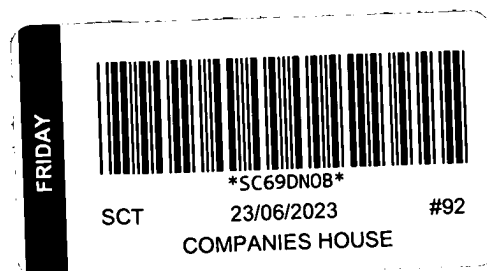


Registered number: SC057340

WINE IMPORTERS (EDINBURGH) LIMITED

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2022



WINE IMPORTERS (EDINBURGH) LIMITED

COMPANY INFORMATION

Directors	Mr N M Renton Sir D E Murray Mr K A Murray Mr G T Broom
Registered number	SC057340
Registered office	26 Charlotte Square Edinburgh EH2 4ET
Trading Address	Thistle House Caputhall Road Deans Industrial Estate Livingston EH54 8AS
Independent auditor	French Duncan LLP Chartered Accountants and Statutory Auditor 133 Finnieston Street Glasgw G3 8HB
Bankers	Barclays Bank PLC 1 Churchill Place London E14 5HP

WINE IMPORTERS (EDINBURGH) LIMITED

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WINE IMPORTERS (EDINBURGH) LIMITED
REGISTERED NUMBER: SC057340

STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2022

	Note	2022 £	2021 £
Fixed assets			
Tangible assets	5	187,906	18,814
Current assets			
Stocks		1,068,343	1,008,107
Debtors: amounts falling due within one year	6	893,512	834,477
Cash at bank and in hand	7	41,842	403,401
		<u>2,003,697</u>	<u>2,245,985</u>
Creditors: amounts falling due within one year	8	(955,491)	(1,061,259)
Net current assets		<u>1,048,206</u>	<u>1,184,726</u>
Total assets less current liabilities		<u>1,236,112</u>	<u>1,203,540</u>
Creditors: amounts falling due after more than one year	9	(10,224)	-
Provisions for liabilities			
Deferred taxation		(11,787)	-
		<u>(11,787)</u>	<u>-</u>
Net assets		<u>1,214,101</u>	<u>1,203,540</u>
Capital and reserves			
Called up share capital	10	41,103	41,103
Share premium account		272,905	272,905
Capital redemption reserve		10,097	10,097
Profit and loss account		889,996	879,435
		<u>1,214,101</u>	<u>1,203,540</u>

WINE IMPORTERS (EDINBURGH) LIMITED
REGISTERED NUMBER: SC057340


STATEMENT OF FINANCIAL POSITION (CONTINUED)
AS AT 31 DECEMBER 2022

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 profit and loss account in accordance with provisions applicable to companies subject to the small companies' regime.

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

DocuSigned by:

-----1AC2CREF27984F3-----
Mr N M Renton
Director

Date: 16 June 2023

The notes on pages 3 to 10 form part of these financial statements.

WINE IMPORTERS (EDINBURGH) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

1. General information

The Company is a private company limited by shares and is incorporated in Scotland (company number SC057340). The registered office is 26 Charlotte Square, Edinburgh, EH2 4ET and the trading address is Thistle House, Caputhall Road, Deans Industrial Estate, Livingston, EH54 8AS.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention 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 preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires management to exercise judgment in applying the Company's accounting policies (see note 3).

The following principal accounting policies have been applied:

2.2 Going concern

The directors ordinarily review and update budgets and forecasts to ensure that the company has sufficient resources to meet its liabilities as they fall due for period of at least 12 months from the date of signing of the financial statements. The directors anticipate that the commercial trading position will grow on FY 2022 having already returned to pre-covid levels. The current level of cash resources in place along with existing banking facilities will cover the financial requirements of the core business.

The company opened a new retail unit in Edinburgh city centre in June 2022 under the historic Cockburns of Leith name, which the company own. A new Cockburns of Leith website was also developed to create and develop private client business with a delivered service direct to home, to compliment the shop. This business is in growth and the company will continue to invest in this to support the targets set. With the existing banking facilities in place and the company's ultimate parent company offering financial support if required, the directors are comfortable all financial commitments will continue to be met. The company will therefore have adequate resources to continue as a going concern for the foreseeable future and as such, the accounts are prepared on a going concern basis.

WINE IMPORTERS (EDINBURGH) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

2. Accounting policies (continued)

2.3 Revenue

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

Sale of goods

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

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

2.4 Tangible fixed assets

Tangible fixed assets 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:

Plant and machinery	-	20% Straight line
Motor vehicles	-	25% Straight line
Fixtures and fittings	-	20% Straight line
Computer equipment	-	33% 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 profit or loss.

WINE IMPORTERS (EDINBURGH) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

2. Accounting policies (continued)

2.5 Leasing and hire purchase

Tangible fixed assets held under leasing arrangements which transfer substantially all the risks and rewards of ownership to the company are capitalised and included in the statement of financial position at their cost less depreciation. The corresponding commitments are recorded as liabilities. Payments in respect of these obligations are treated as consisting of capital and interest elements, with interest charged to the profit and loss account.

Rentals payable under operating leases are dealt with in the profit and loss account as incurred over the period of the rental agreement.

2.6 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 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 the Statement of income and retained earnings.

2.7 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 are presented in the Statement of income and retained earnings.

2.8 Debtors

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

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.

WINE IMPORTERS (EDINBURGH) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

2. Accounting policies (continued)

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 and loans to related parties.

Derivatives, including forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or income as appropriate. The Company does not currently apply hedge accounting for foreign exchange contracts.

2.11 Creditors

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

2.12 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 income and retained earnings in the same period as the related expenditure.

2.13 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.

2.14 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.

WINE IMPORTERS (EDINBURGH) LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2022

2. Accounting policies (continued)

2.15 Current and deferred taxation

The tax expense for the year comprises current and deferred tax. Tax is recognised in the Statement of income and retained earnings, 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 statement of financial position date.

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. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the Statement of financial position date.

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

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported for assets and liabilities as at the statement of financial date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The following judgements and estimates have had the most significant effects on amounts recognised in the financial statements:

Property, plant and equipment

The estimates and assumptions made to determine asset lives require judgements to be made as regards to useful lives and residual values. The useful lives and residual values of the company's fixed assets are determined by management at the time the asset is acquired and reviewed annually for appropriateness. The lives are based on historical experience with similar assets. Historically, changes in useful lives have not resulted in material changes to the company's depreciation charge.

Debtor Recoverability

Judgement is required when assessing the recoverability of trade debtors and amounts due from related parties. The directors consider the financial strength of the debtor when making this judgement and determine, on the basis of this information whether an impairment provision is required.

Stock Provision

Judgement is required when assessing whether a provision is needed for stock which cannot be sold or where the selling price will not cover the cost of the stock item. The directors consider the ageing and net realisable value of the stock when making this judgement.

WINE IMPORTERS (EDINBURGH) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

4. Employees

The average monthly number of employees, including directors, during the year was 24 (2021 - 19).

5. Tangible fixed assets

	Plant and machinery £	Motor vehicles £	Fixtures and fittings £	Computer equipment £	Total £
Cost or valuation					
At 1 January 2022	50,761	52,615	7,993	32,680	144,049
Additions	-	22,145	159,281	31,339	212,765
Disposals	-	(17,315)	-	-	(17,315)
At 31 December 2022	50,761	57,445	167,274	64,019	339,499
Depreciation					
At 1 January 2022	50,761	41,548	246	32,680	125,235
Charge for the year	-	13,439	22,880	7,354	43,673
Disposals	-	(17,315)	-	-	(17,315)
At 31 December 2022	50,761	37,672	23,126	40,034	151,593
Net book value					
At 31 December 2022	-	19,773	144,148	23,985	187,906
At 31 December 2021	-	11,067	7,747	-	18,814

6. Debtors

	2022 £	2021 £
Trade debtors	837,579	721,812
Other debtors	26,887	94,207
Prepayments and accrued income	29,046	18,458
	893,512	834,477

WINE IMPORTERS (EDINBURGH) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

7. Cash and cash equivalents

	2022 £	2021 £
Cash at bank and in hand	41,842	403,401
Less: bank overdrafts	(87,943)	-
Cash and cash equivalents	(46,101)	403,401

8. Creditors: Amounts falling due within one year

	2022 £	2021 £
Bank overdrafts	87,943	-
Trade creditors	340,534	633,678
Corporation tax	-	19,255
Other taxation and social security	262,365	245,367
Obligations under finance lease and hire purchase contracts	8,188	3,587
Other creditors	5,131	-
Accruals and deferred income	251,330	159,372
	955,491	1,061,259

Hire purchase creditors are secured on the related assets.

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

	2022 £	2021 £
Net obligations under finance leases and hire purchase contracts	10,224	-

10. Share capital

	2022 £	2021 £
Allotted, called up and fully paid		
41,103 (2021 - 41,103) ordinary share capital shares of £1.00 each	41,103	41,103

WINE IMPORTERS (EDINBURGH) LIMITED

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2022**

11. Pension commitments

The Company operates a defined contribution retirement scheme for qualifying employees. The total expense charged to the Statement of Income and Retained Earnings for the year ended 31 December 2022 was £39,732 (2021: £33,586). Contributions totalling £5,131 (2021: £Nil) were payable to the fund at the reporting date and are included in other creditors.

12. Commitments under operating leases

At 31 December 2022 the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

	2022 £	2021 £
Not later than 1 year	108,271	80,508
Later than 1 year and not later than 5 years	111,743	129,159
	<u>220,014</u>	<u>209,667</u>

13. Controlling party

The immediate parent is Chardon Wines Limited, a company registered in Scotland which holds 88.98% of the issued share capital of the Company.

The parent company of the smallest group for which consolidated accounts are drawn up of which the Company is a member is Murray Capital Group Limited, registered office is 26 Charlotte Square, Edinburgh, EH2 4ET.

The ultimate controlling party of the Company and the Group is Sir D E Murray.

14. Auditor's information

The auditor's report on the financial statements for the year ended 31 December 2022 was unqualified.

The audit report was signed on 16 June 2023 by Nicola MacLennan (Senior statutory auditor) on behalf of French Duncan LLP.