Boutinot Limited

Registered number: 01530086

Annual report and financial statements

For the year ended 31 August 2021

COMPANY INFORMATION

Directors	A M Brown D Whiteley M J Moriarty C Manera
Company secretary	M J Moriarty
Registered number	01530086
Registered office	Boundary House Cheadle Point Cheadle SK8 2GG
Independent auditor	Mazars LLP Chartered Accountants & Statutory Auditor One St Peter's Square Manchester M2 3DE

BOUTINOT LIMITED

CONTENTS

STRATEGIC REPORT
FOR THE YEAR ENDED 31 AUGUST 2021

Introduction

The directors present the companies strategic report and financial statements for the year ended 31 August 2021.

Business review

The business performed exceptionally well during the year to 31 August 2021 with a strong return to profit whilst continuing to embrace the challenges Covid put before it, returning a profit before tax of £5.0m (2020: loss £1.7m). The prior years results were affected by lockdowns on the restaurant sector along with an exceptional level of bad debt charge.

Despite, the continuing effects of a second year of Covid impacting trading and the introduction of Brexit trading measures, the business performed extremely well, managing the roadmap out of Covid lockdowns to deliver a solid result in 2021 in terms of both profit performance and cashflow recovery, which has continued to strengthen into 2022.

Boutinot Limited stood up well against the challenges of COVID helped by its strategy of serving all trade sectors in its UK and international markets and the ongoing actions of the management team. Post the year end the business has continued to perform very strongly delivering bottom line results ahead of pre-covid levels.

The year started strongly but Christmas trading was heavily affected by the effects of COVID-19 and the tiered lockdowns in both the UK and many of our global markets that ran through the winter months impacted on our sales in each of those markets.

In the gaps between the various COVID lockdowns and restrictions there were some very encouraging trade with signs of strong growth in all markets upon reopening other than the on trade sector which continues to suffer from people working from home. Management estimates the loss of sales at around £25M over the last 12 months from those areas affected by lockdown. Sales are recovering in our 2022 year and management expect sales to exceed pre COVID levels.

Sales to the retail sector were strong throughout, we had a great year with independent retailers far exceeding our expectations and strong growth in the national retail arena helping to mitigate the loss.

From 1 September 2020, all of the sales, costs and associated assets from Boutinot International Limited and Third Floor Wines Limited have been transferred to Boutinot Limited. Boutinot International Limited and Third Wines Floor Limited are also subsidiary companies of In Vino Limited – the ultimate parent of Boutinot.

Total Boutinot Limited sales for the year to 31 August 2021 are reported at £126.5M against £124M 2020 on a like for like basis (£109M 2020 Reported), when including the Boutinot International Limited sales and Third Floor Wines, an increase of £2.5M.

The business continued to quickly react to the changing environment maintaining its staff as fully operational from home, ensuring that the appropriate financial support from the bank remained in place and by maintaining regular open contact with all stakeholders, the business has ensured it could work seamlessly without interruption and give appropriate support to all customers, whether open or closed.

Unlike the previous year, the business did not suffer exceptional customer debt write-offs, due to the management controls established and appropriate provisions put in place based upon a relatively cautious risk assessment.

Following the reopening of the UK economy in Spring 2021 the trading business returned to and exceeded pre-pandemic levels in most sectors leading to a very strong second half to the year and a full year profit before tax of £5.0m.

These results enabled the repayment of its covid borrowings, including the full early repayment of £2m CLBILS loan and the reduction of the UK overdraft facilities to pre-pandemic levels.

Post Balance Sheet Events

The business has remained financially strong with its bankers (HSBC) extending and renewing facilities that demonstrates robust support. As at the end of 2021 calendar year the business has now fully repaid its covid borrowings including a £2m shareholder loan. The Omicron covid variant heavily impacted the peak Christmas trading season in the UK but due to the controls and measures deployed previously, was easily managed within the business's funding strategy and back on track by March 2022.

Principal risks and uncertainties

At the time of writing COVID-19 remains a factor globally but less so in the UK with most restrictions on trade removed, and sales in most sectors are back to pre-covid levels or ahead. The UK on trade sector has evolved from pre-covid trading levels mainly due to the changes in peoples working patterns to work from home or hybrid working resulting in less footfall in the major cities, with a reluctance to return to the office full-time particularly in London.

Now we are post the fog of the pandemic and Brexit, we are on the edge of a new cost of living crisis, with high inflation, soaring energy bills and the effects of war in Ukraine. The business is well placed and continues to work with all partners to ensure these risks are mitigated wherever possible.

COVID-19

The company has developed effective responses within its operations to cope with the impact on its own staffing and operations with safe workspace and full work at home capacity. The management have developed a model which allows them to very quickly assess the financial impact of any new restrictions and modify its trade and operations to balance this. Further operational cost savings were made which allow us to trade profitably.

The directors continue to be confident that the business has done everything it can to remain strong and be agile through any further possible disruption from COVID-19.

Brexit

With Brexit complete and the required changes made, Boutinot Limited has felt the resulting issues in supply chain stretch and delays, it is difficult to assess whether Brexit or Covid is the source. With goods and supplies now taking considerably longer to get to the UK, this has been balanced by better planning and increased stock holding to ensure availability of products remains high. This also has been a key differentiator from our competitors allowing Boutinot Limited to continue to supply across the vast majority of our range whilst other have felt shortages, enabling the business growth and customer retention.

Raw Materials

The cost of raw materials represents an important portion of the business's operating costs. In common with other companies in the industry, the business's profitability can be affected by price and supply fluctuations of raw materials. The business takes measures to protect itself against such fluctuations, however, failure to recover higher costs due to customer arrangements or the competitiveness of the market could have a negative impact upon the profitability of the company. The business has strengthened its international reach in the wine buying team and maintains a strong presence on the ground in some wine markets endeavouring to reduce these risks by maintaining strong long term relationships with producers, further developing market knowledge and strengthening its purchasing capabilities.

Foreign currency and treasury risk

A significant portion of the business's raw materials are Euro denominated and these costs are impacted by the movement of the Sterling exchange rate against the Euro. The company also purchases and sells in a number of other currencies. The business meets day-to-day working capital requirements through an invoice discounting facility. The business takes measures to mitigate the effects of any adverse movements in exchange and interest rates and continues to develop its relationship with the banks to ensure the availability of bank finance in the foreseeable future.

Business Continuity

When I wrote last year's report, we were still working through the stages of COVID-19 and at that time were uncertain about how long the pandemic would last or its effect on our sector of the market and our business.

The early action of the directors ensured we quickly built flexible operating and robust modelling so that we know well in advance what we need to do to work through what uncertain times turn up next. We continue to operate this way changing and assessing our model daily.

Our modelling proved that even during full lockdown we can remain profitable and cash positive ensuring the long term financial stability of the business. Our latest forecasting continues to deliver a strong level of profitability for the year and positive outcomes on our cash position.

All Covid borrowing has been repaid in full as at the 31st of December 2021, and the focus has moved back to our pre-pandemic growth plan.

The directors are clear that maintaining this level of detail allows it to manage the business through the future beyond COVID-19, the cost of living crisis and the impacts of the Ukraine conflict, allowing the strategic growth of the business to sensibly continue.

S172 Statement on engagement with stakeholders

In Vino Limited which is owned by the directors, management and Araldica Castilvero who are represented on the board. In carrying out their duties the directors have in mind the shareholder agreement which sets out how the company should conduct itself in relation to the shareholders.

Decision-making at board

All matters which are reserved for decisions by the board are presented at board meetings and directors briefed on the impact and risk for all stakeholders. The directors will consider such factors before making any final decision which they believe is in the best long term interests of the company and its shareholders.

Stakeholders

The directors consider the stakeholders of the business to include its shareholders, its employees, customers, producers and suppliers from whom it purchases its wines and services and the communities in which operates.

Shareholders

The shareholders of the business are directors or represented by directors and are actively involved in the decisions in the business.

Customers

The company ensures all of its customers have a direct contact within the business and that the directors maintain contact with customers to have an understanding of their relationships with the company and how the company needs to evolve to remain relevant to its customers.

Producers and Suppliers

We work closely with our global producers, understanding the challenges in their business and updating them of market changes which may help their own business decisions.

Financial Stakeholders

The company maintains regular communications with its financial stakeholders to ensure they are aware of the activities and performance of the company throughout the year.

Employees

The business aims to have regular reviews with all employees to understand their personal objectives challenges and aspirations. We have a comprehensive range of employee benefits, continue to review those benefits and are active in promoting the well-being of our employees through a range of support.

Business Conduct

The directors take all reasonable steps to minimise detrimental impact on the environment from its operations. It supports a range of charitable and community activities. The company aims to conduct all its business relationships with integrity, courtesy and honesty and to honour its business agreements.

Streamlined Energy and Carbon Reporting

The Companies Act 2006 (Strategic Report and Directors' Report) Regulation 2018 requires Boutinot Wines Ltd to disclose annual UK energy consumption and Greenhouse Gas (GHG) emissions from SECR regulated sources. Energy and GHG emissions have been independently calculated by Envantage Ltd for the 12-month period ending 31st August 2021.

Reported energy and GHG emissions data is compliant with SECR requirements and has been calculated in accordance with the GHG Protocol and SECR guidelines. Energy and GHG emissions are reported from buildings and transport where operational control is held – this includes electricity, natural gas and business travel in company-owned and grey fleet vehicles. The table below details the regulated SECR energy and GHG emission sources from the current and previous reporting periods.

		FY21	FY20	% change
Energy (kWh)				
Natural Gas		63,359	291,266	78.2%
Company Vehicles		118,946	46,180	157.6%
Electricity		100,037	107,772	-7.2%
Total energy		**282,342**	**445,218**	**-36.6%**
Emissions (tCO2e)				
Scope 1	Natural Gas	11.6	53.6	-78.3%
Scope 1	Company Vehicles	28.0	11.0	154.3%
Scope 2	Electricity	21.2	25.1	-15.4%
Total SECR emissions		**60.8**	**89.7**	**-32.2%**
Emission intensity ratio				
Emissions intensity (tCO2e / £m turnover)		**0.48**	**0.83**	**-41.8%**

Boutinot Wines Ltd is committed to reducing its environmental impact and contribution to climate change through continuous improvement procedures. We have started to examine our wider GHG emissions and are forming business strategies to support our aim to move to Net Zero in the coming years. A salary sacrifice scheme has also been launched to incentivise the uptake of electric vehicles by our employees. To complement this, we will also be looking to install charge points at the Cheadle offices throughout 2022. Due to the pandemic, we have introduced a hybrid working system which has helped reduce the energy and carbon footprint of our buildings portfolio. However this has adversly impacted our company vehicle usage as travel increased following the re-opening of the hospitality sector after the COVID-19 lockdowns to pre-pandemic levels.

Methodology

Electricity and natural gas disclosures have been calculated using metered kWh consumption taken from supplier fiscal invoices. GHG emissions associated with Scope 2 purchased electricity have been reported using the location-based methodology.

Transport disclosures have been calculated using business mileage expense claim records. Monthly mileage claims for each vehicle was provided, along with engine size and fuel type for the majority of vehicles. Where vehicle information such as engine size and type was not held against each mileage claim, an average size and fuel type was assumed. The mileage claim for each vehicle was then converted to energy consumption and GHG emissions based on the relative emission factor.

Financial key performance indicators

The directors consider that the KPIs for the company continue to be as follows:

	31 August 2021	**31 August 2020**
Turnover (£'000s)	126,521	108,659
Gross Profit (£'000s)	15,024	11,233
Gross Profit Margin	11.9%	10.3%
Operating Profit/(Loss) (£'000s)	5,430	(1,297)
Balance Sheet Net Assets (£'000s)	26,863	23,870
Employees	112	118

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

M J Moriarty
Director

Date: 20 May 2022

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 AUGUST 2021

The directors present their report and the financial statements for the year ended 31 August 2021.

Directors' responsibilities statement

The directors are responsible for preparing the Strategic Report, 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 judgements 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.

Results and dividends

The profit for the year, after taxation, amounted to £4,075,074 (2020 - loss £1,392,491).

The profit for the year, before taxation, amounted to £5,038,236 (2020 - loss £1,690,087).

A dividend of £500,000 has been paid in the year ended 31 August 2021 (2020 - £NIL).

Directors

The directors who served during the year were:

A M Brown
D Whiteley
M J Moriarty
C Manera

Financial risk management objectives and policies

Financial risk management objectives and policies are set out in the Strategic Report on pages 1 to 5.

DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

Future developments

Future developments are set out in the Strategic Report on pages 1 to 5.

Going Concern

The financial position of the company, its cash flows, liquidity position and financial risk management are described in the Strategic Report.

The Company's forecasts and projections, taking account of reasonably possible changes in trading performance, show the Company should be able to operate within the banking and invoice discounting facilities available to it over the period to the end of June 2023 which is the period considered for directors going concern assessment. These forecasts are prepared on a business as usual basis and on the assumption that the current invoice discounting facility, and other revolving bank facilities which are subject to annual renewal will be renewed on similar terms in June 2022. The directors are confident that, given the continued profitable growth of the Company and the good working relationship with the principal bank that this is an appropriate assumption.

The cash flow forecasts are now updated daily following the impacts of the global pandemic, which allows for various scenarios to be overlayed to stress test should a situation arise such as another pandemic or trade restrictions be imposed. This allows the business to quickly adapt and change strategies to ensure the continued liquidity of the business is maintained. The modelling has allowed for the successful planning and repayment of all covid related borrowing by the end of December 2021.

Following review of the forecasts the directors remain of the view that there are sufficient financial resources available to continue to operate as a going concern, notably, on the basis that the current banking facilities are renewed or extended following the annual review of the revolving facilities. The directors are clear that maintaining this level of detail in the cash flow forecasts has allowed management to monitor and manage liquidity within the business and will enable it to navigate through the future of COVID-19, the cost of living crisis and any impacts of the Ukraine conflict, whilst facilitating the strategic growth of the business to sensibly continue. The directors have identified additional measures that could be taken to protect the business, if required, including rescaling of the fixed cost base and staffing within the business and additional investment funding.

The directors have concluded that the financial statements can be drawn up on a going concern basis.

Disclosure of information to auditor

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 auditor is 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 auditor is aware of that information.

Post balance sheet events

Details of post balance sheet events are disclosed in note 31 to the financial statements, and implications relating to COVID-19 are set out in the Strategic report on pages 1 to 5.

Auditor

The auditor, Mazars LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 AUGUST 2021

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

M J Moriarty
Director

Date: 20 May 2022

Boundary House
Cheadle Point
Cheadle
SK8 2GG

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BOUTINOT LIMITED

Opinion

We have audited the financial statements of Boutinot Limited (the 'Company') for the year ended 31 August 2021 which comprise the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity 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 August 2021 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

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information contained within the annual report. 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.

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 course of 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 this gives rise to a material misstatement in the financial statements themselves. 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 the 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.

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 Strategic Report or the Directors' Report.

We have nothing to report in respect of the following matters in relation to which 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.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BOUTINOT LIMITED

Responsibilities of Directors

As explained more fully in the Directors' Responsibilities Statement set out on page 6, 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 intend either 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.

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud.

Based on our understanding of the company and its industry, we considered that non-compliance with the following laws and regulations might have a material effect on the financial statements: employment regulation, health and safety regulation and anti-money laundering regulation.

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- Inquiring of management and, where appropriate, those charged with governance, as to whether the company is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- Inspecting correspondence, if any, with relevant licensing or regulatory authorities;
- Communicating identified laws and regulations to the engagement team and remaining alert to any indications of non-compliance throughout our audit; and
- Considering the risk of acts by the company which were contrary to applicable laws and regulations, including fraud.

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as tax legislation, pension legislation, the Companies Act 2006.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF BOUTINOT LIMITED

IIn addition, we evaluated the directors' and management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of management override of controls, and determined that the principal risks related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, in particular in relation to revenue recognition and significant one-off or unusual transactions.

Our audit procedures in relation to fraud included but were not limited to:

- Making enquiries of the directors and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud; and
- Addressing the risks of fraud through management override of controls by performing journal entry testing.

There are inherent limitations in the audit procedures described above and the primary responsibility for the prevention and detection of irregularities including fraud rests with management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

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

Use of the audit 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.

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

20 May 2022

STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 AUGUST 2021

	Note	2021 £	2020 £
Turnover	4	126,520,799	108,659,275
Cost of sales		(111,497,261)	(97,426,524)
Gross profit		15,023,538	11,232,751
Distribution costs		(1,263,392)	(2,740,323)
Administrative expenses		(8,412,340)	(6,873,155)
Exceptional bad debt - COVID-19	5	-	(3,048,973)
Other operating income	6	82,535	132,234
Operating profit/(loss)	7	5,430,341	(1,297,466)
Interest receivable and similar income	11	61,728	79,461
Interest payable and similar expenses	12	(453,833)	(472,082)
Profit/(loss) before tax		5,038,236	(1,690,087)
Tax on profit/(loss)	13	(963,162)	297,596
Profit/(loss) for the financial year		4,075,074	(1,392,491)
Other comprehensive income for the year			
Movement on financial derivatives		(607,758)	(10,198)
Total comprehensive income for the year		3,467,316	(1,402,689)

There were no recognised gains and losses for 2021 or 2020 other than those included in the statement of comprehensive income.

The notes on pages 16 to 37 form part of these financial statements.

STATEMENT OF FINANCIAL POSITION
AS AT 31 AUGUST 2021

	Note		2021 £		2020 £
Fixed assets					
Intangible assets	15		76,801		81,755
Tangible assets	16		225,253		341,642
Investments	17		457,983		459,637
			760,037		883,034
Current assets					
Stocks	18	12,430,310		7,779,657	
Debtors: amounts falling due within one year	19	64,028,666		60,389,630	
Cash at bank and in hand	20	677,463		3,520,988	
		77,136,439		71,690,275	
Creditors: amounts falling due within one year	21	(51,023,908)		(47,833,797)	
Net current assets			26,112,531		23,856,478
Total assets less current liabilities			26,872,568		24,739,512
Creditors: amounts falling due after more than one year	22		-		(833,333)
Provisions for liabilities					
Deferred tax	25	(35,636)		(36,563)	
			(35,636)		(36,563)
Net assets			26,836,932		23,869,616
Capital and reserves					
Called up share capital	26		135,427		135,427
Share premium account	27		833,459		833,459
Other reserves	27		(285,370)		322,388
Profit and loss account	27		26,153,416		22,578,342
			26,836,932		23,869,616

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 20 May 2022.

M J Moriarty
Director

The notes on pages 16 to 37 form part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 AUGUST 2021

	Called up share capital	Share premium account	Cash flow hedge reserve	Profit and loss account	Total equity
	£	£	£	£	£
At 1 September 2019	135,427	833,459	332,586	23,970,833	25,272,305
Comprehensive income for the year					
Loss for the year	-	-	-	(1,392,491)	(1,392,491)
Movement on derivatives	-	-	(10,198)	-	(10,198)
Total comprehensive income for the year	-	-	(10,198)	(1,392,491)	(1,402,689)
At 1 September 2020	135,427	833,459	322,388	22,578,342	23,869,616
Comprehensive income for the year					
Profit for the year	-	-	-	4,075,074	4,075,074
Movement on derivatives	-	-	(607,758)	-	(607,758)
Total comprehensive income for the year	-	-	(607,758)	4,075,074	3,467,316
Dividends: Equity capital	-	-	-	(500,000)	(500,000)
At 31 August 2021	135,427	833,459	(285,370)	26,153,416	26,836,932

The notes on pages 16 to 37 form part of these financial statements.

1. General information

Boutinot Limited (the "Company") is a private company limited by shares, incorporated in the United Kingdom and registered in England and Wales with the registered number 01530086. The address of its registered office and principal place of business is Boundary House, Cheadle Point, Cheadle, SK8 2GG.

The principal activity of the Group is that of wine production and distribution.

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.

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).

These financial statements have been presented in pound sterling which is the functional currency of

the Company, and rounded to the nearest £.

The following principal accounting policies have been applied:

2.2 Financial reporting standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by the FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 3 Financial Statement Presentation paragraph 3.17(d);
- the requirements of Section 11 Financial Instruments paragraphs 11.42, 11.44 to 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26 to 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirements of Section 26 Share-based Payment paragraphs 26.18(b), 26.19 to 26.21 and 26.23;
- the requirements of Section 33 Related Party Disclosures paragraph 33.7.

This information is included in the consolidated financial statements of In Vino Limited as at 31 August 2021 and these financial statements may be obtained from Companies House, Cardiff, CF14

3UZ..

2. Accounting policies (continued)

2.3 Associates and joint ventures

An entity is treated as a joint venture where the Group is a party to a contractual agreement with one or more parties from outside the Group to undertake an economic activity that is subject to joint control.

In the company accounts, investments in joint ventures are measured at cost less accumulated impairement.

Any premium on acquisition is dealt with in accordance with the goodwill policy.

2.4 Going concern

The financial position of the company, its cash flows, liquidity position and financial risk management are described in the Strategic Report.

The Company's forecasts and projections, taking account of reasonably possible changes in trading performance, show the Company should be able to operate within the banking and invoice discounting facilities available to it over the period to the end of June 2023 which is the period considered for directors going concern assessment. These forecasts are prepared on a business as usual basis and on the assumption that the current invoice discounting facility, and other revolving bank facilities which are subject to annual renewal will be renewed on similar terms in June 2022. The directors are confident that, given the continued profitable growth of the Company and the good working relationship with the principal bank that this is an appropriate assumption.

The cash flow forecasts are now updated daily following the impacts of the global pandemic, which allows for various scenarios to be overlayed to stress test should a situation arise such as another pandemic or trade restrictions be imposed. This allows the business to quickly adapt and change strategies to ensure the continued liquidity of the business is maintained. The modelling has allowed for the successful planning and repayment of all covid related borrowing by the end of December 2021.

Following review of the forecasts the directors remain of the view that there are sufficient financial resources available to continue to operate as a going concern, notably, on the basis that the current banking facilities are renewed or extended following the annual review of the revolving facilities. The directors are clear that maintaining this level of detail in the cash flow forecasts has allowed management to monitor and manage liquidity within the business and will enable it to navigate through the future of COVID-19, the cost of living crisis and any impacts of the Ukraine conflict, whilst facilitating the strategic growth of the business to sensibly continue. The directors have identified additional measures that could be taken to protect the business, if required, including rescaling of the fixed cost base and staffing within the business and additional investment funding.

The directors have concluded that the financial statements can be drawn up on a going concern basis.

2. Accounting policies (continued)

2.5 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.

2.6 Intangible assets

Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of the Group's share of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, Goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight line basis to the Profit and Loss Account within administrative expenses over its useful economic life.

Other intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses. Other intangible assets are amortised on a straight line basis to the Profit and Loss Account within administrative expenses over their useful economic life.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed five years.

2. Accounting policies (continued)

2.7 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, using the straight-line method.

Depreciation is provided on the following basis:

Fixtures & fittings	-	8% - 33% on cost
Computer equipment	-	20% - 33% on cost

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 profit or loss.

2.8 Valuation of investments

Investments in subsidiaries and joint ventures are measured at cost less accumulated impairment.

2.9 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 weighted average basis. Work in progress and finished goods include labour and attributable overheads.

At each Statement of Financial Position 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.

Stock is recognised at the point goods are shipped as this is the point it is considered the risks and rewards transfer to the Group.

2.10 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.

2.11 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. Accounting policies (continued)

2.12 Financial instruments

The Company only enters into basic financial instrument transactions (other than foreign currency forward contracts covered in accounting policy note 2.14) 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 in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

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.

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position 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.

2.13 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.

2.14 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Statement of Comprehensive Income in the same period as the related expenditure.

The UK government has offered a range of financial support packages to help companies, including government backed financing arrangements, furlough schemes, deferment of VAT payments and, for some sectors, business rates holidays. Of the offered schemes, the company used the furlough scheme. The income from the furlough scheme has been recognised within 'Other operating income'. They are recognised when the entity has reasonable assurance that they will comply with the conditions attaching the grant, and that the grant will be received.

2. Accounting policies (continued)

2.15 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.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

2.16 Finance costs

Finance costs are charged to profit or loss 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.

2.17 Dividends

Equity dividends are recognised when they become legally payable.

2.18 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

2.19 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 profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Statement of Financial Position. The assets of the plan are held separately from the Company in independently administered funds.

2. Accounting policies (continued)

2.20 Interest income

Interest income is recognised in profit or loss using the effective interest method.

2.21 Borrowing costs

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

2.22 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 profit or loss in the year that the Company becomes aware of the obligation, and are measured at the best estimate at the Statement of Financial Position 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 Statement of Financial Position.

2.23 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in profit or loss 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 reporting 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 Statement of Financial Position 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 reporting date.

3. Judgements 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 detailed below:

(i) Determining residual values and useful economic lives of property, plant and equipment

The company depreciates 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 Group 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) Determining useful economic lives of intangible assets

The Company amortise intangible assets over their estimated useful lives. The estimation of the useful lives of assets is based on management's assessment of the period over which the asset is expected to generate future economic benefit for the Group. The actual lives of these assets can vary depending on a variety of factors, including technological innovation, consumer trends and other external factors such as brand reputation and economic conditions.

iii) 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.

iv) Cost of stocks

The Comapny 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

An analysis of turnover by class of business is as follows:

	2021	2020
	£	£
Sale of goods	126,520,799	108,659,275

Analysis of turnover by country of destination:

	2021	2020
	£	£
United Kingdom	110,879,022	106,760,457
Rest of Europe	5,583,166	1,325,567
Rest of the world	10,058,611	573,251
	126,520,799	108,659,275

5. Exceptional items

	2021	2020
	£	£
Exceptional bad debt charge - COVID-19	-	3,048,973

Bad debt that have arisen from administration of client businesses as a direct result of the global COVID-19 pandemic and hence the exceptional nature and disclosure within the financial statements.

6. Other operating income

	2021	2020
	£	£
Receipt of Government Grants under the CRJS scheme known as "Furlough"	82,535	132,234

7. Operating profit/(loss)

The operating profit/(loss) is stated after charging:

	2021	2020
	£	£
Depreciation of tangible fixed assets	129,494	138,629
Amortisation of intangible assets, including goodwill	41,222	37,550
Exchage (gains) / losses	(471,416)	(531,080)
Other operating lease rentals	318,946	323,622

8. Auditor's remuneration

	2021	2020
	£	£
Fees payable to the Company's auditor for the audit of the Company's annual financial statements	76,000	55,275

The Company has taken advantage of the exemption not to disclose amounts paid for non audit services as these are disclosed in the group accounts of the parent Company.

9. Employees

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

	2021	2020
	£	£
Wages and salaries	4,747,694	4,162,231
Social security costs	531,259	429,099
Cost of defined contribution scheme	301,292	265,696
	5,580,245	4,857,026

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

	2021	2020
	No.	No.
Sales and administration	112	118

10. Directors' remuneration

	2021 £	2020 £
Directors' emoluments	116,788	182,784
Company contributions to defined contribution pension schemes	37,764	44,174
	154,552	226,958

During the year retirement benefits were accruing to 1 director (2020 - 2) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £116,788 (2020 - £107,558).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £37,764 (2020 - £36,899).

11. Interest receivable

	2021 £	2020 £
Other interest receivable	61,728	79,461

12. Interest payable and similar expenses

	2021 £	2020 £
Bank interest payable	105,350	103,861
Interest payable on invoice discounting	348,483	368,221
	453,833	472,082

13. Taxation

	2021	2020
	£	£
Corporation tax		
UK Corporation tax	949,258	-
Adjustments in respect of previous periods	14,831	(284,383)
	964,089	(284,383)
Total current tax	964,089	(284,383)
Deferred tax		
Origination and reversal of timing differences	(12,474)	(19,069)
Effect of tax rate change on opening balance	11,547	5,856
Total deferred tax	(927)	(13,213)
Taxation on profit/(loss) on ordinary activities	963,162	(297,596)

13. Taxation (continued)

Factors affecting tax charge for the year

The tax assessed for the year is higher than (2020 - lower than) the standard rate of corporation tax in the UK of 19% (2020 - 19%). The differences are explained below:

	2021 £	2020 £
Profit/(loss) on ordinary activities before tax	5,038,236	(1,690,087)
Profit/(loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2020 - 19%)	957,265	(321,117)
Effects of:		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	(20,138)	13,922
Capital allowances for year in deficit / (excess) of depreciation	2,426	2,509
Losses carried back	-	285,616
Adjustments to tax charge in respect of prior periods	14,831	(284,383)
Other timing differences leading to an increase in taxation	-	1
Movement in deferred tax not recognised	225	-
Remeasurement of deferred tax for charges in tax rates	8,553	5,856
Total tax charge for the year	963,162	(297,596)

Factors that may affect future tax charges

The UK Government announced in the 2021 budget that from 1 April 2023, the rate of corporation tax in the United Kingdom will increase from 19% to 25%. Companies with profits of £50,000 or less will continue to be taxed at 19%, which is a new small profits rate. Where taxable profits are between £50,000

and £250,000, the higher 25% rate will apply but with a marginal relief applying as profits increase.

14. Dividends

	2021 £	2020 £
Equity dividend paid	500,000	-

15. Intangible assets

	Computer software	Goodwill	Total
	£	£	£
Cost			
At 1 September 2020	662,911	883,879	1,546,790
Transfer between classes	36,268	-	36,268
At 31 August 2021	699,179	883,879	1,583,058
Amortisation			
At 1 September 2020	581,156	883,879	1,465,035
Transfer between classes	41,222	-	41,222
At 31 August 2021	622,378	883,879	1,506,257
Net book value			
At 31 August 2021	76,801	-	76,801
At 31 August 2020	81,755	-	81,755

Internal additons of £36,268 and amortisation of £41,222 is as a result of reclassification of computer equipment to computer software in year.

16. Tangible fixed assets

	Fixtures & fittings	Computer equipment	Total
	£	£	£
Cost			
At 1 September 2020	493,210	428,426	921,636
Additions	-	14,509	14,509
Transfers intra group	-	34,864	34,864
Transfers between classes	-	(36,268)	(36,268)
At 31 August 2021	493,210	441,531	934,741
Depreciation			
At 1 September 2020	270,990	309,004	579,994
Charge for the year on owned assets	78,447	77,099	155,546
Transfers intra group	-	15,170	15,170
Transfers between classes	-	(41,222)	(41,222)
At 31 August 2021	349,437	360,051	709,488
Net book value			
At 31 August 2021	143,773	81,480	225,253
At 31 August 2020	222,220	119,422	341,642

Transfer between classes relate to the reclassification of computer equipment to computer software in year.

Transfer intragroup relate to movement of assets between fellow subsidiaries.

17. Fixed asset investments

	Investments in subsidiary companies	Investment in joint ventures	Total
	£	£	£
Cost			
At 1 September 2020	353,403	106,234	459,637
Disposals	(1,654)	-	(1,654)
At 31 August 2021	351,749	106,234	457,983

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Registered office		Class of shares		Holding
EURL Boutinot	Aux Colas, 71570 Saint Verand, France	-	Ordinary	-	100 -
Boutinot South Africa (Pty) Limited	Verdun Road, Franschhoek, 7960, South Africa	-	Ordinary	-	100 -
Boutinot Wines Limited	Boundary House, Cheadle Point, Cheadle, England, SK8 2GG	-	Ordinary	-	100 -
Boutinot Domaines SAS (France)	Aux Colas, 71570 Saint Verand, France	-	Ordinary	-	100 -

The ultimate parent company decided, during the year, to dispose of its entire shareholding in SCEV Domaine Paul Boutinot. As part of this disposal the company sold its nominal 1% shareholding in that entity.

18. Stocks

	2021 £	2020 £
Stocks	12,430,310	7,779,657

The amount of inventory recognised as an expense in the year for the company was £111,497,261 (2020: £97,426,524). Impaired stock at the balance sheet date for the company totalled £824,603 (2020: £422,237).

19. Debtors

	2021 £	2020 £
Trade debtors	27,566,590	26,452,103
Amounts owed by group undertakings	30,367,059	28,688,743
Amounts owed by participating interests	191,807	260,966
Other debtors	10,966	12,649
Prepayments and accrued income	323,819	280,938
Amounts owed by related companies	5,568,425	4,371,843
Financial instruments	-	322,388
	64,028,666	60,389,630

20. Cash and cash equivalents

	2021 £	2020 £
Cash at bank and in hand	677,463	3,520,988
Less: bank overdrafts	(4,822,320)	(5,412,148)
	(4,144,857)	(1,891,160)

21. Creditors: Amounts falling due within one year

	2021	2020
	£	£
Bank overdrafts	4,822,320	5,412,148
Bank loans	-	1,442,096
Other loans	1,728,870	-
Trade creditors	11,623,483	10,215,627
Amounts owed to group undertakings	3,166,615	3,150,719
Amounts owed to other participating interests	1,378,519	1,197,723
Corporation tax	514,895	(355,194)
Other taxation and social security	3,682,646	4,271,667
Proceeds of factored debts	18,688,198	20,428,788
Other creditors	1,832,753	1,251,810
Accruals and deferred income	3,300,239	818,413
Financial instruments	285,370	-
	51,023,908	47,833,797

22. Creditors: Amounts falling due after more than one year

	2021	2020
	£	£
Bank loans	-	833,333

23. Loans

Analysis of the maturity of loans is given below:

	2021	2020
	£	£
Amounts falling due within one year		
Bank loans	-	1,442,096
Other loans	1,728,870	-
Amounts falling due 1-2 years		
Bank loans	-	833,333
	1,728,870	2,275,429

The other loan is represented by a convertible loan of €2,000,000 which was fully subscribed by Araldica Castelvero SCA a related party. The loan has all been repaid subsequent to the year end.

24. Financial instruments

	2021 £	2020 £
Financial assets		
Financial assets measured at fair value through profit or loss	677,463	3,843,376
Financial assets that are debt instruments measured at amortised cost	63,704,847	59,786,304
	64,382,310	63,629,680
Financial liabilities		
Derivative financial instruments measured at fair value through profit or loss held as part of a trading portfolio	(285,370)	-
Financial liabilities measured at amortised cost	(41,645,512)	(41,599,938)
	(41,930,882)	(41,599,938)

Financial assets measured at fair value comprise cash at bank and in hand and derivative financial instruments.

Financial assets measured at amortised cost comprise trade debtors, other debtors, and amounts owed by group undertakings, joint ventures and related companies.

Financial liabilities measured at fair value comprise derivative financial instruments.

Financial liabilities measured at amortised cost comprise bank loans and overdrafts, trade creditors, amounts owed to joint ventures, other creditors, invoice discounting and accruals and deferred income.

25. Deferred taxation

	2021 £	2020 £
At beginning of year	(36,563)	(49,776)
Charged to profit or loss	927	13,213
At end of year	(35,636)	(36,563)

The provision for deferred taxation is made up as follows:

	2021 £	2020 £
Accelerated capital allowances	(47,158)	(45,435)
Short term timing differences	11,522	8,872

26. Share capital

	2021 £	2020 £
Allotted, called up and fully paid		
135,427 (2020 - 135,427) Ordinary shares of £1.00 each	135,427	135,427

27. Reserves

Share premium account

The share premium account represents accumulated amounts on the issue of share capital in excess of the par value.

Profit & loss account

The profit & loss account represents the accumulated undistributed reserves of the group.

28. Pension commitments

Boutinot Limited operates a defined contribution pension scheme. The assets of the scheme are held seperately from those of the company in an independently administered fund. The pension cost charge represents contributions payable to the fund and amounted to £301,292 (2020: £265,696). Contributions totalling £48,301 (2020: £43,143) were payable to the fund at the balance sheet date and are included within other creditors.

29. Commitments under operating leases

At 31 August 2021 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2021 £	2020 £
Not later than 1 year	283,462	281,392
Later than 1 year and not later than 5 years	880,000	960,000
Later than 5 years	-	160,000
	1,163,462	1,401,392

30. Related party transactions

During the year Boutinot Limited purchased goods from Adria Vini Srl, a joint venture, amounting to £7,551,559 (2020: £7,920,161). During the year Boutinot Limited sold goods and services to Adria Vini Srl with a value of £63,513 (2020: £8,929).

At the year end date, the net balance payable to Adria Vini Srl was £1,639,485 (2020: £715,603).

During the year, the company made purchases from companies within the In Vino Property Group which is related through common control, amounting to £425,402 (2020: £345,204). During the year, the company sold goods and services to companies within the In Vino Property Group of £Nil (2020: £44,256).

At the year-end date, balances receivable from companies within the In Vino Property Group were £3,904,168 (2020: £2,992,316).

During the year, the company purchased goods amounting to £336,713 (2020: £79,609) from Henners Limited, which is related through common control. During the year, the company sold goods and services to Henners with a value of £70,138 (2020: £36,949).

At the year-end date, the balance receivable from Henners Limited was £1,664,101 (2020: £1,338,734).

During the year, the company purchased goods amounting to £73,552 (2020: £106,840) from Rude Mechanicals Limited, which is related through common control. During the year, the company sold goods and services to Rude Mechanicals Limited with a value of £15,319 (2020: £16,032).

At the year-end date, the balance receivable from Rude Mechanicals Limited was £Nil (2020: £5,768).

All transactions with related parties were undertaken in the normal course of business. There are no other related party transactions which are required to be disclosed in accordance with FRS 102.

31. Post balance sheet events

The business has remained financially strong with its bankers (HSBC) extending and renewing facilities that demonstrates robust support. As at the end of 2021 calendar year the business has now fully repaid its covid borrowings including a £2m shareholder loan. The Omicron covid variant heavily impacted the peak Christmas trading season in the UK but due to the controls and measures deployed previously, was easily managed within the business's funding strategy and back on track by March 2022.

32. Controlling party

The immediate parent company is In Vino Bidco Limited, a company incorporated in England and Wales.

The ultimate parent company is In Vino Limited, a company incorporated in England and Wales with registered office address Boundary House, Cheadle Point, Cheadle, SK8 2GG. In Vino Limited is the largest group of companies into which the company's results are consolidated where the financial statements are available to the public. Copies of the financial statements of In Vino Limited can be obtained from Companies House, Crown Way, Cardiff, CF14 3UZ.