Moreno Wine Importers Company Limited

Registered number: 02286021

Directors' report and financial statements

For the year ended 31 January 2017

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MORENO WINE IMPORTERS COMPANY LIMITED

COMPANY INFORMATION

Directors	D Whiteley (appointed 9 March 2016) M Moriarty (appointed 9 March 2016) I Davies (appointed 9 March 2016) A Moreno M Moreno M Moreno (resigned 9 March 2016)
Company secretary	I Davies
Registered number	02286021
Registered office	11 Marylands Road Maida Vale London W9 2DU
Independent auditors	Mazars LLP Chartered Accountants & Statutory Auditor One St Peter's Square Manchester M2 3DE
Bankers	BBVA S.A. 44th Floor One Canada Square Canary Wharf London E14 5AA

MORENO WINE IMPORTERS COMPANY LIMITED

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DIRECTORS' REPORT
FOR THE YEAR ENDED 31 JANUARY 2017

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

Results and dividends

The loss for the year, after taxation, amounted to £211,798 (2016 - loss £26,101).

The directors have not recommended a dividend to be paid for the year (2016 - £nil).

Directors

The directors who served during the year were:

D Whiteley (appointed 9 March 2016)
M Moriarty (appointed 9 March 2016)
I Davies (appointed 9 March 2016)
A Moreno
M Moreno
M Moreno (resigned 9 March 2016)

Directors' responsibilities statement

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs 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 for the company's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the 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 to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Future developments

The company is continuing to invest in sales activities and new products, with the support of it's parent company, to drive growth and improve financial performance.

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

Disclosure of information to auditors

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditors are aware of that information.

Post balance sheet events

There have been no significant events affecting the company since the year end date.

Auditors

The auditors, Mazars LLP, will be proposed for reappointment in accordance with section 489 of the Companies Act 2006.

Small Companies Regime

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

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

I Davies
Director

Date: 21 December 2017

11 Marylands Road
Maida Vale
London
W9 2DU

Independent auditor's report to the members of Moreno Wine Importers Company Limited

We have audited the financial statements of Moreno Wine Importers Company Limited for the year ended 31 January 2017 which comprise the Statement of Comprehensive Income, the Balance Sheet, the Statement of Changes in Equity, the Statement of Cash Flows, and the related notes. 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 "The Financial Reporting Standard applicable in the UK and Republic of Ireland".

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement set out on page 1, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view.

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 Ethical Standards for Auditors. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our unmodified opinion on the financial position and our qualified audit opinion on the financial performance and cash flows. 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.

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the Financial Reporting Council's web-site at www.frc.org.uk/auditscopeukprivate.

Basis for qualified opinion on the financial performance and cash flows

We were appointed as auditors of the company on 4 October 2017 and thus did not observe the counting of physical stock at 31 January 2016. We were unable to satisfy ourselves by alternative means concerning stock quantities held at that date. Since opening stocks enters into the determination of the financial performance and cash flows, we were unable to determine whether adjustments might have been necessary in respect of the loss for the year reported in the Statement of Comprehensive Income and the net cash flows from operating activities reported in the Statement of Cash Flows.

Qualified opinion on the financial performance and cash flows

In our opinion, except for the possible effects of the matter described in the basis for qualified opinion paragraph, the Statement of Comprehensive Income and Statement of Cash Flows give a true and fair view of the financial performance and cash flows of the company for the year ended 31 January 2017, and have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice and in accordance with the requirements of the Companies Act 2006.

Opinion on the financial position

In our opinion, the Balance Sheet:

- gives a true and fair view of the state of the company's affairs as at 31 January 2017;
- has been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- has been prepared in accordance with the requirements of the Companies Act 2006.

Emphasis of matter – Going concern

In forming our opinion on the financial statements, we have considered the adequacy of the disclosure made in note 2.2 to the financial statements concerning the company's ability to continue as a going concern. The company incurred a net loss of £211,798 during the year ended 31 January 2017 and, at that date, the company's current liabilities exceeded its total assets by £151,748 and it had net current liabilities of £154,430. These conditions indicate the existence of a material uncertainty which may cast significant doubt about the company's ability to continue as a going concern and should be considered with the matters explained in note 2.2 to the financial statements regarding the belief of the directors that the going concern basis is appropriate. The financial statements do not include the adjustments that would result if the company was unable to continue as a going concern.

Opinion on other matters prescribed by the Companies Act 2006

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

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

Matters on which we are required to report by exception

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

In respect solely of the limitation on our work relating to stock, described above:

- we have not obtained all the information and explanations that we considered necessary for the purpose of our audit; and
- we were unable to determine whether adequate accounting records had been kept.

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:

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

Other matter

We draw attention to the accounting policies on page 10 to the financial statements and the fact that the comparative information in the financial statements was unaudited as the company was entitled to exemption from audit.



Timothy Hudson (Senior Statutory Auditor)

for and on behalf of Mazars LLP

Chartered Accountants and Statutory Auditor

One St Peter's Square
Manchester
M2 3DE

21st December 2017

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 JANUARY 2017

	Note	2017 £	Unaudited 2016 £
Turnover	4	862,551	755,105
Cost of sales		(786,112)	(653,235)
Gross profit		76,439	101,870
Administrative expenses		(303,446)	(129,290)
Operating loss	5	(227,007)	(27,420)
Interest payable and expenses	9	(4,280)	(3,865)
Loss before tax		(231,287)	(31,285)
Tax on loss	10	19,489	5,184
Loss for the financial year		(211,798)	(26,101)

There was no other comprehensive income for 2017 (2016:£NIL).

The notes on pages 10 to 24 form part of these financial statements.

MORENO WINE IMPORTERS COMPANY LIMITED
REGISTERED NUMBER: 02286021

BALANCE SHEET
AS AT 31 JANUARY 2017

	Note		2017 £		Unaudited 2016 £
Fixed assets					
Tangible assets	**11**		2,682		3,563
			2,682		3,563
Current assets					
Stocks	**12**	299,604		210,559	
Debtors: amounts falling due within one year	**13**	373,692		297,000	
Cash at bank and in hand	**14**	37,009		3,525	
		710,305		511,084	
Creditors: amounts falling due within one year	**15**	(864,735)		(454,597)	
Net current (liabilities)/assets			(154,430)		56,487
Total assets less current liabilities			(151,748)		60,050
Net (liabilities)/assets			(151,748)		60,050
Capital and reserves					
Called up share capital	**18**		100		100
Profit and loss account	**19**		(151,848)		59,950
			(151,748)		60,050

The company's financial statements have been prepared in accordance with the provisions applicable to companies subject to the small entities regime.

The financial statements were approved and authorised for issue by the board and were signed on its behalf by:

I Davies
Director

Date: 21 December 2017

The notes on pages 10 to 24 form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 JANUARY 2017

	Called up share capital	Profit and loss account	Total equity
	£	£	£
At 1 February 2015 (unaudited)	100	86,051	86,151
Comprehensive income for the year			
Loss for the year (unaudited)	-	(26,101)	(26,101)
At 1 February 2016 (unaudited)	100	59,950	60,050
Comprehensive income for the year			
Loss for the year	-	(211,798)	(211,798)
At 31 January 2017	100	(151,848)	(151,748)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 JANUARY 2017

	2017 £	Unaudited 2016 £
Cash flows from operating activities		
Loss for the financial year	(211,798)	(26,101)
Adjustments for:		
Depreciation of tangible assets	881	1,182
Loss on disposal of tangible assets	-	154
Interest paid	4,280	3,865
Taxation charge	(19,489)	(5,184)
(Increase)/decrease in stocks	(89,045)	43,644
(Increase)/decrease in debtors	(57,203)	41,648
(Decrease) in creditors	(173,114)	(42,383)
Increase in amounts owed to group companies	629,622	-
Net cash generated from operating activities	84,134	16,825
Cash flows from financing activities		
Interest paid	(4,280)	(3,865)
Net cash used in financing activities	(4,280)	(3,865)
Net increase in cash and cash equivalents	79,854	12,960
Cash and cash equivalents at beginning of year	(42,845)	(55,805)
Cash and cash equivalents at the end of year	37,009	(42,845)
Cash and cash equivalents at the end of year comprise:		
Cash at bank and in hand	37,009	3,525
Bank overdrafts	-	(46,370)
	37,009	(42,845)

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

1. General information

Moreno Wine Importers Company Limited is a limited liability company incorporated in England and Wales. The registered office of the company is 11 Marylands Road, Maida Vale, London, W9 2DU.

The principal activity of the company is importing and distribution of wine.

2. Accounting policies

2.1 Basis of preparation of financial statements

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

Information on the impact of first-time adoption of FRS 102 is given in note 24.

The financial statements for the year ended 31 January 2016 were unaudited as the company did not fall within the scope of requiring an audit.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Going concern

The financial statements have been prepared on a going concern basis not withstanding net current liabilities at 31 January 2017 of £154,430 and net liabilities of £151,748. The directors believe this to be appropriate for the following reasons:

Business forecasts and projections show that the company will become profitable within a reasonable period of time.

The company are reliant on the parent company, In Vino Limited, for ongoing support and the board of In Vino Limited has provided the company with an undertaking that they will, for at least 12 months from the date of approval of these financial statements, continue to make available such funds as are needed by the company and in particular will not seek repayment of the amounts currently made available by itself or other group companies. This should enable the company to continue in operational existence for the forseeable future by meeting their liabilities as they fall due for payment. As with any company placing reliance on other entities financial support, the directors acknowledge that there can be no certainty that this support will continue although, at the date of approval of these financial statements, they have no reasons to believe that they will not do so.

On this basis the directors believe that it remains appropriate to prepare the financial statements on a going concern basis. The financial statements do not include any adjustments that would result from the going concern basis of preparation being inappropriate.

2. Accounting policies (continued)

2.3 Revenue

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

Sale of goods

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

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

2.4 Tangible fixed assets

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

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, on a reducing balance basis.

Depreciation is provided on the following basis:

Leasehold property	-	15% reducing balance
Motor vehicles	-	25% reducing balance
Fixtures and fittings	-	25% reducing balance

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

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

2.5 Stocks

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

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

2. Accounting policies (continued)

2.6 Debtors

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

2.7 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the company's cash management.

2.8 Financial instruments

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

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Income Statement.

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is an 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.

2.9 Creditors

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

2.10 Finance costs

Finance costs are charged to the Income Statement over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2. Accounting policies (continued)

2.11 Pensions

Defined contribution pension plan

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

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

2.12 Borrowing costs

All borrowing costs are recognised in the Income Statement in the year in which they are incurred.

2.13 Provisions for liabilities

Provisions are made where an event has taken place that gives the company a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to the Income Statement in the year that the company becomes aware of the obligation, and are measured at the best estimate at the Balance Sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Balance Sheet.

2. Accounting policies (continued)

2.14 Current and deferred taxation

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

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

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

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

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

3. Judgments in applying accounting policies and key sources of estimation uncertainty

In applying the company's accounting policies, the directors are required to make judgements, estimates and assumptions in determining the carrying amounts of assets and liabilities. The directors' judgements, estimates and assumptions are based on the best and most reliable evidence available at the time when the decisions are made, and are based on historical experience and other factors that are considered to be applicable. Due to the inherent subjectivity involved in making such judgements, estimates and assumptions, the actual results and outcomes may differ.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of revision and future periods, if the revision affects both current and future periods.

Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

(i) Determining residual values and useful economic lives of tangible fixed assets
The company depreciate tangible assets over their estimated useful lives. The estimation of the useful lives of assets is based on historic performance as well as expectations about future use and therefore requires estimates and assumptions to be applied by management. The actual lives of these assets can vary depending on a variety of factors, including technological innovation, product life cycles and maintenance programmes.

Judgement is applied by management when determining the residual values for plant, machinery and equipment. When determining the residual value management aim to assess the amount that the company would currently obtain for the disposal of the asset, if it were already of the condition expected at the end of its useful economic life. Where possible this is done with reference to external market prices.

ii) Recoverability of receivables
The company establishes a provision for receivables that are estimated not to be recoverable. When assessing recoverability the directors have considered factors such as the ageing of the receivables, past experience of recoverability, and the credit profile of individual or groups of customers.

iii) Cost of stocks
The company establishes a provision for stocks where the estimated selling price less cost to complete and sell is lower than the cost of the stock. When assessing the estimated selling price for stocks the directors have considered factors such as the ageing of the stock and past sales experience.

4. Turnover

	2017 £	Unaudited 2016 £
Wine distribution	862,551	755,105
	862,551	755,105

Analysis of turnover by country of destination:

	2017 £	Unaudited 2016 £
United Kingdom	844,261	745,760
Rest of Europe	18,290	9,345
	862,551	755,105

5. Operating loss

The operating loss is stated after charging:

	2017 £	Unaudited 2016 £
Depreciation of tangible fixed assets	881	1,182

6. Auditors' remuneration

	2017 £	Unaudited 2016 £
Fees payable to the company's auditor and its associates for the audit of the company's annual financial statements	1,248	-

7. Employees

Staff costs, including directors' remuneration, were as follows:

	2017 £	Unaudited 2016 £
Wages and salaries	176,984	77,542
Social security costs	17,434	8,473
Cost of defined contribution scheme	4,899	-
	199,317	86,015

The average monthly number of employees, including the directors, during the year was as follows:

	2017 No.	Unaudited 2016 No.
Sales	5	4
Administration	1	1
	6	5

8. Directors' remuneration

	2017 £	Unaudited 2016 £
Directors' emoluments	78,175	30,854
Company contributions to defined contribution pension schemes	1,983	-
	80,158	30,854

During the year retirement benefits were accruing to 2 directors (2016 - NIL) in respect of defined contribution pension schemes.

9. Interest payable and similar charges

	2017 £	Unaudited 2016 £
Bank interest payable	3,591	2,759
Other loan interest payable	689	1,106
	4,280	3,865

10. Taxation

	2017 £	Unaudited 2016 £
Current tax on profits for the year	-	-
	-	-
Deferred tax		
Origination and reversal of timing differences	(30,642)	(5,184)
Changes in rates of taxation	11,153	-
Total deferred tax	(19,489)	(5,184)
Taxation on loss on ordinary activities	(19,489)	(5,184)

10. Taxation (continued)

Factors affecting tax charge for the year

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

	2017 £	Unaudited 2016 £
Loss on ordinary activities before tax	(231,287)	(31,285)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 20% (2016 - 20%)	(46,257)	(6,257)
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	464	531
Capital allowances for year in excess of depreciation	(21)	-
Changes in rates of taxation	11,153	-
Other differences leading to a (decrease) / increase in the tax charge	(297)	542
Group relief	15,469	-
Total tax charge for the year	(19,489)	(5,184)

Deferred taxation has been provided at 19% in accordance with Financial Reporting Standard 102.

Factors that may affect future tax charges

The corporation tax rate applicable to the company will reduce from 20% to 19% from 1 April 2017 followed by a further reduction to 18% from 1 April 2020.

11. Tangible fixed assets

	Leasehold property £	Motor vehicles £	Fixtures and fittings £	Total £
Cost or valuation				
At 1 February 2016 (Unaudited)	3,000	19,580	18,000	40,580
At 31 January 2017	3,000	19,580	18,000	40,580
Depreciation				
At 1 February 2016 (Unaudited)	2,964	18,109	15,944	37,017
Charge for the year on owned assets	-	367	514	881
At 31 January 2017	2,964	18,476	16,458	37,898
Net book value				
At 31 January 2017	36	1,104	1,542	2,682
At 31 January 2016 (Unaudited)	36	1,471	2,056	3,563

The net book value of land and buildings may be further analysed as follows:

	2017 £	Unaudited 2016 £
Long leasehold	36	36
	36	36

12. Stocks

	2017 £	Unaudited 2016 £
Finished goods and goods for resale	299,604	210,559
	299,604	210,559

Stock recognised in cost of sales during the year as an expense was £412,019 (2016 - £321,508).

13. Debtors

	2017 £	Unaudited 2016 £
Trade debtors	130,255	74,411
Prepayments and accrued income	2,720	1,361
Deferred taxation (note 17)	240,717	221,228
	373,692	297,000

14. Cash and cash equivalents

	2017 £	Unaudited 2016 £
Cash at bank and in hand	37,009	3,525
Less: bank overdrafts	-	(46,370)
	37,009	(42,845)

15. Creditors: Amounts falling due within one year

	2017 £	Unaudited 2016 £
Bank overdrafts	-	46,370
Trade creditors	177,189	203,955
Amounts owed to group undertakings	629,622	-
Other taxation and social security	55,427	49,772
Other creditors	-	144,578
Accruals and deferred income	2,497	9,922
	864,735	454,597

Amounts owed to group undertakings are unsecured, interest free, and repayable on demand.

16. Financial instruments

	2017 £	Unaudited 2016 £
Financial assets		
Financial assets that are debt instruments measured at amortised cost	167,264	77,936
	167,264	77,936
Financial liabilities		
Financial liabilities measured at amortised cost	(809,308)	(404,825)
	(809,308)	(404,825)

Financial assets that are debt instruments measured at amortised cost comprise cash at the bank and trade debtors.

Financial liabilities measured at amortised cost comprise bank overdrafts, trade creditors, amounts owed to group undertakings, other creditors, and accruals and deferred income.

17. Deferred taxation

	2017 £
At beginning of year (unaudited)	221,228
Charged to profit or loss	19,489
At end of year	240,717

The deferred tax asset is made up as follows:

	2017 £	Unaudited 2016 £
Accelerated capital allowances	352	(1,350)
Tax losses carried forward	240,365	222,578
	240,717	221,228

The directors do not anticipate any reversal of the deferred tax asset in the next reporting period.

18. Share capital

	2017 £	Unaudited 2016 £
Shares classified as equity		
Allotted, called up and fully paid		
100 Ordinary shares of £1 each	100	100

19. Reserves

Profit and loss account

This reserve includes all current and prior period retained profits and losses.

20. Pension commitments

The company operates a definied contribution pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable to the fund and amounted to £4,899 (2016: £nil). Contributions payable to the fund at the balance sheet date are £6,126 (2016: £nil) and are included in creditors.

21. Commitments under operating leases

At 31 January 2017 the company had future minimum lease payments under non-cancellable operating leases as follows:

	2017 £	2016 £
Not later than 1 year	12,500	10,000
Later than 1 year and not later than 5 years	15,300	27,800
	27,800	37,800

22. Related party transactions

The company and Boutinot Limited are under common control, with effect from 9 March 2016.

During the period the company made purchases of £78,314 from Boutinot Limited. In the same period, the company made sales of £2,742 to Boutinot Limited. At 31 January 2017 the company owed £629,622 to Boutinot Limited in respect of an intercompany loan, which is disclosed in amounts owed to group undertakings. The company also owed £31,444 to Boutinot Limited, which is disclosed in trade creditors.

During the period, the company paid rent of £11,682 (2016 - £9,568) to M Moreno, a former director and shareholder of the company until 9 March 2016. At 31 January 2017, the company owed £1,000 (2016 - £20,418) to M Moreno and this balance is disclosed in trade creditors.

At 31 January 2017, the company owed balances of £1,112 (2016 - £nil) and £1,814 (2016 - £1,487) to the directors A Moreno and M Moreno.

At 31 January 2017, the company was owed balances of £nil (2016 - £8,207) and £nil (2016 - £95) from the directors A Moreno and M Moreno.

No other transactions with related parties were undertaken such as are required to be disclosed under Financial Reporting Standard 102.

23. Controlling party

The company was under the control of the former director and majority shareholder, M Moreno, until 9 March 2016. As at that date, the entire issued share capital of the company was acquired by In Vino Limited, a company registered in England and Wales. Copies of the financial statements of In Vino Limited can be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ.

24. First time adoption of FRS 102

The policies applied under the entity's previous accounting framework are not materially different to FRS 102 and have not impacted on equity or profit or loss.