

Registration number: 01844521

THREE CHOIRS VINEYARDS LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016



THREE CHOIRS VINEYARDS LIMITED

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THREE CHOIRS VINEYARDS LIMITED

COMPANY INFORMATION

Directors	H B Shouler T R R Shaw M H Fowke K H Morley
Registered office	Baldwins Farm Newent Gloucestershire Gloucester GL18 1LS
Bankers	Lloyds TSB Bank plc Ley Court Barnett Way Gloucester GL4 3RT
Auditors	Hazlewoods LLP Staverton Court Staverton Cheltenham GL51 0UX

THREE CHOIRS VINEYARDS LIMITED

DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2016

The directors present their report and the financial statements for the year ended 31 December 2016.

Directors of the company

The directors who held office during the year were as follows:

H B Shouler

T R R Shaw

M H Fowke

K H Morley

Principal activity

The principal activity of the company is that of vineyard proprietors, incorporating the production and sale of wine and ancillary products, accommodation and restaurant.

Disclosure of information to the auditors

Each director has taken the steps that they ought to have taken as a director in order to make themselves aware of any relevant audit information and to establish that the company's auditors are aware of that information. The directors confirm that there is no relevant information that they know of and of which they know the auditors are unaware.

Small companies provision statement

This report has 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.

Approved by the Board on 26 April 2017 and signed on its behalf by:



T R R Shaw
Director

THREE CHOIRS VINEYARDS LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors acknowledge their responsibilities for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

THREE CHOIRS VINEYARDS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THREE CHOIRS VINEYARDS LIMITED

We have audited the financial statements of Three Choirs Vineyards Limited for the year ended 31 December 2016, set out on pages 6 to 20. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 Section 1A 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Statement of Directors' Responsibilities (set out on page 3), 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). Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors.

Scope of the audit of the financial statements

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 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. In addition, we read all the financial and non-financial information in the Directors' 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.

Opinion on the financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2016 and of its loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice applicable to smaller entities; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

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

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

THREE CHOIRS VINEYARDS LIMITED

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THREE CHOIRS VINEYARDS LIMITED

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements and the Directors' Report in accordance with the small companies regime and take advantage of the small companies exemption from the requirement to prepare a Strategic Report.

.....
Martin Howard (Senior Statutory Auditor)

For and on behalf of Hazlewoods LLP, Statutory Auditor

Staverton Court
Staverton
Cheltenham
GL51 0UX

26 April 2017

THREE CHOIRS VINEYARDS LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 DECEMBER 2016

	Note	2016 £	2015 £
Turnover		2,221,975	2,192,432
Cost of sales		<u>(1,538,063)</u>	<u>(1,516,804)</u>
Gross profit		683,912	675,628
Administrative expenses		(636,123)	(531,502)
Other operating income		<u>3,250</u>	<u>3,250</u>
Operating profit		<u>51,039</u>	<u>147,376</u>
Other interest receivable and similar income		3	15
Interest payable and similar charges		<u>(67,697)</u>	<u>(32,811)</u>
		<u>(67,694)</u>	<u>(32,796)</u>
(Loss)/profit before tax	6	(16,655)	114,580
Taxation	7	<u>8,346</u>	<u>(27,550)</u>
(Loss)/profit for the financial year		<u><u>(8,309)</u></u>	<u><u>87,030</u></u>

The above results were derived from continuing operations.

THREE CHOIRS VINEYARDS LIMITED

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2016

	Note	2016 £	2015 £
(Loss)/profit for the year		<u>(8,309)</u>	<u>87,030</u>
Total comprehensive income for the year		<u><u>(8,309)</u></u>	<u><u>87,030</u></u>

THREE CHOIRS VINEYARDS LIMITED

(REGISTRATION NUMBER: 01844521)
BALANCE SHEET AS AT 31 DECEMBER 2016

	Note	2016 £	2015 £
Fixed assets			
Tangible assets	8	<u>2,258,015</u>	<u>2,257,095</u>
		<u>2,258,015</u>	<u>2,257,095</u>
Current assets			
Stocks		716,620	689,670
Debtors	9	169,884	262,064
Cash at bank and in hand		<u>29,681</u>	<u>3,864</u>
		916,185	955,598
Creditors: Amounts falling due within one year	10	<u>(628,852)</u>	<u>(726,527)</u>
Net current assets		<u>287,333</u>	<u>229,071</u>
Total assets less current liabilities		2,545,348	2,486,166
Creditors: Amounts falling due after more than one year	10	(969,762)	(868,425)
Deferred tax liabilities	7	<u>(102,591)</u>	<u>(108,937)</u>
Net assets		<u>1,472,995</u>	<u>1,508,804</u>
Capital and reserves			
Called up share capital		55,000	55,000
Share premium reserve		955,693	955,693
Capital redemption reserve		18,500	18,500
Profit and loss account		<u>443,802</u>	<u>479,611</u>
Total equity		<u>1,472,995</u>	<u>1,508,804</u>

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.

Approved and authorised by the Board on 26 April 2017 and signed on its behalf by:



T R R Shaw

Director

THREE CHOIRS VINEYARDS LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 DECEMBER 2016

	Share capital £	Share premium £	Capital redemption reserve £	Profit and loss account £	Total £
At 1 January 2016	55,000	955,693	18,500	479,611	1,508,804
Loss for the year	-	-	-	(8,309)	(8,309)
Dividends	-	-	-	(27,500)	(27,500)
At 31 December 2016	<u>55,000</u>	<u>955,693</u>	<u>18,500</u>	<u>443,802</u>	<u>1,472,995</u>

	Share capital £	Share premium £	Capital redemption reserve £	Profit and loss account £	Total £
At 1 January 2015	55,000	955,693	18,500	392,581	1,421,774
Profit for the year	-	-	-	87,030	87,030
At 31 December 2015	<u>55,000</u>	<u>955,693</u>	<u>18,500</u>	<u>479,611</u>	<u>1,508,804</u>

THREE CHOIRS VINEYARDS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

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:

Baldwins Farm
Newent
Gloucestershire
Gloucester
GL18 1LS

These financial statements were authorised for issue by the Board on 26 April 2017.

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'.

Basis of preparation

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

The presentational currency of the financial statements is UK £, being the functional currency of the primary economic environment in which the company operates. Monetary amounts in these financial statements are rounded to the nearest £.

Key sources of estimation uncertainty

In the application of the company's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources.

Judgements

Due to the nature of the business, significant judgement is required when arriving at the stock valuation. The directors have used reasonable and consistent methods when applying judgement to the stock valuation.

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts and after eliminating sales within the company.

The company recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity, and it is probable that future economic benefits can be reliably measured.

Foreign currency transactions and balances

Monetary assets and liabilities denominated in foreign currencies are translated into UK £ at the rates of exchange prevailing on the reporting period date. Transactions in foreign currencies are recorded at the rate of exchange prevailing at the date of the transaction. All differences are taken to the profit and loss account.

THREE CHOIRS VINEYARDS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

Tax

The tax expense for the period comprises current and deferred tax. Tax is recognised in the profit and loss account, except that a charge 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 income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and on unused tax losses or tax credits in the company. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

Tangible assets

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

Depreciation

Freehold building improvements have not been depreciated as it is the directors' policy to maintain all buildings in good repair. As a result any depreciation of these improvements would be immaterial. Depreciation is charged so as to write off the cost of assets, less any estimated residual value, over their estimated useful lives (or the unexpired term of the lease, whichever is shorter), as follows:

Asset class	Depreciation method and rate
Long term growing crops	10% of cost per annum
Improvement to leasehold properties	Over the remaining term of the lease
Plant, machinery and vehicles	10%-33% of cost per annum
Fixtures, fittings and equipment	15%-33% of cost per annum
Moveable cabins	5% of cost per annum
Freehold land and building	2% of freehold building cost per annum

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. All trade debtors are repayable within one year and hence are included at the undiscounted cost of cash expected to be received. 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 debtors.

THREE CHOIRS VINEYARDS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

Stocks

Stocks are stated at the lower of cost and estimated net realisable value to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit or loss.

Biological assets

Biological assets are measured at cost less impairment. Cost includes direct costs together with direct costs and indirect overheads incurred in bringing growing vines to their state and condition at the end of the year. Fair value is not used to measure the carrying amount of biological assets as the directors consider that the information required to reliably estimate fair value is not available.

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 all are repayable within one year and hence are included at the undiscounted amount of cash expected to be paid.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee.

Assets held under finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation.

Lease payments are apportioned between finance costs in the Profit and Loss Account and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

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.

THREE CHOIRS VINEYARDS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

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.

THREE CHOIRS VINEYARDS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

Financial instruments

Classification

Financial instruments are classified and accounted for according to the substance of the contractual arrangement, as financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities. Where shares are issued, any component that creates a financial liability of the company is presented as a liability on the balance sheet. The corresponding dividends relating to the liability component are charged as interest expenses in the profit and loss account.

Recognition and measurement

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Impairment

Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss as described below.

A non financial asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

The recoverable amount of goodwill is derived from measurement of the present value of the future cash flows of the cash-generating units ('CGUs') of which the goodwill is a part. Any impairment loss in respect of a CGU is allocated first to the goodwill attached to that CGU, and then to other assets within that CGU on a pro-rata basis.

Where indicators exist for a decrease in impairment loss, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised. Where a reversal of impairment occurs in respect of a CGU, the reversal is applied first to the assets (other than goodwill) of the CGU on a pro-rata basis and then to any goodwill allocated to that CGU.

For financial assets carried at amortised cost, the amount of an impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

3 Staff numbers

The average number of persons employed by the company (including directors) during the year was 54 (2015 - 42).

THREE CHOIRS VINEYARDS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

4 Auditors' remuneration

	2016 £	2015 £
Audit of the financial statements	<u>5,790</u>	<u>5,790</u>

5 Directors' remuneration

The directors' remuneration for the year was as follows:

	2016 £	2015 £
Remuneration	56,735	64,302
Contributions paid to money purchase schemes	<u>7,603</u>	<u>8,764</u>
	<u>64,338</u>	<u>73,066</u>

6 Operating loss

Arrived at after charging:

	2016 £	2015 £
Depreciation expense	<u>144,594</u>	<u>130,371</u>

THREE CHOIRS VINEYARDS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

7 Taxation

Tax charged/(credited) in the profit and loss account

	2016 £	2015 £
Current taxation		
UK corporation tax	(2,000)	(12,282)
Deferred taxation		
Arising from origination and reversal of timing differences	(6,346)	39,832
Tax (receipt)/expense in the income statement	<u>(8,346)</u>	<u>27,550</u>

Deferred tax

Deferred tax assets and liabilities

	Asset £	Liability £
2016		
Fixed asset and other timing differences	-	105,549
Losses and other deductions	<u>2,958</u>	<u>-</u>
	<u>2,958</u>	<u>105,549</u>

	Liability £
2015	
Fixed asset and other timing differences	108,937
Losses and other deductions	<u>-</u>
	<u>108,937</u>

THREE CHOIRS VINEYARDS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

8 Tangible assets

	Freehold land and buildings £	Improvements to leasehold properties £	Long term growing crops £	Plant, machinery and vehicles £	Fixtures, fittings and equipment £	Moveable cabins £	Total £
Cost							
At 1 January 2016	1,650,298	521,132	172,345	1,049,789	481,881	297,725	4,173,170
Additions	-	-	-	112,117	33,397	-	145,514
At 31 December 2016	<u>1,650,298</u>	<u>521,132</u>	<u>172,345</u>	<u>1,161,906</u>	<u>515,278</u>	<u>297,725</u>	<u>4,318,684</u>
Depreciation							
At 1 January 2016	38,960	433,401	172,345	825,470	360,304	85,595	1,916,075
Charge for the year	<u>45,269</u>	<u>1,950</u>	<u>-</u>	<u>59,874</u>	<u>22,615</u>	<u>14,886</u>	<u>144,594</u>
At 31 December 2016	<u>84,229</u>	<u>435,351</u>	<u>172,345</u>	<u>885,344</u>	<u>382,919</u>	<u>100,481</u>	<u>2,060,669</u>
Carrying amount							
At 31 December 2016	<u>1,566,069</u>	<u>85,781</u>	<u>-</u>	<u>276,562</u>	<u>132,359</u>	<u>197,244</u>	<u>2,258,015</u>
At 31 December 2015	<u>1,611,338</u>	<u>87,731</u>	<u>-</u>	<u>224,319</u>	<u>121,577</u>	<u>212,130</u>	<u>2,257,095</u>

The net carrying amount of tangible assets includes £233,783 (2015 - £14,521) in respect of assets held under finance leases and hire purchase contracts.

THREE CHOIRS VINEYARDS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

9 Debtors

	Note	2016 £	2015 £
Trade debtors		150,013	204,299
Other debtors		-	18,036
Prepayments		19,871	27,590
Income tax asset		-	12,139
Total current trade and other debtors		<u>169,884</u>	<u>262,064</u>

10 Creditors

	Note	2016 £	2015 £
Due within one year			
Loans and borrowings	11	78,889	91,940
Trade creditors		122,524	332,439
Social security and other taxes		100,721	82,076
Outstanding defined contribution pension costs		627	-
Other creditors		27,615	18,894
Accrued expenses		41,383	57,101
Income tax liability		203	-
Deferred income		256,890	144,077
		<u>628,852</u>	<u>726,527</u>
Due after one year			
Loans and borrowings	11	<u>969,762</u>	<u>868,425</u>
		2016 £	2015 £
After more than five years by instalments		<u>443,143</u>	<u>504,327</u>
		<u>443,143</u>	<u>504,327</u>

THREE CHOIRS VINEYARDS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

11 Loans and borrowings

	2016 £	2015 £
Current loans and borrowings		
Bank loan	27,286	2,517
Bank overdrafts	-	76,019
Finance lease liabilities	51,603	13,404
	<u>78,889</u>	<u>91,940</u>

	2016 £	2015 £
Non-current loans and borrowings		
Bank loan	560,777	618,425
Finance lease liabilities	158,985	-
Other borrowings	250,000	250,000
	<u>969,762</u>	<u>868,425</u>

The bank loan is repayable in equal monthly instalments. The loan attracts interest at base rate plus 2.56% with the final instalment falling due in April 2034. The bank loan is secured on the property at Wickham to which the loan relates.

Finance lease liabilities are secured against the assets to which they relate.

Other borrowings include £250,000 in relation to a loan given to the company from the shareholders. The loan attracts interest at a rate of 5% to the period ending 31 March 2016, increasing to 6% for the period ending 31 March 2017 and 7% for the period ending 31 March 2018, with the loan repayable in full on 31 March 2018. The loan is secured against the assets of the company.

12 Financial commitments, guarantees and contingencies

At 31 December 2016, the company had total commitments under non-cancellable operating leases over the remaining life of those assets of £448,643 (2015 - £436,273).

THREE CHOIRS VINEYARDS LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2016

13 Related party transactions

Summary of transactions with key management

Key management personnel are considered to be the directors of the company and key management personnel compensation is disclosed in note 5 to the financial statements.

Transactions with directors

H Shouler

Director and shareholder

During the year dividends were paid to H Shouler of £1,750 (2015 - NIL). The company has been loaned a sum of £15,000, which attracts interest of 5% to the period ending 31 March 2016, 6% to the period ending 31 March 2017 and 7% to the period ending 31 March 2018 with the loan repayable in full on 31 March 2018.

K Morley

Director and shareholder

During the year dividends were paid to K Morley of £1,625 (2015 - NIL). The company has been loaned a sum of £50,000, which attracts interest of 5% to the period ending 31 March 2016, 6% to the period ending 31 March 2017 and 7% to the period ending 31 March 2018 with the loan repayable in full on 31 March 2018.

M Fowke

Director and shareholder

During the year dividends were paid to M Fowke of £1,500 (2015 - NIL).

T Shaw

Director and shareholder

During the year dividends were paid to T Shaw of £500 (2015 - NIL).

Summary of transactions with associates

The Global Winery Limited

(M H Fowke, a director of the company, has a controlling interest in The Global Winery Limited)

During the year, the company was invoiced by The Global Winery Limited for services provided by M H Fowke. The invoiced value of those services totalled £38,414 (2015 - £34,725). The company also made sales totalling £1,235 (2015 - £15,003) to, and purchases totalling £12,572 (2015 - £nil) from, The Global Winery Limited.

At the balance sheet date, the balance owed to The Global Winery Limited was £2,171 (2015 - £789).

14 Control

No individual or group holds a controlling interest in the company.