

Registered number: SC036622

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**DUNCAN TAYLOR SCOTCH WHISKY
LIMITED**

**INFORMATION FOR FILING WITH THE REGISTRAR
FOR THE YEAR ENDED 31 DECEMBER 2016**



DUNCAN TAYLOR SCOTCH WHISKY LIMITED



COMPANY INFORMATION

Director	E C Shand
Company secretary	Stronachs Secretaries Limited
Registered number	SC036622
Registered office	34 Albyn Place Aberdeen AB10 1FW

DUNCAN TAYLOR SCOTCH WHISKY LIMITED

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**DIRECTOR'S RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2016**

The director is responsible for preparing the director's report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has 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 director must not approve the financial statements unless he is satisfied that he gives 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 director is 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 director is 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 him to ensure that the financial statements comply with the Companies Act 2006. He is 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.

DUNCAN TAYLOR SCOTCH WHISKY LIMITED
REGISTERED NUMBER:SC036622



BALANCE SHEET
AS AT 31 DECEMBER 2016

	Note	2016 £	2015 £
Fixed assets			
Tangible assets	4	463,332	443,919
Investments	5	1	1
		<u>463,333</u>	<u>443,920</u>
Current assets			
Stocks	6	6,768,318	6,688,579
Debtors: amounts falling due within one year	7	5,290,719	4,962,540
Cash at bank and in hand	8	306,971	439,981
		<u>12,366,008</u>	<u>12,091,100</u>
Creditors: amounts falling due within one year	9	<u>(7,248,074)</u>	<u>(2,168,834)</u>
Net current assets		<u>5,117,934</u>	<u>9,922,266</u>
Total assets less current liabilities		<u>5,581,267</u>	<u>10,366,186</u>
Creditors: amounts falling due after more than one year	10	(1,740)	(4,992,014)
Provisions for liabilities			
Deferred tax	13	<u>(27,031)</u>	<u>(37,579)</u>
		<u>(27,031)</u>	<u>(37,579)</u>
Net assets		<u><u>5,552,496</u></u>	<u><u>5,336,593</u></u>
Capital and reserves			
Called up share capital		10,000	10,000
Revaluation reserve		14,000	14,000
Profit and loss account		<u>5,528,496</u>	<u>5,312,593</u>
		<u><u>5,552,496</u></u>	<u><u>5,336,593</u></u>

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime.

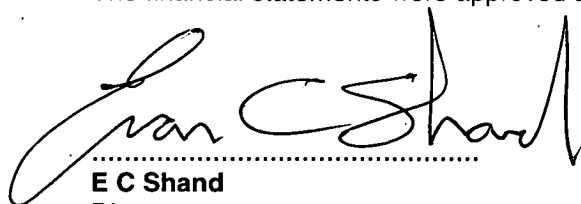
The company has opted not to file the statement of comprehensive income in accordance with provisions applicable to companies subject to the small companies' regime.

DUNCAN TAYLOR SCOTCH WHISKY LIMITED
REGISTERED NUMBER:SC036622

BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2016

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



E C Shand
Director

Date: 22 September 2017

The notes on pages 4 to 16 form part of these financial statements.

1. General information

Duncan Taylor Scotch Whisky Limited is a limited liability company incorporated in Scotland. the registered office is 34 Albyn Place, Aberdeen, AB10 1FW.

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 Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 Going concern

The director, having made due and careful enquiry and preparing forecasts, is of the opinion that the company has adequate working capital to execute its operations over the next 12 months. The director, therefore has made an informed judgement, at the time of approving the financial statements, that there is a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. As a result, the director has continued to adopt the going concern basis of accounting in preparing the annual financial statements.

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.

2. Accounting policies (continued)

2.4 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

Freehold property	- 5% straight line
Plant & machinery	- 33.33% straight line
Motor vehicles	- 25% straight line
Fixtures & fittings	- 25-33% straight line
Tenants' Improvements	- 4% straight line

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 statement of comprehensive income.

2.5 Revaluation of tangible fixed assets

Individual freehold and leasehold properties are carried at current year value at fair value at the date of the revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses. Revaluations are undertaken with sufficient regularity to ensure the carrying amount does not differ materially from that which would be determined using fair value at the balance sheet date.

Fair values are determined from market based evidence normally undertaken by professionally qualified valuers.

Revaluation gains and losses are recognised in the statement of comprehensive income unless losses exceed the previously recognised gains or reflect a clear consumption of economic benefits, in which case the excess losses are recognised in profit or loss.

2.6 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

2.7 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.

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.

2.8 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.

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

2. Accounting policies (continued)

2.9 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.

2.10 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.

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 debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate or in case of an out-right short-term loan not at market rate, the financial asset or liability is measured, initially, at the present value of the future cash flow discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost.

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 statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the company would receive for the asset if it were to be sold at the balance sheet date.

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.

2.11 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.

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

2. Accounting policies (continued)

2.12 Foreign currency translation

Functional and presentation currency

The company's functional and presentational currency is GBP.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

2.13 Finance costs

Finance costs are charged to the statement of comprehensive income over the term of the debt on a straight line basis. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

2.14 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid.

2.15 Operating leases: the company as lessee

Rentals paid under operating leases are charged to the statement of comprehensive income on a straight line basis over the lease term.

2.16 Pensions

The company contributes to 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 statement of comprehensive income 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

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

2. Accounting policies (continued)

2.17 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the statement of comprehensive income, 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.

2.18 Research and development

Research and development costs are written off to the Profit and loss account as incurred.

2.19 Factored debts

The company has a debt factoring agreement in place with the bank. Due to the nature of the agreement, the risks and rewards are still retained with the company and therefore separate presentation is made in the financial statements.

3. Employees

The average monthly number of employees, including directors, during the year was 22 (2015 - 17).

DUNCAN TAYLOR SCOTCH WHISKY LIMITED

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



4. Tangible fixed assets

	Freehold property £	Plant & machinery £	Motor vehicles £	Fixtures & fittings £	Tenants' improvements £	Total £
Cost or valuation						
At 1 January 2016	110,000	187,163	53,054	83,886	285,145	719,248
Additions	81,000	9,557	-	-	5,147	95,704
Disposals	-	-	(8,094)	-	-	(8,094)
At 31 December 2016	<u>191,000</u>	<u>196,720</u>	<u>44,960</u>	<u>83,886</u>	<u>290,292</u>	<u>806,858</u>
Depreciation						
At 1 January 2016	48,467	113,690	30,143	69,164	13,865	275,329
Charge for the year on owned assets	6,888	23,866	4,725	8,732	11,573	55,784
Charge for the year on financed assets	-	13,992	6,515	-	-	20,507
Disposals	-	-	(8,094)	-	-	(8,094)
At 31 December 2016	<u>55,355</u>	<u>151,548</u>	<u>33,289</u>	<u>77,896</u>	<u>25,438</u>	<u>343,526</u>
Net book value						
At 31 December 2016	<u>135,645</u>	<u>45,172</u>	<u>11,671</u>	<u>5,990</u>	<u>264,854</u>	<u>463,332</u>
At 31 December 2015	<u>61,533</u>	<u>73,473</u>	<u>22,911</u>	<u>14,722</u>	<u>271,280</u>	<u>443,919</u>

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

4. Tangible fixed assets (continued)

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

	2016 £	2015 £
Plant and machinery	17,282	38,012
Motor vehicles	8,127	14,642
	<u>25,409</u>	<u>52,654</u>

Cost or valuation at 31 December 2016 is as follows:

	Land and buildings £
At cost	177,000
At valuation:	
December 2008	<u>14,000</u>
	<u>191,000</u>

If the land and buildings had not been included at valuation they would have been included under the historical cost convention as follows:

	2016 £	2015 £
Cost	177,000	96,000
Accumulated depreciation	-	(43,050)
Net book value	<u>177,000</u>	<u>52,950</u>

Freehold property was valued on 1 December 2008 by J&E Shepherd, Chartered Surveyors, on the basis of market value with vacant possession and with full planning consent for conversion to residential flats. The valuation has not been updated as in the opinion of the director the value will not have materially changed.

DUNCAN TAYLOR SCOTCH WHISKY LIMITED

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



5. Fixed asset investments

	Investments in subsidiary companies £
Cost or valuation	
At 1 January 2016	1
At 31 December 2016	1
Net book value	
At 31 December 2016	1
At 31 December 2015	1

Subsidiary undertakings

The following were subsidiary undertakings of the company:

Name	Country of incorporation	Class of shares	Holding	Principal activity
George Willsher & Company Limited	United Kingdom	Ordinary	100 %	Dormant

The aggregate of the share capital and reserves as at 31 December 2016 and of the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

	Aggregate of share capital and reserves £
George Willsher & Company Limited	1
	1

6. Stocks

	2016 £	2015 £
Finished goods and goods for resale	6,768,318	6,688,579
	6,768,318	6,688,579

DUNCAN TAYLOR SCOTCH WHISKY LIMITED

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



7. Debtors

	2016 £	2015 £
Trade debtors	116,318	136,232
Amounts owed by group undertakings	3,686,816	3,685,521
Amounts owed by related parties	590,318	549,402
Other debtors	888,033	375,281
Prepayments and accrued income	9,234	216,104
	<u>5,290,719</u>	<u>4,962,540</u>

8. Cash and cash equivalents

	2016 £	2015 £
Cash at bank and in hand	306,971	439,981
Less: bank overdrafts	-	(64,488)
	<u>306,971</u>	<u>375,493</u>

9. Creditors: Amounts falling due within one year

	2016 £	2015 £
Bank overdrafts	-	64,488
Bank loans	6,469,020	1,500,000
Trade creditors	297,758	360,589
Corporation tax	247,311	109,231
Other taxation and social security	14,459	15,683
Obligations under finance lease and hire purchase contracts	21,252	25,674
Other creditors	1	1
Accruals and deferred income	198,273	93,168
	<u>7,248,074</u>	<u>2,168,834</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**10. Creditors: Amounts falling due after more than one year**

	2016 £	2015 £
Bank loans	-	4,969,020
Net obligations under finance leases and hire purchase contracts	1,740	22,994
	<u>1,740</u>	<u>4,992,014</u>

Secured loans

The factoring advance is secured over £110,250 (2015 : £135,214) of the company's trade debtors under a factoring agreement with HSBC.

The bank loans with HSBC are secured by a First Legal Scottish Charge over 4 Upper Kirkgate, Huntly, a Floating Charge over all the company's assets, a Cross Company Unlimited Guarantee and a First Mortgage over a Scottish Equitable policy.

11. Loans

Analysis of the maturity of loans is given below:

	2016 £	2015 £
Amounts falling due within one year		
Bank loans	6,469,020	1,500,000
	<u>6,469,020</u>	<u>1,500,000</u>
Amounts falling due 2-5 years		
Bank loans	-	4,969,020
	<u>-</u>	<u>4,969,020</u>
	<u>6,469,020</u>	<u>6,469,020</u>

12. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

	2016 £	2015 £
Within one year	21,182	25,676
Between 1-2 years	1,740	21,252
Between 2-5 years	-	1,740
	<u>22,922</u>	<u>48,668</u>

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**13. Deferred taxation**

	2016 £	2015 £
At beginning of year	(37,579)	(36,903)
Charged to profit or loss	10,548	(676)
At end of year	(27,031)	(37,579)

The provision for deferred taxation is made up as follows:

	2016 £	2015 £
Accelerated capital allowances	(27,031)	(37,579)
	(27,031)	(37,579)

14. Capital commitments

At 31 December 2016 the company had capital commitments as follows:

	2016 £	2015 £
Contracted for but not provided in these financial statements	92,000	-
	92,000	-

15. Pension commitments

The company contributes to a defined 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 by the company to the fund and amounted to £nil (£nil).

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2016**
16. Related party transactions**Control**

Throughout the year the company was controlled by the director.

Transactions

During the year the company had the following transactions with related parties:

Related party	Transaction	£	Balance at year end £
Duncan Taylor and Company Holdings Limited, parent company	Loan	65,750	3,560,002
Single Malts Limited, a company controlled by E C Shand	Sales Purchases Recharges	176,415 (12,195) 8,964	131,686
Duncan Taylor USA LLC, a company controlled by E C Shand	Sales Recharges Management fees	508 271,980 (203,913)	227,723
Shand Import LLC, a company controlled by M Shand, wife of E C Shand	Sales Purchases	1,470,053 (8,689)	362,595
Brands Development (Worldwide) Limited, a company controlled by E C Shand	Recharges	3,657	(4,872)
E C Shand, Director	Loan movement	241,123	616,403
EuanShand@sipp	Rental of property	(24,000)	-

The maximum balance outstanding on the director's loan was £616,403. There is no interest charged on the loan and there are no set repayment terms.

17. Controlling party

The ultimate parent undertaking is Duncan Taylor and Company Holdings Limited, a company incorporated in Scotland. The parent company's registered office is at 34 Albyn Place, Aberdeen, AB10 1FW.

Throughout the year, the company was controlled by E C Shand, who controls the company by virtue of 87% (2015: 87%) holding of the ordinary share capital of the ultimate parent undertaking, Duncan Taylor & Company Holdings.

18. 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.



19. Auditors' information

The auditor's report included in the annual accounts delivered to members was issued by Anderson Anderson & Brown LLP and was signed by James Pirrie. The audit report was unqualified.