Registration number: 01123744

Farthinghoe Fine Wine Limited

Annual Report and Unaudited Financial Statements
for the Year Ended 31 December 2018

Sobell Rhodes LLP
Chartered Accountants
Ground Floor
Unit 501 Centennial Park
Centennial Avenue
Elstree, Borehamwood
Hertfordshire
WD6 3FG

Farthinghoe Fine Wine Limited

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Farthinghoe Fine Wine Limited

Company Information

Directors	Mr J S Chamberlen Mr A A F Cox
Company secretary	Mrs R Cox
Registered office	Ground Floor Unit 501 Centennial Park Centennial Avenue Elstree, Borehamwood Hertfordshire WD6 3FG
Accountants	Sobell Rhodes LLP Chartered Accountants Ground Floor Unit 501 Centennial Park Centennial Avenue Elstree, Borehamwood Hertfordshire WD6 3FG

Farthinghoe Fine Wine Limited

(Registration number: 01123744)
Balance Sheet as at 31 December 2018

	Note	2018 £	(As restated) 2017 £
Fixed assets			
Intangible assets	5	7,560	-
Tangible assets	6	95,334	113,925
		102,894	113,925
Current assets			
Stocks	7	687,893	646,825
Debtors	8	2,163,830	1,936,566
Cash at bank and in hand		263,800	402,746
		3,115,523	2,986,137
Creditors: Amounts falling due within one year	9	(3,038,739)	(2,899,152)
Net current assets		76,784	86,985
Total assets less current liabilities		179,678	200,910
Provisions for deferred tax		547	(1,530)
Net assets		180,225	199,380
Capital and reserves			
Called up share capital		1,200	1,200
Profit and loss account		179,025	198,180
Total equity		180,225	199,380

For the financial year ending 31 December 2018 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

- The members have not required the company to obtain an audit of its accounts for the year in question in accordance with section 476; and
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

Farthinghoe Fine Wine Limited

(Registration number: 01123744)
Balance Sheet as at 31 December 2018

Approved and authorised by the Board on 9 September 2019 and signed on its behalf by:

Mr A A F Cox
Director

1 General information

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is:
Ground Floor
Unit 501 Centennial Park
Centennial Avenue
Elstree, Borehamwood
Hertfordshire
WD6 3FG

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable in respect of sale of fine wines when the title passes to the buyer. Revenue from customers for the sale of En Primeur wines is recognised when the wine is made available to the customer. This may be up to two years after the amount is invoiced to the customer, during which time it is held as deferred revenue. The cost of the wine is carried as a supplier prepayment until the point that revenue is recognised, at which time it is transferred to cost of sales.
Commissions are recognised when the related service is provided.

Foreign currency transactions and balances

Transactions in foreign currencies are recorded at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the closing rates at the balance sheet date. All exchange differences are included in the profit and loss account.

Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

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

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the financial statements.
Unrelieved tax losses and other deferred tax assets are recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.
Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference.

Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.
The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Asset class	Depreciation method and rate
Fixtures, fittings and equipment	20% on reducing balance
Leasehold properties	Over lease period

Amortisation

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

Asset class	Amortisation method and rate
Intangible assets	Straight line over 5 years

Trade debtors

Trade debtors are amounts due from customers for fine wines sold in the ordinary course of business.
Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Stocks

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

Trade creditors

Trade creditors 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 the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.
Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Dividends

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.
Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 10 (2017 - 9).

4 Taxation

Tax charged/(credited) in the income statement

	2018 £	2017 £
Current taxation		
UK corporation tax	42,722	49,821
UK corporation tax adjustment to prior periods	(8,506)	-
	34,216	49,821
Deferred taxation		
Arising from origination and reversal of timing differences	(2,077)	(4,134)
Tax expense in the income statement	32,139	45,687

5 Intangible assets

	Other intangible assets £	Total £
Cost or valuation		
Additions internally developed	9,450	9,450
At 31 December 2018	9,450	9,450
Amortisation		
Amortisation charge	1,890	1,890
At 31 December 2018	1,890	1,890
Carrying amount		
At 31 December 2018	7,560	7,560

6 Tangible assets

	Short leasehold land and buildings £	Fixtures and fittings £	Total £
Cost or valuation			
At 1 January 2018	104,851	86,202	191,053
At 31 December 2018	104,851	86,202	191,053
Depreciation			
At 1 January 2018	31,455	45,673	77,128
Charge for the year	10,485	8,106	18,591
At 31 December 2018	41,940	53,779	95,719
Carrying amount			
At 31 December 2018	62,911	32,423	95,334
At 31 December 2017	73,396	40,529	113,925

Included within the net book value of land and buildings above is £62,911 (2017 - £73,396) in respect of short leasehold land and buildings.

7 Stocks

2018 £	2017 £
687,893	646,825

Finished goods and goods for resale		

8 Debtors

	Note	2018 £	(As restated) 2017 £
Trade debtors		644,484	531,165
Amounts owed by related parties	12	17,246	-
Other debtors		1,502,100	1,405,401
Total current trade and other debtors		2,163,830	1,936,566

9 Creditors

Creditors: amounts falling due within one year

	2018 £	(As restated) 2017 £
Trade creditors	1,040,384	887,782
Taxation and social security	86,734	90,051
Other creditors	1,911,621	1,921,319
	3,038,739	2,899,152

10 Share capital

Allotted, called up and fully paid shares

	2018		2017	
	No.	£	No.	£
Ordinary A Shares of £1 each	520	520	520	520
Ordinay B Shares of £1 each	439	439	439	439
Ordinary C Shares of £1 each	61	61	61	61
Ordinary D shares of £1 each	180	180	180	180
	1,200	1,200	1,200	1,200

11 Financial commitments, guarantees and contingencies

Amounts not provided for in the balance sheet

The total amount of financial commitments not included in the balance sheet is £172,800 (2017 - £201,600).

12 Directors' Loans

	2018	2017
	£	£
At start of period	(14,115)	37,828
Advanced	31,361	-
Repaid	-	(51,943)
At end of period	17,246	(14,115)

13 Prior period adjustments

Under the previous UK GAAP En Primeur wines sales and the corresponding cost of sales were recognised at the point of invoice. FRS 102 contains additional guidance regarding the recognition of such arrangements and as such it has been deemed appropriate to recognise this revenue when the En Primeur wines are made available to the customer, which can be up to two years after the sale was invoiced. The financial statements for the prior year have been restated as a result of this. The recognition of these events has resulted in the re-statement on the Balance Sheet and also the Profit and loss account. The results are summarised below:

Effect on Profit or Loss account	**2017**	**2016**
	£	£
Profit previously reported for the year	**186,931**	**150,063**
Sales of En Primeur wines lying abroad	(929,714)	(1,534,191)
Release of Sales of En Primeur wines lying abroad	789,611	-
Purchases of En Primeur wines lying abroad	770,710	1,296,576
Release of Purchases of En Primeur wines lying abroad	(674,801)	-
Restated profit/(loss) for the year	**142,737**	**(87,552)**

Effect on Balance Sheet	**2017**	**2016**
	£	£
Capital and reserves previously reported for the year ended	**481,189**	**503,492**
Net adjustment to opening reserves	(237,615)	
Net movement on sales and purchases of En Primeur wines lying abroad	(159,004)	(237,615)
Net movement on release of sales and purchases of En Primeur wines lying abroad	114,810	-
Restated capital and reserves for the year ended	**199,380**	**265,877**

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