Aston Manor Brewery Company Limited

Annual report and consolidated financial statements

Registered number 01699439

For the year ended 31 December 2015

Contents

Strategic report

Principal activities and business review

The group's principal activity continues to be that of the production of cider and perry.

In light of a UK market that is continuing to decline, the directors are satisfied with the performance of the group during the current year. Revenue for the year to 31 December 2015 amounted to £109 million *(2014: £123 million)*. The company is continuing to explore new markets and products whilst managing its cost base, and its pursuit of manufacturing excellence.

Once again, Aston Manor Brewery Company Limited ("Aston Manor") made significant capital investment during the year focussing on enhancement of its production facilities across the group's three production sites. During the year ended 31 December 2015, the group has invested in the conversion of its site at Stourport-on-Severn into a world class fruit pressing and evaporation facility. 2015 has seen the first full fruit pressing season at the site and we are extremely pleased with the results achieved. This represents a significant step forward for the company and for its apple growers.

Vision and Mission

"To be recognised as the most capable, progressive & professional cider company delivering sustainable success for our customers, our suppliers, and our business" by "creating the highest quality products and providing excellent customer service through outstanding people and continuous investment in manufacturing capability."

Key performance indicators and results

EBITDA for the year amounted to £8.8 million *(2014: £9.7 million)*. Net cash generated from operating activities amounted to £9.5 million *(2014: £9.9 million)*.

The operating profit (EBIT) for the year amounted to £5.8 million *(2014: £7.5 million)*. The directors are satisfied with the performance in both our branded business and our lower margin private label business.

The profit for the financial year amounted to £4.5 million *(2014: £5.4 million)*.

The financial position of the group is shown in the Statement of Financial Position. The group's cash flows and liquidity position are described in the Statement of Cash Flows.

Principal risks and uncertainties

In this industry, there is always uncertainty as to which direction the government takes their alcohol strategy next. We are therefore continually represented at government through our industry trade body, The National Association of Cider Makers, of which we are an executive member. The other principal risk to the business is the volatility of raw material costs. We mitigate this through the arrangement of a series of short, medium and long term supply contracts.

The Group uses financial instruments including cash, borrowings and receivables financing, the main purpose of which are to raise finance for the company's activities. It is the Group's policy not to enter into trading of a speculative nature in respect of financial instruments.

Financial risk management

Price risk

The Group is exposed to price risk on its raw material purchases. The Group aims to purchase raw materials through a blend of long term, medium term and spot market contracts, reducing exposure to price volatility.

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations, resulting in financial loss to the company. Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all customers requiring credit, using information supplied by independent rating agencies where available. At the balance sheet date, there were no significant concentrations of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the balance sheet.

Strategic report *(continued)*

Financial risk management *(continued)*

Taxation risk

As a producer of alcoholic beverages, the Group is exposed to the risk of rises in excise duty and associated legislation on its products. The Group's diverse portfolio of products does mitigate some of this risk, and in addition, the group is represented at various trade bodies, and in particular is an executive member of the "National Association of Cider Makers" (NACM).

Cash flow and liquidity risk

Liquidity risk is the risk that the Group may not be able to meet its financial obligations as they fall due. The Group ensures that there are sufficient levels of committed facilities, cash and cash equivalents such that the Group is, at all times, able to meet its financial commitments. Liquidity risk is managed by continuous monitoring of forecast and actual cash flows and matching the maturity profile of financial assets and liabilities. The Group has no significant interest bearing assets and consequently, its income and cash flows are largely independent of changes in market interest rates. All interest bearing borrowings comprising of bank overdrafts and bank loans have variable interest rates based upon the bank base rate and are therefore subject to fluctuations in such rates. The Group does not use interest rate swaps or other instruments to manage its interest rate exposure.

People

Here at Aston Manor, we have great people whose enthusiasm, ideas and hard work are crucial to the success of our company. The Board would like to thank all of our employees for their continued contribution.

Approved by the board of directors on 23 August 2016 and signed on its behalf by:

JD Ellis
Finance Director and Company Secretary

Directors' report

The directors present their annual report and the audited consolidated financial statements for the year ended 31 December 2015.

Dividends

Dividends paid during the year comprise an interim and final dividend totalling £1.25 million in respect of the year ended 31 December 2015 *(2014: £2 million)*.

Directors

The directors of the company who were in office during the year and up to the date of signing the financial statements were as follows:

HD Ellis
PD Ellis
KR McGrath
JD Ellis
P Clifford
M Stringer
RP Clifford
G Johncox
G Friel

Director's indemnity insurance was in place throughout the year and at the date of signing the financial statements for the benefit of all company directors.

Research and Development

The Group continues to invest in undertaking research and development activities to develop new cider production processes and techniques, packaging processes and techniques and also the development of new products to extend our existing portfolio in line with customer and consumer requirements.

Research and development costs of £365,000 *(2014: £362,593)* have been charged to the profit and loss account.

A new dedicated research and development laboratory is being created at our Stourport site to facilitate further focus on this area in future years.

Financial risk management

The group's financial risk management objectives are described in the Strategic Report on pages 1 - 2.

Future Developments

In 2016 we will continue to invest in plant and equipment across all of our facilities. All of this investment is geared towards the continuous improvement in the quality of our products and the efficiency of their production. Further, we will continue to make commercial investment into our brand portfolio, and in particular our brand Kingstone Press through its multi-faceted sponsorship of the Rugby Football League, Tough Mudder, and exclusive distribution agreement with Marstons PLC.

UK cider volumes contracted in 2015, and this will most likely continue in 2016. Our diverse portfolio of customers and products inevitably means that we have some exposure to this trend. Aston Manor has historically operated almost exclusively within the UK market, and as each year goes by, we seek further diversification into overseas markets and other products Nonetheless, we rightly maintain our confidence for the business results of 2016 and beyond.

Going Concern

The directors consider that the group has sufficient available financial resources and has long term contracts with a number of customers and suppliers across different geographic areas and industries. As a consequence, the directors believe that the company is well placed to manage its business risks successfully.

Directors' report *(continued)*

Going Concern *(continued)*

The directors have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. The group therefore continues to adopt the going concern basis in preparing the annual report and financial statements.

Employee involvement

The Group has continued its practice of keeping employees informed of matters affecting them as employees and of the financial and economic factors affecting the performance of the Group.

The Group has an employee share scheme in place – see note 21 to the financial statements for further information.

Disabled employees

Applications for employment by disabled persons are given full and fair consideration for all vacancies in accordance with their particular aptitudes and abilities.

In the event of an employee becoming disabled, every effort is made to retrain them in order that their employment with the Group may continue. It is the policy of the group that training, career development and promotion opportunities should be available to all employees.

Political and charitable contributions

The group made no political donations or incurred any political expenditure during the year *(2014: £Nil)*. The group made charitable donations of £10,430 during the year *(2014: £15,053)*.

Statement of directors' responsibilities in respect of the Strategic report, Directors' report and the financial statements

The directors are responsible for preparing the Strategic Report, Directors' report and the consolidated 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 group and the parent company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards comprising Financial Reporting Standard 102 (The Financial Reporting Standard Applicable in the UK and Republic of Ireland (FRS102) 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 group and the parent company 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 judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards comprising FRS 102 have been followed, subject to any material departures disclosed and explained in the financial statements;
- notify its' shareholders in writing about the use of disclosure exemptions, if any, of FRS 102 used in the preparation of the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group and the parent company will continue in business.

The directors are responsible for keeping proper accounting records that are sufficient to show and explain the parent company's transactions and disclose with reasonable accuracy at any time, the financial position of the parent company and the group and enable them to ensure that the financial statements comply with the Companies Act 2006. They have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the group and to prevent and detect fraud and other irregularities.

Directors' report *(continued)*

Disclosure of information to auditors

The directors who held office at the date of approval of this directors' report confirm that, so far as they are each aware, there is no relevant audit information of which the company's auditors are unaware; and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Independent Auditors

Pursuant to Section 487 of the Companies Act 2006, the auditors will be deemed to be re-appointed and PricewaterhouseCoopers LLP will therefore continue in office.

Approved by the board of directors on 23 August 2016 and signed on its behalf by:

James Ellis

JD Ellis
Finance Director and Company Secretary

Deykin Avenue
Birmingham
B7 5HS

Independent auditors' report to the members of Aston Manor Brewery Company Limited

Report on the financial statements

Our opinion

In our opinion, Aston Manor Brewery Company Limited's group financial statements and company financial statements (the "financial statements"):

- give a true and fair view of the state of the group's and of the company's affairs as at 31 December 2015 and of the group's and the company's profit and the group's cash flows 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.

What we have audited

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

- the consolidated and company statements of financial position as at 31 December 2015;
- the consolidated and company statements of comprehensive income for the year then ended;
- the consolidated statement of cash flows for the year then ended;
- the consolidated and company statements of changes in equity for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies and other explanatory information.

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

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

Opinion on other matter prescribed by the Companies Act 2006

In our opinion, 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.

Other matters on which we are required to report by exception

Adequacy of accounting records and information and explanations received

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

- we have not received all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the company, or returns adequate for our audit have not been received from branches not visited by us; or
- the company financial statements are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Independent auditors' report to the members of Aston Manor Brewery Company Limited (continued)

Directors' remuneration

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

Responsibilities for the financial statements and the audit

Our responsibilities and those of the directors

As explained more fully in the Statement of directors' responsibilities in respect of the Strategic Report, Directors' report and the financial statements set out on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with Chapter 3 of Part 16 of the Companies Act 2006 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

What an audit of financial statements involves

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

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

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

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

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

Christopher Hibbs (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
Birmingham
23 August 2016

Consolidated statement of comprehensive income
for the year ended 31 December 2015

	Note	2015 £	2014 £
Turnover	5	**108,687,221**	122,772,725
Cost of sales		**(93,752,053)**	(106,540,041)
Gross profit		**14,935,168**	16,232,684
Distribution costs		**(7,473,612)**	(6,591,917)
Administrative expenses		**(1,783,784)**	(2,159,530)
Group operating profit		**5,677,772**	7,481,237
Surplus on revaluation of investment properties		**118,500**	-
Profit on ordinary activities before investment income, interest and taxation		**5,796,272**	7,481,237
Interest payable and similar charges	7	**(535,613)**	(564,249)
Profit on ordinary activities before taxation	6	**5,260,659**	6,916,988
Tax on profit on ordinary activities	10	**(800,082)**	(1,560,264)
Profit for the financial year		**4,460,577**	5,356,724
Other comprehensive income		-	-
Total comprehensive income for the financial year		**4,460,577**	5,356,724
Profit and total comprehensive income for the financial year attributable to:			
Owners of the parent company		**4,460,577**	5,356,724

All of the group's operations are derived from continuing activities.

The notes on pages 15 to 40 form part of these financial statements.

Company statement of comprehensive income
for the year ended 31 December 2015

	Note	2015 £	2014 £
Turnover	*5*	**108,663,941**	122,772,725
Cost of sales		**(93,176,278)**	(106,361,700)
Gross profit		**15,487,663**	16,411,025
Distribution costs		**(7,473,612)**	(6,612,126)
Administrative expenses		**(2,743,784)**	(2,609,531)
Group operating profit being profit on ordinary activities before investment income, interest and taxation		**5,270,267**	7,189,368
Interest payable and similar charges	*7*	**(428,014)**	(564,249)
Interest receivable and similar income	*8*	**116,861**	-
Profit on ordinary activities before taxation	*6*	**4,959,114**	6,625,119
Tax on profit on ordinary activities	*10*	**(639,794)**	(1,468,505)
Profit for the financial year		**4,319,320**	5,156,614
Other comprehensive income		-	-
Total comprehensive income for the financial year		**4,319,320**	5,156,614
Profit and total comprehensive income for the financial year attributable to:			
Owners of the parent company		**4,319,320**	5,156,614

All of the company's operations are derived from continuing activities.

The notes on pages 15 to 40 form part of these financial statements.

Consolidated statement of financial position
as at 31 December 2015

	Note	2015	2015	2014	2014
		£	£	£	£
Fixed assets					
Intangible assets	12		-		-
Investment properties	13		340,000		-
Tangible assets	14		30,195,549		29,011,389
Investments	15		250		250
			30,535,799		29,011,639
Current assets					
Inventories	16	5,500,076		6,451,832	
Debtors	17	19,631,827		22,217,659	
Cash at bank and in hand		744,065		1,511,429	
		25,875,968		30,180,920	
Creditors: Amounts falling due within one year	18	(25,755,620)		(30,852,370)	
Net current assets / (liabilities)			120,348		(671,450)
Total assets less current liabilities			30,656,147		28,340,189
Creditors: Amounts falling due after more than one year	19		(8,973,851)		(9,489,542)
Provisions for liabilities	22		(907,135)		(1,286,063)
Net assets			20,775,161		17,564,584
Capital and reserves					
Called up share capital	24		183,682		183,682
Share premium account			20,000		20,000
Revaluation reserve			816,778		909,707
Other reserves			320,554		320,554
Profit and loss account			19,434,147		16,130,641
Total equity			20,775,161		17,564,584

The notes on pages 15 to 40 form part of these financial statements.

These financial statements on pages 8 to 40 were approved and authorised for issue by the board of directors on 23 August 2016 and were signed on its behalf by:

James Ellis

JD Ellis
Finance Director

Registered number: 01699439

Company statement of financial position

as at 31 December 2015

	Note	**2015**	**2015**	2014	2014
		£	**£**	£	£
Fixed assets					
Intangible assets	*12*		**-**		-
Tangible assets	*14*		**19,284,552**		19,696,376
Investments	*15*		**252**		252
			19,284,804		19,696,628
Current assets					
Inventories	*16*	**5,500,076**		6,451,832	
Debtors	*17*	**25,199,549**		25,670,881	
Cash at bank and in hand		**743,606**		1,511,429	
		31,443,231		33,634,142	
Creditors: Amounts falling due within one year	*18*	**(25,134,462)**		(30,338,177)	
Net current assets			**6,308,769**		3,295,965
Total assets less current liabilities			**25,593,573**		22,992,593
Creditors: Amounts falling due after more than one Year	*19*		**(4,653,017)**		(4,732,042)
Provisions for liabilities	*22*		**(854,639)**		(1,243,954)
Net assets			**20,085,917**		17,016,597
Capital and reserves					
Called up share capital	*24*		**183,682**		183,682
Share premium account			**20,000**		20,000
Revaluation reserve			**698,278**		909,707
Other reserves			**320,554**		320,554
Profit and loss account			**18,863,403**		15,582,654
Total equity			**20,085,917**		17,016,597

The notes on pages 15 to 40 form part of these financial statements.

These financial statements on pages 8 to 40 were approved and authorised for issue by the board of directors on 23 August 2016 and were signed on its behalf by:

James Ellis

JD Ellis
Finance Director

Registered number: 01699439

Consolidated statement of cash flows

for the year ended 31 December 2015

	Note	2015 £	2015 £	2014 £	2014 £
Profit for the financial year		**4,460,577**		5,356,724	
Tax on profit on ordinary activities		**800,082**		1,560,264	
Interest payable and similar charges		**535,613**		564,249	
Surplus on revaluation of investment properties		**(118,500)**		-	
Operating profit		**5,677,772**		7,481,237	
Adjustments for:					
Depreciation of tangible fixed assets		**3,061,566**		2,419,040	
Loss on disposal of fixed assets		**73,656**		35,235	
Decrease in stocks		**951,756**		674,789	
Decrease in debtors		**2,585,832**		4,077,264	
Decrease in creditors		**(1,892,823)**		(3,109,348)	
(Decrease) / increase in provisions		**(133,936)**		133,936	
Issue of growth shares		-		282,000	
Cash from operations		**10,323,823**		11,994,153	
Income taxes paid		**(805,280)**		(2,133,700)	
Net cash generated from operating activities			**9,518,543**		9,860,453
Cash flows from investing activities					
Proceeds from sale of tangible fixed assets		**42,675**		4,900	
Purchases of tangible fixed assets		**(4,583,557)**		(11,847,457)	
Net cash from investing activities			**(4,540,882)**		(11,842,557)
Cash flows from financing activities					
Repurchase and issue of ordinary share capital		-		(48,547)	
New bank loans		-		5,294,966	
Repayment of bank loans		**(436,666)**		(867,872)	
Repayment of unsecured loans		**(992,004)**		(178,204)	
Repayment of hire purchase obligations		**(79,025)**		(79,025)	
Interest paid		**(433,632)**		(441,394)	
Dividends paid		**(1,250,000)**		(2,000,000)	
Net cash (used in) / generated from financing activities			**(3,191,327)**		1,679,924
Net increase / (decrease) in cash and cash equivalents			**1,786,334**		(302,180)
Cash and cash equivalents at beginning of year			**(9,262,784)**		(8,960,604)
Cash and cash equivalents at end of year	*25*		**(7,476,450)**		(9,262,784)

The notes on pages 15 to 40 form part of these financial statements.

Consolidated statement of changes in equity
for the year ended 31 December 2015

	Notes	Called up share capital £	Share premium account £	Revaluation reserve £	Other reserves £	Profit and loss account £
At 1 January 2014		183,682	20,000	1,001,993	320,254	12,448,488
Profit for the financial year as previously stated		-	-	-	-	5,356,930
Transition to FRS 102 adjustments:						
Stock valuation adjustment	31	-	-	-	-	13,605
Holiday pay accrual	31	-	-	-	-	3,083
Foreign currency hedging	31	-	-	-	-	(16,894)
Profit for the financial year as restated		-	-	-	-	5,356,724
Other comprehensive income		-	-	-	-	-
Total comprehensive income for the year		-	-	-	-	5,356,724
Dividends paid	11	-	-	-	-	(2,000,000)
Transfer of excess depreciation		-	-	(61,525)	-	61,525
Loss on disposal		-	-	(30,761)	-	30,761
Repurchase of share capital		-	-	-	300	(48,857)
Issue of growth shares	21	-	-	-	-	282,000
At 31 December 2014		183,682	20,000	909,707	320,554	16,130,641
Profit for the financial year		-	-	118,500	-	4,342,077
Other comprehensive income		-	-	-	-	-
Total comprehensive income for the year		-	-	118,500	-	4,342,077
Dividends paid		-	-	-	-	(1,250,000)
Transfer of excess depreciation		-	-	(128,054)	-	128,054
Loss on disposal		-	-	(83,375)	-	83,375
At 31 December 2015		**183,682**	**20,000**	**816,778**	**320,554**	**19,434,147**

Called-up share capital – represents the nominal value of shares that have been issued.

Share premium account – includes any premiums received on issue of share capital. Any transaction costs associated with the issuing of shares are deducted from share premium.

Revaluation reserve – represents the net revaluation surplus on investment properties and from previously revalued assets.

Other reserves - represents the nominal value of shares re-purchased by the company.

Profit and loss account – includes all current and prior year retained profits and losses.

Company statement of changes in equity
for the year ended 31 December 2015

	Notes	**Called up share capital £**	**Share premium account £**	**Revaluation reserve £**	**Other reserves £**	**Profit and loss account £**
At 1 January 2014		183,682	20,000	1,001,993	320,254	12,100,611
Profit for the financial year as previously stated		-	-	-	-	5,156,820
Transition to FRS 102 adjustments:						
Stock valuation adjustment	31	-	-	-	-	13,605
Holiday pay accrual	31	-	-	-	-	3,083
Foreign currency hedging	31	-	-	-	-	(16,894)
Profit for the financial year as restated		-	-	-	-	5,156,614
Other comprehensive income		-	-	-	-	-
Total comprehensive income for the year		-	-	-	-	5,156,614
Dividends paid	11	-	-	-	-	(2,000,000)
Transfer of excess depreciation		-	-	(61,525)	-	61,525
Loss on disposal		-	-	(30,761)	-	30,761
Repurchase of share capital		-	-		300	(48,857)
Issue of growth shares	21	-	-		-	282,000
At 31 December 2014		183,682	20,000	909,707	320,554	15,582,654
Profit for the financial year		-	-	-	-	4,319,320
Other comprehensive income		-	-	-	-	-
Total comprehensive income for the year		-	-	-	-	4,319,320
Dividends paid		-	-	-	-	(1,250,000)
Transfer of excess depreciation		-	-	(128,054)	-	128,054
Loss on disposal		-	-	(83,375)	-	83,375
At 31 December 2015		**183,682**	**20,000**	**698,278**	**320,554**	**18,863,403**

Called-up share capital – represents the nominal value of shares that have been issued.

Share premium account – includes any premiums received on issue of share capital. Any transaction costs associated with the issuing of shares are deducted from share premium.

Revaluation reserve – represents the net revaluation surplus from previously revalued assets.

Other reserves - represents the nominal value of shares re-purchased by the company.

Profit and loss account – includes all current and prior year retained profits and losses.

Notes

(forming part of the financial statements)

1 Company information

Aston Manor Brewery Company Limited is a Limited Liability Company, incorporated in England.

The company's registered office is Deykin Avenue, Witton, Birmingham B6 7BH.

The company operates across four sites:

- National Distribution Centre – Deykin Avenue, Witton, Birmingham B6 7BH
- Aston Production Site – 173 Thimble Mill Lane, Aston, Birmingham B7 5HS
- Tiverton Production Site – Howden Road, Tiverton, Devon EX16 5NU
- Stourport Production Site – Nelsons Wharf, Sandy Lane, Stourport-on-Severn DY13 9QB

The group's principal activity is the production of cider and perry.

2 Statement of compliance

These financial statements have been prepared in accordance with applicable United Kingdom Accounting Standards, including Financial Reporting Standard 102 – 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' ('FRS 102') and the Companies Act 2006.

3 Summary of significant accounting policies

The principle accounting policies applied in the preparation of these consolidated and separate financial statements are set out below. These policies have been consistently applied in all years presented unless otherwise stated.

This is the first year in which the financial statements have been prepared under FRS 102. Refer to note 31 for an explanation of the transition.

The financial statements are presented in Sterling (£).

3.1 Basis of preparation

These consolidated and separate financial statements are prepared on a going concern basis, under the historical cost convention, as modified by the recognition of certain financial assets and liabilities measured at fair values.

3.2 Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its subsidiary undertakings made up to 31 December 2015. The acquisition method of accounting has been adopted. Under this method, the results of subsidiary undertakings are included in the consolidated profit and loss account from the date of acquisition or up to the date of disposal. Uniform accounting policies are used throughout the group.

3.3 Going concern

The group's business activities, together with the factors likely to affect its future development, performance and position are set out in the business review in the strategic report. The financial position of the group is shown in the statement of financial position. The group's cash flows and liquidity position are described in the statement of cash flows. The borrowing facilities of the company are described in note 20. In addition, the directors' report includes the company's objectives towards its financial risk management and its exposures to credit and liquidity risks.

The directors consider that the group has sufficient available financial resources and has long term contracts with a number of customers and suppliers across different geographic areas and industries. As a consequence, the directors believe that the company is well placed to manage its business risks successfully.

The directors have a reasonable expectation that the group has adequate resources to continue in operational existence for the foreseeable future. The group therefore continues to adopt the going concern basis in preparing its consolidated financial statements.

Notes *(continued)*

3 Summary of significant accounting policies *(continued)*

3.4 Exemptions

FRS 102 allows a qualifying entity certain disclosure exemptions, subject to certain conditions, which have been complied with, including notification of, and no objections to, the use of exemptions by the Company's shareholders. The company has taken advantage of the following exemptions:

(i) Cashflows
(ii) Key management personnel compensation
(iii) Related party transactions

3.5 Business Combinations

Acquisitions of subsidiaries and businesses are accounted for using the purchase method. The cost of the business combination is measured at the aggregate of the fair values (at the date of exchange) of assets given, liabilities incurred or assumed, and equity instruments issued by the group in exchange for control of the acquire plus costs directly attributable to the business combination.

Any excess of the cost of the business combination over the acquirer's interest in the net fair value of the identifiable assets and liabilities is recognised as goodwill. If the net fair value of the identifiable assets and liabilities exceeds the cost of the business combination the excess is recognised separately on the face of the consolidated statement of financial position immediately below goodwill.

Positive goodwill is amortised to £Nil by equal annual instalments over its estimated useful life of 4 years.

3.6 Investment in subsidiaries

The consolidated financial statements incorporate the financial statements of the company and entities (including special purpose entities) controlled by the group (its subsidiaries). Control is achieved where the group has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

The results of subsidiaries acquired or disposed of during the year are included in total comprehensive income from the effective date of acquisition and up to the effective date of disposal, as appropriate using accounting policies consistent with those of the parent. All intra-group transactions, balances, income and expenses are eliminated in full on consolidation.

Investments in subsidiaries are accounted for at cost less impairment in the individual financial statements.

3.7 Tangible fixed assets

Tangible fixed assets are measured at cost (or deemed cost) less accumulated depreciation and any accumulated impairment losses.

Depreciation is calculated to write down the cost less estimated residual value of all tangible fixed assets, other than freehold land, over their expected useful lives, using the straight line method as follows:

Freehold properties	-	40 years
Plant and machinery	-	4-10 years
Fixtures and fittings	-	3-10 years

Certain of the group's properties are held for long-term investment. Investment properties are accounted for as follows:-

- Investment properties are initially recognised at cost which includes purchase cost and any directly attributable expenditure.
- Investment properties whose fair value can be measured reliably are measured at fair value. The surplus or deficit on revaluation is recognised in the profit and loss account.

Properties held by the group's investment property company, Aston Manor Freeholds Limited, are accounted for as freehold property held at cost in the group statement of financial position where they are used by the group. Any investment properties not used by the group are treated as investment properties and held at fair value.

Assets in the course of construction are not depreciated until they are available for use.

Notes *(continued)*

3 **Summary of significant accounting policies *(continued)***

3.7 Tangible fixed assets (continued)

The carrying amount of any replacement component is derecognised. Major components are treated as a separate asset where they have significantly different patterns of consumption of economic benefits and are depreciated separately over its useful life.

Repairs, maintenance and minor inspection costs are expensed as incurred.

3.8 Impairment of assets

At each reporting date non-financial assets not held at fair value are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared with its carrying amount. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognised immediately in profit or loss. The recoverable amount of the asset is the higher of the fair value less costs to sell and value in use.

If an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

3.9 Inventories

Inventories are stated at the lower of cost, using the first in first out method, and selling price less costs to complete and sell. For work in progress and finished goods, cost is taken as production cost, which includes an appropriate proportion of attributable overheads. Provision is made for any foreseeable losses where appropriate.

Inventories are recognised as an expense in the period in which the related revenue is recognised.

3.10 Debtors

Short term debtors are measured at transaction price, less any impairment.

3.11 Creditors

Short term trade 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.

3.12 Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership of the leased asset to the group. All other leases are classified as operating leases.

Assets held under finance leases are recognised initially at the fair value of the leased asset (or, if lower, the present value of minimum lease payments) at the inception of the lease. The corresponding liability to the lessor is included in the statement of financial position as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation using the effective interest method so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are deducted in measuring profit or loss. Assets held under finance leases are included in tangible fixed assets and depreciated and assessed for impairment losses in the same way as owned assets.

Rentals payable under operating leases are charged to profit or loss on a straight-line basis over the lease term, unless the rental payments are structured to increase in line with expected general inflation, in which case the group recognises annual rent expense equal to amounts owed to the lessor.

Notes *(continued)*

3 Summary of significant accounting policies *(continued)*

3.13 Provisions for liabilities (continued)

Provisions are recognised when the group has a present obligation (legal or constructive) as a result of a past event, it is probable that the group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value using a pre-tax discount rate. The unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

3.14 Contingencies

Contingent liabilities are not recognised, except those acquired in a business combination. Contingent liabilities arise as a result of past events when (i) it is not probable that there will be an outflow of resources or that the amount cannot be reliably measured at the reporting date or (ii) when the existence will be confirmed by the occurrence or non-occurrence of uncertain future events not wholly within the Group's control. Contingent liabilities are disclosed in the financial statements unless the probability of an outflow of resources is remote.

Contingent assets are not recognised. Contingent assets are disclosed in the financial statements when an inflow of economic benefits is probable.

3.15 Financial instruments

The Group has chosen to adopt Sections 11 and 12 of FRS 102 in respect of financial instruments.

(i) Financial assets

Basic financial assets, including trade and other receivables, cash and bank balances and investments, are initially recognised at transaction price, 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.

Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. If an asset is impaired the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amounts would have been had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Other financial assets, including investment in equity instruments which are not subsidiaries, are initially measured at fair value, which is normally the transaction price.

Such assets are subsequently carried at fair value and the changes in fair value are recognised in profit or loss, except that investments in equity instruments that are not publically traded and whose fair values cannot be measured reliably are measured at cost less impairment.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled, or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) despite having retained some significant risks and rewards of ownership, control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

Notes *(continued)*

3 Summary of significant accounting policies *(continued)*

3.15 Financial instruments (continued)

(i) Financial liabilities

Basic financial liabilities, including trade and other payables, bank loans, loans from fellow Group companies 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 receipts discounted at a market rate of interest.

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

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

Derivatives, including forward foreign exchange contracts, are not basic instruments.

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or finance income as appropriate, unless they are included in a hedging arrangement.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

(ii) Offsetting

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 recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

3.16 Taxation

Current tax is recognised as the amount of income tax payable in respect of the taxable profit for the current or past reporting periods using the tax rates and laws that have been enacted or substantively enacted by the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date, except as otherwise indicated.

Deferred tax assets are only recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

If and when all conditions for retaining tax allowances for the cost of a fixed asset have been met, the deferred tax is reversed.

Deferred tax is recognised when income or expenses from a subsidiary or associate have been recognised, and will be assessed for tax in a future period, except where:

- the group is able to control the reversal of the timing difference; and
- it is probable that the timing difference will not reverse in the foreseeable future.

A deferred tax liability or asset is recognised for the additional tax that will be paid or avoided in respect of assets and liabilities that are recognised in a business combination. The amount attributed to goodwill is adjusted by the amount of deferred tax recognised.

Deferred tax is calculated using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Notes *(continued)*

3 Summary of significant accounting policies *(continued)*

3.17 Turnover

Turnover is measured at the fair value of the consideration received or receivable, net of discounts and value added taxes. Turnover includes revenue earned from the sale of goods and from the rendering of services.

Sale of goods

Turnover from the sale of goods is recognised when the significant risks and rewards of ownership of the goods has transferred to the buyer. This is usually at the point that the customer has signed for the delivery of goods.

3.18 Employee benefits

The Group provides a range of benefits to employees, including annual bonus arrangements and defined contribution pension plans.

(i) Short term benefits

Short-term employee benefits and contributions to defined contribution plans are recognised as an expense in the period in which the service is received.

(ii) Defined contribution pension plans

The Group operates a defined contribution pension plan for its employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group has no further payment obligations. The contributions are recognised as an expense when they are due. Amounts not paid are shown in accruals in the balance sheet. The assets of the plan are held separately from the Group in independently administered funds.

(iii) Annual bonus plan

The Group operates annual bonus plans for employees. An expense is recognised in the profit and loss account when the Group has a legal or constructive obligation to make payments under the plans as a result of past events and a reliable estimate of the obligation can be made.

3.19 Foreign currency translation

The Group and company's functional and presentation currency is pound sterling. In preparing the financial statements of the individual entities, transactions in currencies other that the functional currency of the individual entities (foreign currencies) are recognised at the spot rate at the dates of the transactions, or at an average rate where this rate approximates the actual rate at the date of the transaction. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences are recognised in profit or loss in the period in which they arise.

3.20 Share based payments

The Group provides share-based payment arrangements to certain employees.

Equity-settled arrangements are measured at fair value (excluding the effect on non-market based vesting conditions) at the date of the grant. The fair value is expensed on a straight-line basis over the vesting period. The amount recognised as an expense is adjusted to reflect the actual number of shares or options that will vest.

Where equity-settled arrangements are modified, and are of benefit to the employee, the incremental fair value is recognised over the period from the date of modification to date of vesting. Where a modification is not beneficial to the employee there is no change to the charge for share-based payment. Settlements and cancellations are treated as an acceleration of vesting and the unvested amount is recognised immediately in the income statement.

The Group has no cash settled arrangements.

Notes *(continued)*

3 Summary of significant accounting policies *(continued)*

3.21 Exceptional items

The Group classifies certain one-off charges or credits that have a material impact on the Group's financial results as 'exceptional items'. These are disclosed separately to provide further understanding of the financial performance of the Group.

3.22 Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at bank and in hand. For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

3.23 Interest-bearing loans and borrowings

All interest-bearing loans and borrowings which are basic financial instruments are initially recognised at the present value of cash payable to the bank. After initial recognition they are measured at amortised cost using the effective interest rate method, less impairment.

3.24 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

3.25 Distributions to equity holders

Dividends and other distributions to the Group's shareholders are recognised as a liability in the financial statements in the period in which the dividends and other distributions are approved by the shareholders. These amounts are recognised in the statements of changes in equity.

3.26 Related party transactions

The Group discloses transactions with related parties which are not wholly owned within the same Group. Where appropriate, transactions of a similar nature are aggregated unless, in the opinion of the directors, separate disclosure is necessary to understand the effect of the transactions on the Group financial statements.

4 Critical accounting judgements and estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Key accounting estimates and assumptions

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year as addressed below.

(i) Impairment of fixed assets

The Group considers whether fixed assets are impaired. Where an indication of impairment is identified the estimation of recoverable value requires estimation of the recoverable value of the cash generating units (CGUs). This requires estimation of the future cash flows from the CGUs and also selection of appropriate discount rates in order to calculate the net present value of those cash flows.

Notes *(continued)*

5 Turnover

The turnover and profit before tax are attributable to the one principal activity of the Group.

Turnover, analysed geographically between markets, was as follows:

Group	**2015**	2014
	£	£
United Kingdom	**106,352,300**	120,932,994
Rest of Europe	**1,873,566**	1,084,500
Rest of world	**461,355**	755,231
	108,687,221	122,772,725

Company	**2015**	2014
	£	£
United Kingdom	**106,329,020**	120,932,994
Rest of Europe	**1,873,566**	1,084,500
Rest of world	**461,355**	755,231
	108,663,941	122,772,725

6 Profit on ordinary activities before taxation

	2015	2014
	£	£
Profit on ordinary activities before taxation is stated after charging/(crediting)		
Group		
Depreciation:		
Owned tangible fixed assets	**3,010,595**	2,209,936
Assets held under finance leases	**50,971**	50,971
Company		
Depreciation:		
Owned tangible fixed assets	**2,747,601**	2,209,936
Assets held under finance leases	**50,971**	50,971
Group		
Operating leases – land and buildings	**8,998**	120,901
Company		
Operating leases – land and buildings	**968,998**	704,837
Group and company		
Foreign exchange (gains) / losses realised	**(211,343)**	207,526
Foreign exchange losses unrealised	**6,901**	16,273
Issue of growth shares (see note 21)	**-**	282,000
Research and development	**365,000**	362,593
Inventories recognised in cost of sales	**24,754,130**	30,177,100
Provisions for impairment of inventories	**6,671**	27,647
Provisions for impairment of trade debtors	**5,026**	58,843
Auditors remuneration:		
Fees payable for the audit of the company's annual financial statements	**43,995**	37,500
Fees payable to the company's auditors and its associates for other services:		
Audit of financial statements of subsidiaries	**1,000**	1,000
Tax compliance services	**9,500**	9,500
Tax advisory	**39,635**	25,102
Other services	**3,500**	-

Notes *(continued)*

7 Interest payable and similar charges

Group	**2015**	2014
	£	£
Bank loans and overdrafts	**422,632**	441,394
Unsecured loans	**112,981**	122,855
	535,613	564,249
Company		
Bank loans and overdrafts	**315,033**	441,394
Unsecured loans	**112,981**	122,855
	428,014	564,249

8 Interest receivable and similar income

	£	£
Inter group loans	**116,861**	-

9 Directors and employees

Group and company staff costs during the year were as follows:	**£**	£
Wages and salaries	**9,326,317**	8,859,852
Social security costs	**943,034**	875,657
Other pension costs	**323,697**	319,472
	10,593,048	10,054,981

The company operates a stakeholder defined contribution pension scheme for the benefit of the employees and directors. The assets of the scheme are administered by an independent pension provider. Pension payments recognised as an expense during the year amount to £334,373 *(2014: £221,730)*. At 31 December 2015 £25,672 *(31 December 2014 £20,861)* was outstanding.

The monthly average number of employees of the group (including directors) during the year was:	**Number of employees** **2015**	2014
Production	**177**	185
Distribution	**83**	63
Administrative	**28**	36
	288	284

Remuneration in respect of the directors was as follows:	**£**	£
Emoluments	**1,911,067**	2,047,973
Pension contributions to money purchase pension schemes	**62,332**	67,493
	1,973,277	2,115,466

During the year 6 directors *(2014: 6)* participated in money purchase pension schemes. The aggregate emoluments (including benefits) of the highest paid director were £540,417 *(2014: £490,448)* and the company made pension contributions of £Nil *(2014: £Nil)* on his behalf.

Notes *(continued)*

10 Tax on profit on ordinary activities

Group

Analysis of charge for the year

	2015	2015	2014	2014
	£	£	£	£
UK corporation tax				
Current tax on income for the year	1,221,387		1,450,466	
Adjustments in respect of prior years	(176,313)		(81,798)	
Total current tax		1,045,074		1,368,668
Deferred tax (see note 22/23)				
Origination and reversal of timing differences	(70,071)		205,934	
Effect of changes in tax rates	(99,939)		(14,307)	
Adjustments in respect of prior years	(74,982)		(31)	
Total deferred tax		(244,992)		191,596
Tax on profit on ordinary activities		800,082		1,560,264

Factors affecting the tax charge for the year

The tax assessed for the year is lower *(2014: higher)* than the standard rate of corporation tax in the UK of 20.25% *(2014: 21.49%)*. The differences are explained below:

	2015	2014
	£	£
Current tax reconciliation		
Profit on ordinary activities before taxation	5,260,659	6,916,988
Current tax at 20.25% *(2014: 21.49%)*	1,065,104	1,486,678
Effects of:		
Expenses not deductible for tax purposes	162,031	170,041
Additional deduction for R&D expenditure	(95,146)	-
(Decrease)/increase in other timing differences	(7,200)	-
Adjustments in respect of prior years	(221,229)	(81,798)
Effect of changes in tax rates	(103,478)	(14,657)
Tax on profit on ordinary activities	800,082	1,560,264

The aggregate current and deferred tax relating to items that are recognised as items of other comprehensive income is £Nil *(2014: £Nil)*.

Notes *(continued)*

10 Tax on profit on ordinary activities *(continued)*

Company

Analysis of charge for the year

	2015	**2015**	2014	2014
	£	**£**	£	£
UK corporation tax				
Current tax on income for the year	**1,084,021**		1,372,936	
Adjustments in respect of prior years	**(188,848)**		(81,798)	
Total current tax		**895,173**		1,291,138
Deferred tax (see note 22/23)				
Origination and reversal of timing differences	**(86,490)**		190,642	
Effect of changes in tax rates	**(93,907)**		(31)	
Adjustments in respect of prior years	**(74,982)**		(13,244)	
Total deferred tax		**(255,379)**		177,367
Tax on profit on ordinary activities		**639,794**		1,468,505

Factors affecting the tax charge for the year

The tax assessed for the year is lower *(2014: higher)* than the standard rate of corporation tax in the UK of 20.25% *(2014: 21.49%)*. The differences are explained below:

	2015	2014
	£	£
Current tax reconciliation		
Profit on ordinary activities before taxation	**4,959,114**	6,625,119
Current tax at 20.25% *(2014: 21.49%)*	**1,004,051**	1,423,990
Effects of:		
Expenses not deductible for tax purposes	**120,628**	139,906
Additional deduction for R&D expenditure	**(95,146)**	-
Adjustments in respect of prior periods	**(233,764)**	(81,798)
Effect of changes in tax rates	**(93,907)**	(13,593)
Income not taxable	**(62,068)**	-
Tax on profit on ordinary activities	**639,794**	1,468,505

The aggregate current and deferred tax relating to items that are recognised as items of other comprehensive income is £Nil *(2014: £Nil)*.

A change to the UK corporation tax rate was announced in the Chancellor's Budget on 16 March 2016. The change announced is to reduce the main rate to 17% from 1 April 2020. Changes to reduce the UK corporation tax rate to 19% from 1 April 2017 and to 18% from 1 April 2020 had already been substantively enacted on 26 October 2015.

As the change to 17% had not been substantively enacted at the balance sheet date its effects are not included in these financial statements.

Notes *(continued)*

11 Dividends

The aggregate amount of dividends comprises:

	2015 £	2014 £
Interim dividend	**1,000,000**	1,000,000
Final dividend	**250,000**	1,000,000
	1,250,000	2,000,000

12 Intangible assets

Group and Company

	Goodwill £
Cost	
At 1 January 2015 and 31 December 2015	700,002
Accumulated amortisation	
At 1 January 2015	700,002
Charge for year	-
At 31 December 2015	700,002
Net book value	
At 31 December 2015	-
At 31 December 2014	-

13 Investment properties

Group

	£
Fair value:	
At 1 January 2015	-
Additions	**221,500**
Revaluation	**118,500**
At 31 December 2015	**340,000**

The historical cost net book value of investment properties held at fair value is as follows:

At 31 December 2015	**290,982**
At 31 December 2014	-

The investment property has been rented externally for the first time in 2015 and has therefore been treated as an investment property. Previously, the historical cost equivalent for this asset was included in tangible fixed assets.

Notes *(continued)*

13 Investment properties *(continued)*

Investment properties with a carrying value of £Nil *(2014: £Nil)* are pledged as security for the group's bank loans.

Valuation of Investment Properties

The group's investment properties were valued by Colliers CRE, an independent valuer with a recognised and relevant professional qualification and with recent experience in the location and category of the investment properties being valued as at 31 December 2015, on the basis of open market value in accordance with the Appraisal and Valuation Manual of The Royal Institution of Chartered Surveyors. The critical assumptions made relating to the valuation are set out below:

A physical review of each property's condition without the need for a full building survey.

A review of environmental matters including land, flooding and sustainability.

A review of town planning for each site.

A review of comparable properties in the surrounding area for each site.

A SWOT analysis of each site's facilities and their attractiveness to potential purchasers.

All properties have been valued on the basis as a comparable capital value per square foot based on an assessment that demand is expected to be likely from owner occupiers rather than investors.

Marketing periods have been individually assessed per site and range from 9-12 months.

14 Tangible assets

Group

	Freehold property	Plant and machinery	Fixtures and fittings	Assets in course of construction	Total
	£	£	£	£	£
Cost or valuation					
At 1 January 2015	11,728,524	19,576,854	1,066,166	663,082	33,034,626
Additions	110,540	(7,649)	1,120	4,258,046	4,362,057
Transfers	2,932	4,384,394	180,919	(4,568,245)	-
Disposals	-	(184,500)	(11,740)	-	(196,240)
At 31 December 2015	11,841,996	23,769,099	1,236,465	352,883	37,200,443
Accumulated depreciation					
At 1 January 2015	344,281	3,267,390	411,566	-	4,023,237
Charge for the year	299,150	2,453,149	309,267	-	3,061,566
Disposals	-	(71,104)	(8,805)	-	(79,909)
At 31 December 2015	643,431	5,649,435	712,028	-	7,004,894
Net book value					
At 31 December 2015	**11,198,565**	**18,119,664**	**524,437**	**352,883**	**30,195,549**
At 31 December 2014	11,384,243	16,309,464	654,600	663,082	29,011,389
The historical cost net book value of tangible fixed assets is as follows:					
Cost	13,423,718	35,078,827	1,285,326	352,883	50,140,754
Depreciation	(2,009,985)	(17,547,431)	(709,616)	-	(20,267,032)
At 31 December 2015	**11,413,733**	**17,531,396**	**575,710**	**352,883**	**29,873,722**

Notes *(continued)*

14 Tangible assets *(continued)*

Group *(continued)*

	Freehold property	Plant and machinery	Fixtures and fittings	Assets in course of construction	Total
	£	£	£	£	£
Cost	13,310,246	30,886,582	1,115,027	663,082	45,974,937
Depreciation	(1,675,847)	(15,293,440)	(504,058)	-	(17,473,345)
At 31 December 2014	11,634,399	15,593,142	610,969	663,082	28,501,592

Tangible fixed assets with a carrying value of £9,465,227 *(2014: £9,336,413)* are pledged as security for the group's bank loans.

Fixed assets stated at valuation

Aston Manor Freeholds Limited, Deykin Avenue, Witton, Birmingham B6 7BH, is an investment company and as such holds freehold property at fair value. All tangible fixed assets of Aston Manor Brewery Company Limited are held at cost. Any investment properties used within the group are held at cost in the group. Any investment properties not used within the group are shown as investment properties in note 13.

The carrying amount of freehold property comprises:

	Group		Company	
	2015	2014	2015	2014
	£	£	£	£
Freehold buildings	**4,502,815**	4,688,493	**287,569**	347,980
Freehold land	**6,695,750**	6,695,750	-	1,721,250
Total	**11,198,565**	11,384,243	**287,569**	2,069,230

Capital commitments

The Group and Company had capital commitments at 31 December 2015 of £117,141 *(2014: £694,731).*

Assets held under finance leases

Included in the total Group and Company net book value of plant and machinery is £312,676 *(2014: £353,901)* in respect of assets held under finance leases. Depreciation for the year on these assets was £50,971 *(2014: £50,971).*

Notes *(continued)*

14 Tangible assets *(continued)*

Company

	Freehold property	Plant and machinery	Fixtures and fittings	Assets in course of construction	Total
	£	£	£	£	£
Cost or valuation					
At beginning of year	2,177,878	19,576,854	1,066,166	663,082	23,483,980
Additions	-	(7,650)	1,120	4,258,046	4,251,516
Revaluations	-	-	-	-	-
Transfers	2,932	4,384,394	180,919	(4,568,245)	-
Disposals	(1,865,000)	(184,500)	(11,740)	-	(2,061,240)
At end of year	315,810	23,769,098	1,236,465	352,883	25,674,257
Accumulated depreciation					
At beginning of year	108,648	3,267,390	411,566	-	3,787,604
Charge for the year	36,156	2,453,175	309,241	-	2,798,572
Disposals	(116,563)	(71,104)	(8,805)	-	(196,472)
At end of year	28,241	5,649,461	712,002	-	6,389,704
Net book value					
At 31 December 2015	**287,569**	**18,119,637**	**524,463**	**352,883**	**19,284,552**
At 31 December 2014	2,069,230	16,309,464	654,600	663,082	19,696,376
The historical cost net book value of tangible fixed assets is as follows:					
Cost	168,328	35,078,827	1,285,326	352,883	36,885,364
Depreciation	(155,545)	(17,547,431)	(709,616)	-	(18,412,592)
At 31 December 2015	**12,783**	**17,531,396**	**575,710**	**352,883**	**18,472,772**
Cost	4,257,209	30,886,582	1,115,027	663,082	36,921,900
Depreciation	(1,346,047)	(15,293,440)	(504,058)	-	(17,143,545)
At 31 December 2014	2,911,162	15,593,142	610,969	663,082	19,778,355

15 Investments

Group

	Other investments other than loans
	£
Cost and net book value	
At beginning and end of year	250

Notes *(continued)*

15 Investments *(continued)*

Company

	Shares in group undertakings	Other investments other than loans	Total
	£	£	£
Cost and net book value			
At beginning and end of year	2	250	252

The Directors believe that the carrying value of the investments is supported by their underlying net assets.

The principal undertakings in which the Group's interest at the year-end is more than 20% are as follows:

	Country of incorporation	Nature of business	Percentage of shares held	Class of shares
Subsidiary undertakings				
Aston Manor Freeholds Limited	United Kingdom	Property investment company	100%	Ordinary

The registered office of Aston Manor Freeholds Limited is the same as that for Aston Manor Brewery Company Limited

16 Inventories

	Group and Company	
	2015	2014
	£	£
Raw materials	**1,979,885**	2,306,792
Work in progress	**1,495,815**	1,700,673
Finished goods	**2,024,376**	2,444,367
	5,500,076	6,451,832

There is no significant difference between the replacement cost of the inventory and its carrying amount. Inventories are stated net of provisions for impairment of (16,811 *(2014: £28,587).*

17 Debtors

	Group		Company	
	2015	2014	**2015**	2014
	£	£	**£**	£
Trade debtors	**18,775,838**	21,607,794	**18,771,182**	21,607,794
Amounts owed by subsidiary undertakings	**-**	-	**5,572,378**	3,453,222
Other debtors	**43,794**	21,238	**43,794**	21,238
Prepayments and accrued income	**812,195**	588,627	**812,195**	588,627
	19,631,827	22,217,659	**25,199,549**	25,670,881

There are no debtors due in more than one year. Amounts owed by group undertakings are repayable on demand, unsecured and interest free. Trade debtors are stated net of provisions for impairment of £5,026 *(2014: £58,843).*

Notes *(continued)*

18 Creditors: Amounts falling due within one year

	Group 2015 £	2014 £	Company 2015 £	2014 £
Bank loans and overdrafts (secured – see note 20)	**8,657,182**	11,210,879	**8,220,515**	10,774,213
Hire purchase leases	**79,025**	79,025	**79,025**	79,025
Trade creditors	**6,758,823**	7,103,208	**6,754,947**	7,103,208
Other taxation and social security	**2,673,326**	3,037,405	**2,622,222**	3,007,408
Corporation tax	**519,173**	279,379	**395,872**	231,849
Other loans (unsecured – see note 20)	**4,081,371**	4,960,394	**4,081,371**	4,960,394
Accruals and deferred income	**2,986,720**	4,182,080	**2,980,510**	4,182,080
	25,755,620	30,852,370	**25,134,462**	30,338,177

The bank borrowings are secured by a fixed and floating charge on all of the company's assets.

19 Creditors: Amounts falling due after more than one year

	Group 2015 £	2014 £	Company 2015 £	2014 £
Bank loans and overdrafts (secured – see note 20)	**8,815,800**	9,252,466	**4,494,966**	4,494,966
Hire purchase leases	**158,051**	237,076	**158,051**	237,076
	8,973,851	9,489,542	**4,653,017**	4,732,042

Notes *(continued)*

20 Borrowings

	Group 2015 £	2014 £	Company 2015 £	2014 £
Amounts in respect of receivables financing:				
Due within one year	**8,220,515**	10,032,233	**8,220,515**	10,032,233
Bank loans and overdraft:				
Due within one year	**436,667**	1,178,646	-	741,980
Due within one to two years	**4,931,634**	4,931,634	**4,494,966**	4,494,966
Due within two to five years	**1,310,004**	1,310,004	-	-
Due after five years	**2,574,162**	3,010,828	-	-
	9,252,467	10,431,112	**4,494,966**	5,236,946
Other loans				
Due within one year	**4,081,371**	4,960,394	**4,081,371**	4,960,394
Hire purchase leases				
Due within one year	**79,025**	79,025	**79,025**	79,025
Due within one to two years	**79,025**	79,025	**79,025**	79,025
Due within two to five years	**79,026**	158,051	**79,026**	158,051
	237,076	316,101	**237,076**	316,101
Total borrowings	**21,791,429**	25,739,840	**17,033,928**	20,545,674

Bank loans and overdrafts

The Group is engaged in a receivables financing arrangement with a commercial bank under which the book debts of the company have been purchased by the bank. As at 31 December 2015, the maximum facility available was £15.5 million *(2014: £15.5 million)*. Interest is charged at a rate of 1.5% above the Bank of England base rate.

The bank loans comprise loans for the purchase of property, plant and machinery and a term loan of £4.5 million. The loans for the purchase of property, plant and machinery are secured on the assets to which they relate. Interest is charged at a rate of 1.5% above the Bank of England base rate. The term loan is repayable on or before 31 January 2017. Interest on the term loan is charged at a rate of 1.5% above the Bank of England base rate.

Other Loans

The unsecured loans comprise loans from shareholders of the Group which are repayable on demand. Interest is charged at a rate of 2.0% above the Bank of England base rate.

All borrowings are repayable in monthly instalments with the exception of bank loans of £4,494,966 which is due for annual renewal in January 2017, receivables financing which is a rolling facility and unsecured loans which are repayable on demand.

Hire Purchase

Hire purchase leases relate to the lease of plant and machinery used in the Group's production operations.

Notes *(continued)*

21 Employee share schemes

Enterprise Management Incentives Scheme

Share options are awarded to certain employees of the company under the Enterprise Management Incentives scheme.

Grant date	Method of settlement accounting	Number of instruments	Expiry date
Equity-settled award to key management granted on 15 February 2010	Equity	1,820	14 February 2020
Equity-settled award to key management granted on 26 February 2010	Equity	294	25 February 2020

Share based payments

The options are only exercisable if the value of company exceeds £25 million at the earliest of:

(a) date of a change of control;

(b) notice of a takeover; or

(c) flotation.

The directors of the company do not believe the vesting conditions will be met during the contractual life of the options, therefore, no charge has been recognised during the year. The directors will review this assumption on an ongoing basis.

Growth Share Scheme

"A" ordinary shares are held by certain employees giving them the right to participate in the growth in value of the Company.

Grant date	Method of settlement accounting	Number of Instruments
Equity-settled award to key management granted on 15 May 2014	Equity	26,288

Share based payments

Employees may participate in the growth of the company if its value exceeds £40 million at the earliest of:

(a) a Change of Control;

(b) a Listing;

(c) the liquidation of the Company; or

(d) 1 January 2028;

A charge has been recognised in the profit and loss account for the year ended 31 December 2014 of £282,000 representing the value of growth shares issued during the year.

Notes *(continued)*

22 Provisions for liabilities

Group

	Onerous lease £	Deferred taxation £	Total £
At 1 January 2015	133,936	1,152,127	1,286,063
Additions	5,625	-	5,625
Utilised	(66,754)	-	(66,754)
Reversals	(72,807)	-	(72,807)
Origination and reversal of timing differences	-	(70,071)	(70,071)
Adjustment in respect of previous periods	-	(74,982)	(74,982)
Changes in tax rates	-	(99,939)	(99,939)
At 31 December 2015	**-**	**907,135**	**907,135**

Company

	Onerous lease £	Deferred taxation £	Total £
At 1 January 2015	133,936	1,110,018	1,243,954
Additions	5,625	37,858	43,483
Utilised	(66,754)	(124,348)	(191,102)
Reversals	(72,807)	-	(72,807)
Adjustment in respect of previous periods	-	(74,982)	(74,982)
Changes in tax rates	-	(93,907)	(93,907)
At 31 December 2015	**-**	**854,639**	**854,639**

Onerous Lease

During the financial year ended 31 December 2015, the company vacated a rented office following the group's acquisition of a new corporate head office and national distribution centre. The lease was subject to a break clause in September 2015 at which time the lease was terminated. As a result, an addition to the onerous lease provision has been recognised in the year of £5,625. During the financial year ended 31 December 2014, the company vacated a rented warehouse following the group's acquisition of a new national distribution centre, and an onerous lease provision was created. The lease was surrendered early during the financial year ended 31 December 2015, and as a result the remaining balance on the onerous lease provision was released to the profit and loss account.

23 Deferred taxation

Deferred taxation provided for at 18% *(2014: 20%)* in the financial statements is set out below:

	Group 2015 £	Group 2014 £	Company 2015 £	Company 2014 £
Accelerated capital allowances	**913,473**	1,196,567	**860,977**	1,154,458
Other timing differences	**(6,338)**	(44,440)	**(6,338)**	(44,440)
	907,135	1,152,127	**854,639**	1,110,018

The amount of the net reversal of deferred tax expected to occur next year is £Nil *(2014: £Nil)*, relating to the reversal of existing timing differences on tangible fixed assets.

Notes *(continued)*

24 Called up share capital

	2015	2014
	£	£
Allotted, called up and fully paid:		
183,222 *(2014: 183,222)* ordinary shares of £1 *(2014: £1)* each	**183,222**	183,222
26,288 *(2014: 26,288)* "A" ordinary shares of £0.0175 *(2014: £0.0175)* each	**460**	460
	183,682	183,682

Ordinary shares carry one voting right per share. "A" ordinary shares carry no voting rights.

25 Notes to the Statement of Cash Flows

Cash and cash equivalents

	Group		**Company**	
	At 31 December 2015	At 31 December 2014	**At 31 December 2015**	At 31 December 2014
	£	£	**£**	£
Cash at bank and in hand	**744,065**	1,511,429	**743,606**	1,511,429
Overdrafts	**(8,220,515)**	(10,774,213)	**(8,220,515)**	(10,774,213)
Cash and cash equivalents	**(7,476,450)**	(9,262,784)	**(7,476,909)**	(9,262,784)

Analysis of changes in net debt

	At 1 January 2015	Cash flows	Non-cash movement	**At 31 December 2015**
	£	£	£	**£**
Net cash:				
Cash at bank and in hand	1,511,429	(767,364)	-	**744,065**
Overdrafts	(10,774,213)	2,553,698	-	**(8,220,515)**
	(9,262,784)	1,786,334	-	**(7,476,450)**
Debt:				
Due within one year	(5,397,060)	1,428,670	(549,648)	**(4,518,038)**
Due after one year	(9,252,466)	-	436,666	**(8,815,800)**
Finance leases	(316,101)	79,025	-	**(237,076)**
	(14,965,627)	1,507,695	(112,982)	**(13,570,914)**
Net debt	(24,228,411)	3,294,029	(112,982)	**(21,047,364)**

Non-cash movements relate to accrued interest on the unsecured loans.

Notes *(continued)*

26 Financial instruments

	Group 2015 £	Group 2014 £	Company 2015 £	Company 2014 £
Financial assets that are equity instruments measured at cost less impairment	**250**	250	**252**	252
Financial assets that are debt instruments measured at amortised cost				
Trade receivables	18,775,838	21,607,794	18,771,182	21,607,794
Amounts owed by group companies	-	-	5,572,378	3,453,222
Other receivables	855,989	609,865	855,989	609,865
Financial liabilities at fair value through profit or loss				
Forward foreign currency contracts	**(872)**	(16,894)	**(872)**	(16,894)
Financial liabilities measured at amortised cost				
Receivables financing	**(8,220,515)**	(10,032,233)	**(8,220,515)**	(10,032,233)
Bank loans and overdrafts	**(9,252,467)**	(10,431,112)	**(4,494,966)**	(5,236,946)
Unsecured loans	**(4,081,371)**	(4,960,394)	**(4,081,371)**	(4,960,394)
Hire purchase contracts	**(237,076)**	(316,101)	**(237,076)**	(316,101)
Trade creditors	**(6,758,823)**	7,103,208	**6,754,947**	7,103,208
Other creditors	**(5,660,046)**	(7,219,485)	**(5,602,732)**	(7,189,488)

Derivative financial instruments – Forward contracts

The Group enters into forward foreign currency contracts to mitigate the exchange rate risk for certain foreign currency payables. At 31 December 2015, the outstanding contracts all mature within 1 month of the year end. The Group is committed to buy US$100,000 and pay a fixed sterling amount *(2014: US$3,700.000)*.

The forward currency contacts are measured at fair value, which is determined using valuation techniques that utilise observable inputs. The key inputs used in valuing the derivatives are the forward exchange rates for GBP:USD. The fair value of the forward-foreign currency contracts is £67,481 *(2014: £2,370,579)*.

Notes *(continued)*

27 Leasing commitments

Future minimum operating lease payments are as follows:

Group

	Land and buildings 2015 £	2014 £
Operating leases which expire:		
Within one year	**6,000**	82,622
Within two to five years	**-**	27,248
After five years	**-**	-
	6,000	109,870

Company

	2015 £	2014 £
Operating leases which expire:		
Within one year	**1,356,000**	1,042,622
Within two to five years	**5,400,000**	3,867,248
After five years	**27,000,000**	960,000
	33,756,000	5,869,870

	2015 £	2014 £
The group and company's future minimum finance lease payments are as follows:		
Within one year	**79,025**	79,025
Within two to five years	**158,051**	237,076
	237,076	316,101

Certain plant and machinery is held under finance lease arrangements. Finance lease liabilities are secured by the related assets held under finance leases (see note 14). The lease agreements generally include fixed lease payments and a purchase option at the end of the lease term.

28 Transactions with related parties

Group and Company

	2015 £	2014 £
Interest accrued on loans from directors and shareholders	**112,981**	99,346
Key management personnel compensation	**1,890,237**	2,115,466
Dividends paid to directors	**801,309**	1,282,095

Included in creditors (see notes 18 and 19) are unsecured loans from directors and shareholders amounting to £4,081,371 *(2014: £4,960,394)* which includes accrued interest. Interest is charged at 2% above the Bank of England base rate. £602,951 *(2014: £Nil)* interest has been paid during the year.

G Friel is a director of Cool Apple Limited, a company registered in England. Cool Apple Limited is a supplier to Aston Manor Brewery Company Limited.

Notes *(continued)*

28 Transactions with related parties *(continued)*

During the financial year ended 31 December 2015, Aston Manor Brewery Company Limited paid £17,280 *(2014: £23,541)* to Cool Apple Limited.

At 31 December 2015, Cool Apple Limited owed £28,699 *(2014: £6,110)* to Aston Manor Brewery Company Limited.

Aston Manor Brewery Company Limited is the only company to prepare consolidated financial statements within the group which are available from Deykin Avenue, Birmingham, B6 7BH.

29 Financial risk management

The group has exposure to four areas of risk – price, credit, taxation and cash flow & liquidity.

Price risk

The Group is exposed to price risk on its raw material purchases. The Group aims to purchase raw materials through a blend of long term, medium term and spot market contracts, reducing exposure to price volatility.

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations, resulting in financial loss to the company. Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all customers requiring credit, using information supplied by independent rating agencies where available. At the balance sheet date, there were no significant concentrations of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the balance sheet.

Taxation risk

As a producer of alcoholic beverages, the Group is exposed to the risk of rises in excise duty and associated legislation on its products. The Group's diverse portfolio of products does mitigate some of this risk, and in addition, the group is represented at various trade bodies, and in particular is an executive member of the "National Association of Cider Makers" (NACM).

Cash flow and liquidity risk

Liquidity risk is the risk that the Group may not be able to meet its financial obligations as they fall due. The Group ensures that there are sufficient levels of committed facilities, cash and cash equivalents such that the Group is, at all times, able to meet its financial commitments. Liquidity risk is managed by continuous monitoring of forecast and actual cash flows and matching the maturity profile of financial assets and liabilities. The Group has no significant interest bearing assets and consequently, its income and cash flows are largely independent of changes in market interest rates. All interest bearing borrowings comprising of bank overdrafts and bank loans have variable interest rates based upon the bank base rate and are therefore subject to fluctuations in such rates. The Group does not use interest rate swaps or other instruments to manage its interest rate exposure.

30 Ultimate controlling party

The directors consider the ultimate controlling party to be HD Ellis, by virtue of his shareholding in Aston Manor Brewery Company Limited.

31 Transition to FRS 102

The company has adopted FRS 102 for the year ended 31 December 2015 and has restated the comparative prior year amounts as though FRS 102 were effective from 1 January 2014. The most recent financial statements prepared under the previous financial reporting framework were for the year ended 31 December 2014.

Explanations

Change of accounting estimate

1. Stocks are now valued to include both fixed and variable overheads based on normal production volumes. Fixed overheads include the cost of depreciation and repairs and maintenance of plant and machinery used in the production of stocks.

Notes *(continued)*

31 Transition to FRS 102 (continued)

Changes for FRS 102 adoption

2. Aston Manor Brewery Company Limited previously valued its tangible fixed assets on a revaluation basis. In accordance with FRS 102 paragraph 35.9(d) the company has elected to adopt the revalued amounts at the date of adoption of FRS 102 as their deemed cost.

3. Aston Manor Brewery Company Limited previously valued its tangible fixed assets on a revaluation basis. In accordance with FRS 102 paragraph 35.9(d) the company has elected to adopt the revalued amounts at the date of adoption of FRS 102 as their deemed cost. Assets not used within the group comprise investment properties which are now subject to valuation at fair value at each financial year-end.

4. Aston Manor Brewery Company Limited previously did not recognise an accrual for statutory holiday pay. The company has a holiday year to 31 March each year.

5. Aston Manor Brewery Company Limited purchases certain goods using forward currencies. The company purchased forward in USD funds to offset expected purchases into the following financial year.

6. The Group's cash flow statements reflects the presentation requirements of FRS 102, which is different to that prepared under FRS 1. In addition the cash flow statement reconciles to cash and cash equivalents whereas under previous UK GAAP the cash flow statement reconciled to cash. Cash and cash equivalents are defined in FRS 102 as 'cash on hand and demand deposits and short term highly liquid investments that are readily convertible to known amounts of cash and that are subject to an insignificant risk of changes in value' whereas cash is defined in FRS 1 as 'cash in hand and deposits repayable on demand with any qualifying institution, less overdrafts from any qualifying institution repayable on demand'. The FRS 1 definition is more restrictive.

7. The loans owed to shareholders have been reclassified as being due within one year (see note 20).

Transition to FRS 102 – reconciliations

Restated consolidated statement of financial position	**Explanation**	**31 December 2014**	**1 January 2014**
		£	**£**
Original shareholders' funds		**17,431,289**	**13,840,906**
Stock valuation adjustment	1	155,405	141,800
Holiday pay accrual	4	(5,216)	(8,300)
Foreign currency hedging	5	(16,894)	-
Restated shareholders' funds		**17,564,584**	**13,974,406**

Restated company statement of financial position	**Explanation**	**31 December 2014**	**1 January 2014**
		£	**£**
Original shareholders' funds		**16,883,302**	**13,493,031**
Stock valuation adjustment	1	155,405	141,800
Holiday pay accrual	4	(5,216)	(8,300)
Foreign currency hedging	5	(16,894)	-
Restated shareholders' funds		**17,016,597**	**13,626,531**

31 Transition to FRS 102 (continued)

Restated consolidated profit or loss for the year ended 31 December 2014

	Explanation	£
Original profit on ordinary activities before tax		6,917,194
Stock valuation adjustment	1	13,605
Holiday pay accrual	4	3,083
Foreign currency hedging	5	(16,894)
Restated profit on ordinary activities before taxation		**6,916,988**
Restated tax on profit on ordinary activities		**(1,560,264)**
Restated profit for the financial year		**5,356,724**

Restated company profit or loss for the year ended 31 December 2014

	Explanation	£
Original profit on ordinary activities before tax		6,625,325
Stock valuation adjustment	1	13,605
Holiday pay accrual	4	3,083
Foreign currency hedging	5	(16,894)
Restated profit on ordinary activities before taxation		**6,625,119**
Restated tax on profit on ordinary activities		**(1,468,505)**
Restated profit for the financial year		**5,156,614**