12,088 (2016: £10,152) to Povoas Packaging Limited and made purchases from Povoas Packaging Limited of £1,069 (2016: £9,222). Amounts due from Povoas Packaging Limited at the balance sheet date totaled £3,375 (2016: £202) and amounts payable to Povoas Packaging Limited totalled £324 (2016: £Nil). No amounts were written off in the period under review.