Company Registration No. 07415621 (England and Wales)

HEREFORD CONTRACT CANNING (HCC) LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

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HEREFORD CONTRACT CANNING (HCC) LIMITED

COMPANY INFORMATION

Directors	P Burton H Burton S Cottingham J Hibberd S Hibberd R J Leach
Company number	07415621
Registered office	1 Staniers Way Roman Road Hereford HR1 1JT
Auditor	CLB Coopers Audit Services Ship Canal House 98 King Street Manchester M2 4WU

HEREFORD CONTRACT CANNING (HCC) LIMITED

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HEREFORD CONTRACT CANNING (HCC) LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 31 DECEMBER 2017

The directors present the strategic report for the year ended 31 December 2017.

Business review

Hereford Contract Canning (HCC) Ltd provides canning services for alcoholic and non-alcoholic drinks. Production started on site in May 2012 and the business has quickly grown to a turnover of £13m. The results for the year build on profits in the previous years. The customer and product base continue to expand and a new warehouse has been completed to accommodate the increase in production.

The company continues to invest in plant and equipment and a project for a second filler and cardboard packaging machine have been agreed for the beginning of 2018.

Key performance indicators

Turnover and Gross Profit have improved in the year. Return on Capital Employed has likewise improved.

Results and dividends

The Profit for the year amounted to £ 519,527 and dividends of £39,990 have been paid. No further dividend have been recommended.

Principal risks and uncertainties

There are a number of risks which have been identified by the Company.

The Directors are of the opinion that a thorough risk management process is in place which involves the formal review of the risks identified.

Financial risk management

The Company's operations expose it to a variety of financial business risks including foreign currency exchange rates, credit risk and liquidity risk.

Foreign currency risk

The Company purchases some materials from Europe in Euros. Our exposure to currency fluctuations is not felt to be a major risk. As prices are expected to rise in the current economic climate, contracts are in place with suppliers of critical materials for the forthcoming year.

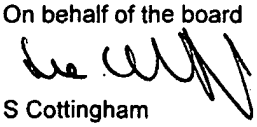
Credit risk

The Company's credit risk is primarily attributable to its trade debtors. Credit risk is managed by monitoring the aggregate amount and duration of exposure to any one customer depending upon their credit rating.

Liquidity risk

The Company's policy is managed by financial management on its major contracts by negotiating favourable payable terms with respective customers and suppliers wherever possible. The Company's objective is to ensure an overall neutral or positive cash flow.

On behalf of the board



S Cottingham
Director
16 May 2018

HEREFORD CONTRACT CANNING (HCC) LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2017

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

Principal activities
The principal activity of the company continued to be that of the canning of drinks.

Directors
The directors who held office during the year and up to the date of signature of the financial statements were as follows:

P Burton
H Burton
S Cottingham
J Hibberd
S Hibberd
R J Leach

Results and dividends
The results for the year are set out on page 6.

Ordinary dividends were paid amounting to £39,990. The directors do not recommend payment of a further dividend.

Auditor
In accordance with the company's articles, a resolution proposing that CLB Coopers Audit Services be reappointed as auditor of the company will be put at a General Meeting.

Statement of directors' responsibilities
The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

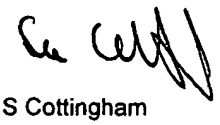
Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). 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 then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

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

Statement of disclosure to auditor
So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

On behalf of the board



S Cottingham
Director
16 May 2018

HEREFORD CONTRACT CANNING (HCC) LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF HEREFORD CONTRACT CANNING (HCC) LIMITED

Opinion

We have audited the financial statements of Hereford Contract Canning (HCC) Limited (the 'company') for the year ended 31 December 2017 which comprise the Statement of Income and Retained Earnings, the Balance Sheet, the Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 December 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

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

- 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; and
- the Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

HEREFORD CONTRACT CANNING (HCC) LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

TO THE MEMBERS OF HEREFORD CONTRACT CANNING (HCC) LIMITED

Matters on which we are required to report by exception

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

Responsibilities of directors

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

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

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: http://www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

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.

David Clift (Senior Statutory Auditor)
for and on behalf of CLB Coopers Audit Services

16 May 2018

Statutory Auditor

Ship Canal House
98 King Street
Manchester
M2 4WU

HEREFORD CONTRACT CANNING (HCC) LIMITED

STATEMENT OF INCOME AND RETAINED EARNINGS

FOR THE YEAR ENDED 31 DECEMBER 2017

	Notes	2017 £	2016 £
Turnover	**2**	13,088,962	10,700,029
Cost of sales		(10,412,673)	(8,597,986)
Gross profit		2,676,289	2,102,043
Administrative expenses		(2,031,525)	(1,865,031)
Operating profit	**3**	644,764	237,012
Interest payable and similar expenses	**6**	(6,449)	(17,348)
Profit before taxation		638,315	219,664
Tax on profit	**7**	(118,788)	(29,023)
Profit for the financial year		519,527	190,641
Retained earnings brought forward		867,528	676,887
Dividends	**8**	(39,990)	-
Retained earnings carried forward		1,347,065	867,528

The Profit And Loss Account has been prepared on the basis that all operations are continuing operations.

HEREFORD CONTRACT CANNING (HCC) LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2017

	Notes	2017 £	2017 £	2016 £	2016 £
Fixed assets					
Intangible assets	9		1,692		2,115
Tangible assets	10		3,573,408		3,439,785
Investments	11		2		2
			3,575,102		3,441,902
Current assets					
Stocks	14	285,235		264,387	
Debtors	15	1,414,582		843,447	
		1,699,817		1,107,834	
Creditors: amounts falling due within one year	16	(2,366,637)		(2,199,664)	
Net current liabilities			(666,820)		(1,091,830)
Total assets less current liabilities			2,908,282		2,350,072
Provisions for liabilities	18		(271,213)		(192,540)
Net assets			2,637,069		2,157,532
Capital and reserves					
Called up share capital	21		1,290,004		1,290,004
Profit and loss reserves			1,347,065		867,528
Total equity			2,637,069		2,157,532

The financial statements were approved by the board of directors and authorised for issue on 16 May 2018 and are signed on its behalf by:

S Cottingham
Director

Company Registration No. 07415621

HEREFORD CONTRACT CANNING (HCC) LIMITED

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2017

	Notes	2017 £	2017 £	2016 £	2016 £
Cash flows from operating activities					
Cash generated from operations	27		874,933		246,278
Interest paid			(6,449)		(17,348)
Income taxes refunded/(paid)			9		-
Net cash inflow from operating activities			868,493		228,930
Investing activities					
Purchase of tangible fixed assets		(460,069)		(428,864)	
Net cash used in investing activities			(460,069)		(428,864)
Financing activities					
Repayment of bank loans		(332,078)		192,296	
Payment of finance leases obligations		(251,655)		(301,985)	
Dividends paid		(39,990)		-	
Net cash used in financing activities			(623,723)		(109,689)
Net decrease in cash and cash equivalents			(215,299)		(309,623)
Cash and cash equivalents at beginning of year			(364,132)		(54,509)
Cash and cash equivalents at end of year			(579,431)		(364,132)
Relating to:					
Bank overdrafts included in creditors payable within one year			(579,431)		(364,132)

HEREFORD CONTRACT CANNING (HCC) LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017

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1 Accounting policies

Company information

Hereford Contract Canning (HCC) Limited is a private company limited by shares incorporated in England and Wales. The registered office is 1 Staniers Way, Roman Road, Hereford, HR1 1JT.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements have been prepared under the historical cost convention 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.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgement in applying the Company's accounting policies. In the directors' opinion, there are no significant areas of judgement nor key sources of estimation uncertainty within these financial statements.

The following principal accounting policies have been applied:

1.2 Going concern

At the time of approving the financial statements, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus the directors continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that are recoverable.

1.4 Intangible fixed assets other than goodwill

Intangible assets represent trademark registration costs. They are amortised to the profit and loss account over their estimated economic life of ten years.

1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Leasehold improvements	Over the length of the lease
Plant and equipment	15 years
Office and computer equipment	3-10 years

1 Accounting policies **(Continued)**

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.6 Fixed asset Investments

Investments held as fixed assets are shown at cost less provision for impairment.

1.7 Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

1.8 Cash at bank and in hand

Cash at bank and in hand are basic financial assets and include cash in hand and deposits held at call with banks and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.9 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.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade creditors or debtors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration, expected to be paid or received.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method 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. Financial assets classified as receivable within one year are not amortised.

Other financial assets

Other financial assets, including investments in equity instruments which are not subsidiaries, associates or joint ventures, 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 publicly traded and whose fair values cannot be measured reliably are measured at cost less impairment.

1 Accounting policies **(Continued)**

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. 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 amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Other financial liabilities

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial 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 hedge accounting is applied and the hedge is a cash flow hedge.

Debt instruments that do not meet the conditions in FRS 102 paragraph 11.9 are subsequently measured at fair value through profit or loss. Debt instruments may be designated as being measured at fair value though profit or loss to eliminate or reduce an accounting mismatch or if the instruments are measured and their performance evaluated on a fair value basis in accordance with a documented risk management or investment strategy.

Derecognition of financial liabilities

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

1.10 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

1 Accounting policies **(Continued)**

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are 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. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.11 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.13 Leases

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

Assets held under finance leases are recognised as assets at the lower of the assets fair value at the date of inception and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to the profit and loss account so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

1.14 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in the profit and loss account for the period.

1.15 Debtors

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

1 Accounting policies **(Continued)**

1.16 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.

1.17 Finance costs

Finance costs are charged to the profit and loss account 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.

2 Turnover and other revenue

All turnover arose within the United Kingdom.

3 Operating profit

Operating profit for the year is stated after charging:	2017 £	2016 £
Exchange losses	40,280	29,862
Fees payable to the company's auditor for the audit of the company's financial statements	9,000	8,750
Depreciation of owned tangible fixed assets	321,528	206,580
Depreciation of tangible fixed assets held under finance leases	4,919	101,857
Amortisation of intangible assets	423	422
Cost of stocks recognised as an expense	8,688,397	7,025,057
Operating lease charges	208,159	191,450

Exchange differences recognised in profit or loss during the year, except for those arising on financial instruments measured at fair value through profit or loss, amounted to £40,280 (2016 - £29,862).

4 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2017 Number	2016 Number
Administrative	2	2
Production, engineering and labour	51	52
Directors	6	6
	59	60

4 Employees (Continued)

Their aggregate remuneration comprised:

	2017	2016
	£	£
Wages and salaries	1,780,245	1,607,851
Social security costs	168,197	152,343
Pension costs	9,007	8,618
	1,957,449	1,768,812

5 Directors' remuneration

	2017	2016
	£	£
Remuneration for qualifying services	159,493	128,563
Company pension contributions to defined contribution schemes	773	557
	160,266	129,120

6 Interest payable and similar expenses

	2017	2016
	£	£
Interest on financial liabilities measured at amortised cost:		
Interest on finance leases and hire purchase contracts	2,457	10,633
Other finance costs:		
Other interest	3,992	6,715
	6,449	17,348

7 Taxation

	2017	2016
	£	£
Current tax		
UK corporation tax on profits for the current period	40,124	-
Deferred tax		
Origination and reversal of timing differences	78,664	29,023
Total tax charge	118,788	29,023

7 Taxation **(Continued)**

The actual charge for the year can be reconciled to the expected charge for the year based on the profit or loss and the standard rate of tax as follows:

	2017 £	2016 £
Profit before taxation	638,315	219,664
Expected tax charge based on the standard rate of corporation tax in the UK of 19.25% (2016: 20.00%)	122,876	43,933
Tax effect of expenses that are not deductible in determining taxable profit	2,163	2,522
Effect of change in corporation tax rate	(2,081)	-
Other non-reversing timing differences	(4,170)	(17,432)
Taxation charge for the year	118,788	29,023

8 Dividends

	2017 £	2016 £
Final paid	39,990	-

9 Intangible fixed assets

	Trademarks £
Cost	
At 1 January 2017 and 31 December 2017	4,229
Amortisation and impairment	
At 1 January 2017	2,114
Amortisation charged for the year	423
At 31 December 2017	2,537
Carrying amount	
At 31 December 2017	1,692
At 31 December 2016	2,115

10 Tangible fixed assets

	Leasehold Improvements	Plant and equipment	Office and computer equipment	Total
	£	£	£	£
Cost				
At 1 January 2017	233,821	4,365,604	37,669	4,637,094
Additions	110,861	344,499	4,709	460,069
At 31 December 2017	344,682	4,710,103	42,378	5,097,163
Depreciation and impairment				
At 1 January 2017	28,186	1,146,633	22,489	1,197,308
Depreciation charged in the year	38,415	285,038	2,994	326,447
At 31 December 2017	66,601	1,431,671	25,483	1,523,755
Carrying amount				
At 31 December 2017	278,081	3,278,432	16,895	3,573,408
At 31 December 2016	205,385	3,218,971	15,180	3,439,785

The net carrying value of tangible fixed assets includes the following in respect of assets held under finance leases or hire purchase contracts.

	2017	2016
	£	£
Plant and equipment	39,763	1,079,537
Depreciation charge for the year in respect of leased assets	4,919	101,857

11 Fixed asset investments

	Notes	2017	2016
		£	£
Investments in subsidiaries	12	2	2

12 Subsidiaries

Details of the company's subsidiaries at 31 December 2017 are as follows:

Name of undertaking	Registered office	Nature of business	Class of shares held	% Held Direct	% Held Indirect
Herefordshire Cider Company (HCC) Limited	England	Dormant	Ordinary	100.00	
Hereford Cider Company (HCC) IIMITED	England	Dormant	Ordinary	100.00	

13 Financial instruments

	2017	2016
	£	£
Carrying amount of financial assets		
Debt instruments measured at amortised cost	605,608	341,206
Carrying amount of financial liabilities		
Measured at amortised cost	2,184,155	2,040,443

14 Stocks

	2017	2016
	£	£
Raw materials and consumables	285,235	264,387

15 Debtors

	2017	2016
Amounts falling due within one year:	£	£
Trade debtors	605,600	341,206
Other debtors	8	-
Prepayments and accrued income	808,974	502,241
	1,414,582	843,447

16 Creditors: amounts falling due within one year

	Notes	2017	2016
		£	£
Bank loans and overdrafts	17	579,431	696,210
Obligations under finance leases		4,667	256,322
Trade creditors		945,789	800,152
Corporation tax		40,124	-
Other taxation and social security		142,358	159,221
Other creditors		509,377	241,485
Accruals and deferred income		144,891	46,274
		2,366,637	2,199,664

There are fixed and floating charges over all assets including all present and future freehold and leasehold property, book and other debts, chattels, goodwill and uncalled capital, both present and future.

Net obligations under finance lease and hire purchase contracts are secured upon the assets to which they relate.

17 Loans and overdrafts

	2017	2016
	£	£
Bank loans	-	332,078
Bank overdrafts	579,431	364,132
	579,431	696,210
Payable within one year	579,431	696,210

There are fixed and floating charges over all assets including all present and future freehold and leasehold property, book and other debts, chattels, goodwill and uncalled capital, both present and future.

18 Provisions for liabilities

	Notes	2017	2016
		£	£
Deferred tax liabilities	19	271,213	192,540

19 Deferred taxation

The following are the major deferred tax liabilities and assets recognised by the company and movements thereon:

Balances:	Liabilities 2017	Liabilities 2016
	£	£
Accelerated capital allowances	271,213	227,007
Tax losses	-	(34,467)
	271,213	192,540

Movements in the year:	2017
	£
Liability at 1 January 2017	192,540
Charge to profit or loss	78,673
Liability at 31 December 2017	271,213

The deferred tax liability set out above is expected to reverse within 12 months and relates to accelerated capital allowances that are expected to mature within the same period.

20 Retirement benefit schemes

Defined contribution schemes	2017 £	2016 £
Charge to profit or loss in respect of defined contribution schemes	9,007	8,618

The company operates a defined contribution pension scheme for all qualifying employees. The assets of the scheme are held separately from those of the company in an independently administered fund.

21 Share capital

	2017 £	2016 £
Ordinary share capital		
Issued and fully paid		
1,290,004 Ordinary shares of £1 each	1,290,004	1,290,004
	1,290,004	1,290,004

22 Financial commitments, guarantees and contingent liabilities

The company has given guarantees to HM Revenue and Customs of £20,000 (2016: £20,000).

23 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	2017 £	2016 £
Within one year	283,640	228,450
Between two and five years	998,599	633,442
In over five years	347,617	572,080
	1,629,856	1,433,972

24 Capital commitments

Amounts contracted for but not provided in the financial statements:

	2017 £	2016 £
Acquisition of tangible fixed assets	1,011,693	76,720

25 Related party transactions

Transactions with related parties

At 31 December 2017 the company owed £74 (2016: £266) to Corinthian Brands (CBL) Limited ("CBL"). During the year the company made sales of £10,500,315 (2016: £7,249,542) to CBL. The directors of the company have a beneficial interest in CBL.

During the year the company provided storage services to CBL, and raised various recharges totalling £117,906 (2016: £262,118). This has been included within prepayments and accrued income.

During the year rent of £212,740 (2016: £190,000) was paid to The Burton & Hibberd Group SIPP. The Burton & Hibberd Group SIPP is related through common interests of P Burton and J Hibberd.

26 Controlling party

The directors consider that there is no ultimate controlling party.

27 Cash generated from operations

	2017 £	2016 £
Profit for the year after tax	519,527	190,641
Adjustments for:		
Taxation charged	118,788	29,023
Finance costs	6,449	17,348
Amortisation and impairment of intangible assets	422	423
Depreciation and impairment of tangible fixed assets	326,447	308,186
Movements in working capital:		
(Increase) in stocks	(20,848)	(12,619)
(Increase)/decrease in debtors	(571,135)	98,981
Increase/(decrease) in creditors	495,283	(225,587)
(Decrease) in deferred income	-	(160,118)
Cash generated from operations	874,933	246,278