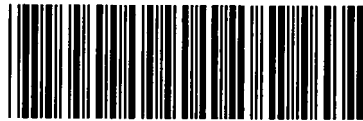


**ALCOHOLS LIMITED**

**DIRECTORS' REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 31 DECEMBER 2014**

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**ALCOHOLS LIMITED**

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**COMPANY INFORMATION**

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<b>DIRECTORS</b>	A J Wallis R H Ling
<b>COMPANY SECRETARY</b>	R H Ling
<b>REGISTERED NUMBER</b>	00547325
<b>REGISTERED OFFICE</b>	Charringtons House The Causeway Bishop's Stortford Hertfordshire CM23 2ER
<b>INDEPENDENT AUDITORS</b>	Kreston Reeves LLP Statutory Auditors & Chartered Accountants Third Floor 24 Chiswell Street London EC1Y 4YX
<b>BANKERS</b>	National Westminster Bank plc 134 Aldersgate Street London EC1A 4LD

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**ALCOHOLS LIMITED**

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## ALCOHOLS LIMITED

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### DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2014

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The directors present their report and the financial statements for the year ended 31 December 2014.

#### PRINCIPAL ACTIVITIES

The principal activities of the group during the year were the distillation of gin and the sourcing, packing and distribution of solvents and alcohol products.

The company is a subsidiary of W H Palmer & Co (Industries) Limited.

#### RESULTS AND DIVIDENDS

The profit for the year, inclusive of insurance income, after taxation, amounted to £1,745,342 (2013: £1,280,438).

Ordinary dividends amounting to £300,000 (2013: £120,000) were paid during the year.

#### DIRECTORS

The directors who served during the year were:

A J Wallis  
R H Ling

#### DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Group 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and the group and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the group 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 the group and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and the group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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**ALCOHOLS LIMITED**

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**DIRECTORS' REPORT  
FOR THE YEAR ENDED 31 DECEMBER 2014**

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**FINANCIAL INSTRUMENTS**

The group has adequate cash reserves to finance its trading activities and has no immediate requirement for outside finance. The level of both debtors and creditors are constantly monitored to safeguard cash reserves. Low interest rates result in meagre investment returns. The group's defined benefit pension scheme remains in surplus despite changes to assumptions which have increased the value of the scheme liabilities. Contributions continue at a rate to ensure as much as possible that the scheme does not slip into deficit.

**FUTURE DEVELOPMENTS**

Since the year end the group has continued to concentrate on further development of its core activities of chemical distribution both in the UK and overseas and gin distillation. Future development plans for expansion would result from the marketing strategy or acquisition of any business complimentary to the core activities.

**DISCLOSURE OF INFORMATION TO AUDITORS**

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

- so far as that director is aware, there is no relevant audit information of which the company and the group's auditors are unaware, and
- that 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 and the group's auditors are aware of that information.

**AUDITORS**

The auditors, Kreston Reeves LLP, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on *2<sup>nd</sup> June 2015* and signed on its behalf.

  
**R H Ling**  
Secretary

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## ALCOHOLS LIMITED

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### GROUP STRATEGIC REPORT FOR THE YEAR ENDED 31 DECEMBER 2014

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#### INTRODUCTION

The directors present their group strategic report for the year ended 31 December 2014.

#### BUSINESS REVIEW

Group turnover for the year reduced to £21,969,947 from £24,452,456 in 2013. Despite this reduction, challenging economic conditions and constant pressure on margins and operating costs our consolidated profit after taxation increased to £1,745,342 from £1,280,438 in 2013. The profit made this year includes insurance income which will be used to replace or renew business assets destroyed in the fire at our Langley Green site in November 2012. Under FRS 17 the surplus calculated by the actuary for our defined benefit pension scheme reduced by £264,000 to £99,000. Due to the volatility of this calculation the directors continue with the policy of not showing this as an asset in the Balance Sheet.

The group's Occupational Health and Safety Management System, Quality Management System and Environmental Management System support our activities and enhance customer service whilst protecting employees, the public and the environment.

Despite the many difficulties and economic uncertainty which continues to be experienced by businesses around the world the directors remain optimistic about the group's future.

The results for the year and the financial position at the year end demonstrate the progress being made by the group and continues to satisfy the directors.

The consolidated profit and loss account for the year is set out on page 6.

#### PRINCIPAL RISKS AND UNCERTAINTIES

The directors continue to seek improvements in business efficiencies whilst carefully monitoring the risks that affect its operations. These risks include:-

1. Raw material supply and pricing. The major risk being availability of products at competitive prices which are subject to global demand and plant shutdowns by producers.
2. Foreign exchange risks.
3. Maintaining margins against fierce competition.
4. Pressure from customers to give extended credit whilst producers look for earlier payments.
5. Regulatory changes which place a heavy burden on the chemical industry despite the products manufactured by the industry being used by the public in every day activities.

All risks are constantly monitored and appropriate action taken when necessary. New customers are assessed for credit risk and credit limits applied whilst existing customers are reassessed when considered necessary. Selling prices are adjusted where possible to maintain margins, cash flow is monitored daily and professionally qualified staff employed to ensure all new legislation is complied with.

#### FINANCIAL KEY PERFORMANCE INDICATORS

Key performance indicators for the group are turnover, gross margins, operating costs and profitability for each division all of which are regularly reported on and reviewed.

This report was approved by the board on *2<sup>nd</sup> June 2015* and signed on its behalf.

  
R H Ling  
Secretary

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## ALCOHOLS LIMITED

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### INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF ALCOHOLS LIMITED

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We have audited the financial statements of Alcohols Limited for the year ended 31 December 2014, set out on pages 6 to 26. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

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 Auditors' 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.

#### RESPECTIVE RESPONSIBILITIES OF DIRECTORS AND AUDITORS

As explained more fully in the Directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

#### SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the group's and the parent company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Group strategic report and the Directors' report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

#### OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent company's affairs as at 31 December 2014 and of the group's 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.

#### OPINION ON OTHER MATTER PRESCRIBED BY THE COMPANIES ACT 2006

In our opinion the information given in the Group strategic report and the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.

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ALCOHOLS LIMITED

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INDEPENDENT AUDITORS' REPORT TO THE SHAREHOLDERS OF ALCOHOLS LIMITED

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**MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION**

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company 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.

*Kreston Reeves LLP*

Stephen Tanner BSc(Econ) FCA (Senior statutory auditor)  
for and on behalf of

**Kreston Reeves LLP**

Statutory Auditors & Chartered Accountants

Third Floor

24 Chiswell Street

London

EC1Y 4YX

Date: *3<sup>rd</sup> Jan, 2015*



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ALCOHOLS LIMITED

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CONSOLIDATED PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31 DECEMBER 2014

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	Note	2014 £	2013 £
<b>TURNOVER</b>	1,2	<b>21,969,947</b>	24,452,456
Cost of sales		<b>(15,804,513)</b>	(18,585,620)
<b>GROSS PROFIT</b>		<b>6,165,434</b>	5,866,836
Distribution costs		<b>(3,774,302)</b>	(4,354,899)
Administrative expenses		<b>(1,006,860)</b>	(1,039,045)
<b>OPERATING PROFIT</b>	3	<b>1,384,272</b>	472,892
Income from other participating interests		-	8,250
Interest receivable and similar income		<b>29,114</b>	36,788
Insurance income		<b>560,354</b>	998,954
Interest payable and similar charges	4	<b>(605)</b>	(1,507)
Other finance income	5	<b>107,000</b>	88,000
<b>PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION</b>		<b>2,080,135</b>	1,603,377
Tax on profit on ordinary activities	6	<b>(334,793)</b>	(322,939)
<b>PROFIT FOR THE FINANCIAL YEAR</b>	16	<b>1,745,342</b>	1,280,438

All amounts relate to continuing operations.

The notes on pages 10 to 26 form part of these financial statements.

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ALCOHOLS LIMITED

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CONSOLIDATED STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES  
FOR THE YEAR ENDED 31 DECEMBER 2014

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	Note	2014 £	2013 £
<b>PROFIT FOR THE FINANCIAL YEAR</b>		<b>1,745,342</b>	<b>1,280,438</b>
Actuarial (loss)/gain in relation to the defined benefit pension scheme		(571,000)	4,000
Other movements in profit and loss reserve		264,000	(242,000)
<b>TOTAL RECOGNISED GAINS AND LOSSES RELATING TO THE YEAR</b>		<b><u>1,438,342</u></b>	<b><u>1,042,438</u></b>

The notes on pages 10 to 26 form part of these financial statements.

**ALCOHOLS LIMITED**  
**REGISTERED NUMBER: 00547325**

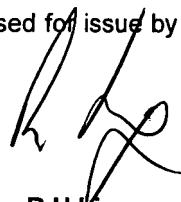
**CONSOLIDATED BALANCE SHEET**  
**AS AT 31 DECEMBER 2014**

	Note	£	2014 £	2013 £
<b>FIXED ASSETS</b>				
Intangible assets	7		7,905	11,072
Tangible assets	8		1,143,137	1,052,143
Investments	9		121,500	121,500
			<u>1,272,542</u>	<u>1,184,715</u>
<b>CURRENT ASSETS</b>				
Stocks	11	1,305,788	1,353,434	
Debtors	12	3,787,619	4,128,939	
Cash at bank and in hand		7,134,155	3,724,208	
		<u>12,227,562</u>	<u>9,206,581</u>	
<b>CREDITORS: amounts falling due within one year</b>	13	<b>(5,323,434)</b>	<b>(3,337,968)</b>	
<b>NET CURRENT ASSETS</b>			<u><b>6,904,128</b></u>	<u><b>5,868,613</b></u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u><b>8,176,670</b></u>	<u><b>7,053,328</b></u>
<b>PROVISIONS FOR LIABILITIES</b>				
Deferred tax	14		(123,000)	(138,000)
<b>NET ASSETS EXCLUDING PENSION SCHEME SURPLUS</b>			<u><u><b>8,053,670</b></u></u>	<u><u><b>6,915,328</b></u></u>
<b>CAPITAL AND RESERVES</b>				
Called up share capital	15		1,000	1,000
Profit and loss account	16		8,052,670	6,914,328
<b>SHAREHOLDERS' FUNDS</b>	17		<u><u><b>8,053,670</b></u></u>	<u><u><b>6,915,328</b></u></u>

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



**A J Wallis**  
Director



**R H Ling**  
Director

2<sup>nd</sup> June 2015

The notes on pages 10 to 26 form part of these financial statements.

**ALCOHOLS LIMITED**  
**REGISTERED NUMBER: 00547325**

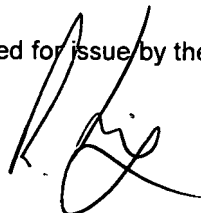
**COMPANY BALANCE SHEET**  
**AS AT 31 DECEMBER 2014**

	Note	£	2014 £	£	2013 £
<b>FIXED ASSETS</b>					
Intangible assets	7		5		5
Tangible assets	8		1,143,137		1,052,143
Investments	9		129,500		129,500
			<u>1,272,642</u>		<u>1,181,648</u>
<b>CURRENT ASSETS</b>					
Stocks	11	1,274,230		1,333,401	
Debtors	12	3,487,576		3,593,827	
Cash at bank and in hand		6,906,450		3,496,039	
		<u>11,668,256</u>		<u>8,423,267</u>	
<b>CREDITORS: amounts falling due within one year</b>	13		<u>(5,517,691)</u>		<u>(3,260,863)</u>
<b>NET CURRENT ASSETS</b>			<u>6,150,565</u>		<u>5,162,404</u>
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>			<u>7,423,207</u>		<u>6,344,052</u>
<b>PROVISIONS FOR LIABILITIES</b>					
Deferred tax	14		(123,000)		(138,000)
<b>NET ASSETS EXCLUDING PENSION SCHEME SURPLUS</b>			<u>7,300,207</u>		<u>6,206,052</u>
<b>CAPITAL AND RESERVES</b>					
Called up share capital	15		1,000		1,000
Profit and loss account	16		7,299,207		6,205,052
<b>SHAREHOLDERS' FUNDS</b>	17		<u>7,300,207</u>		<u>6,206,052</u>

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



**A J Wallis**  
Director



**R H Ling**  
Director

2<sup>nd</sup> June 2015

The notes on pages 10 to 26 form part of these financial statements.

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## ALCOHOLS LIMITED

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### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2014

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#### 1. ACCOUNTING POLICIES

##### 1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The financial statements have been prepared under the historical cost convention and in accordance with applicable accounting standards.

##### 1.2 CASH FLOW

The company, being a subsidiary undertaking where 90% or more of the voting rights are controlled within the group whose consolidated financial statements are publicly available, is exempt from the requirement to draw up a cash flow statement in accordance with FRS 1.

##### 1.3 BASIS OF CONSOLIDATION

The financial statements consolidate the accounts of Alcohols Limited and Trithin Products Limited. The financial statements do not consolidate the accounts of the company's other subsidiary undertakings (as disclosed in Note 10 to these accounts) as they have all remained dormant during the year and any effect on the group accounts would be immaterial.

##### 1.4 TURNOVER

Turnover represents sales at invoiced amounts less value added tax or local taxes on sales. Turnover is recognised when the risks and rewards of owning the goods pass to the customer which is generally on delivery.

##### 1.5 GOODWILL

Goodwill is the difference between amounts paid on the acquisition of a business and the fair value of the identifiable assets and liabilities. It is amortised to the profit and loss account over its estimated economic life.

##### 1.6 TANGIBLE FIXED ASSETS AND DEPRECIATION

Tangible fixed assets are stated at cost less depreciation. Depreciation is provided at rates calculated to write off the cost of fixed assets, less their estimated residual value, over their expected useful lives on the following bases:

Short term leasehold property	-	over term lease
Plant & machinery	-	5%, 10%, 15%, 20% and 25% per annum
Motor vehicles	-	20%, 25% and 33 1/3% per annum
Fixtures & fittings	-	15%, 20% and 25% per annum

##### 1.7 INVESTMENTS

- (i) **Subsidiary undertakings**  
Investments in subsidiaries are valued at cost less provision for impairment.
- (ii) **Other investments**  
Investments held as fixed assets are shown at cost less provision for impairment.

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ALCOHOLS LIMITED

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014

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1. ACCOUNTING POLICIES (continued)

1.8 OPERATING LEASES

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

Benefits received and receivable as an incentive to sign a rental lease are recognised on a straight line basis over the period until the date of the first rent review.

1.9 STOCKS

Stocks are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs in the purchase of stock.

1.10 DEFERRED TAXATION

Full provision is made for deferred tax assets and liabilities arising from all timing differences between the recognition of gains and losses in the financial statements and recognition in the tax computation.

A net deferred tax asset is recognised only if it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Deferred tax assets and liabilities are calculated at the tax rates expected to be effective at the time the timing differences are expected to reverse.

Deferred tax assets and liabilities are not discounted.

1.11 FOREIGN CURRENCIES

Monetary assets and liabilities denominated in foreign currencies are translated into sterling at rates of exchange ruling at the balance sheet date.

Transactions in foreign currencies are translated into sterling at the rate ruling on the date of the transaction.

Exchange gains and losses are recognised in the profit and loss account.

1.12 PENSIONS

The group operates a defined contribution pension scheme and the pension charge represents the amounts payable by the group to the fund in respect of the year.

The group operates a defined benefits pension scheme and the pension charge is based on a full actuarial valuation dated 31 May 2014.

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ALCOHOLS LIMITED

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014

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2. **TURNOVER**

The whole of the turnover is attributable to the principal activities of the group.

A geographical analysis of turnover is as follows:

	2014 £	2013 £
United Kingdom	17,774,719	19,609,526
Rest of world	4,195,228	4,842,930
	<u>21,969,947</u>	<u>24,452,456</u>

3. **OPERATING PROFIT**

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

	2014 £	2013 £
Amortisation - intangible fixed assets	3,167	19,000
Depreciation of tangible fixed assets:		
- owned by the group	230,536	228,909
Auditors' remuneration	30,430	31,950
Operating lease rentals:		
- land and buildings	221,645	204,658
Difference on foreign exchange	38,946	(8,814)
	<u>389,723</u>	<u>486,703</u>

Auditors fees for the company were £25,750 (2013: £26,250)

4. **INTEREST PAYABLE**

	2014 £	2013 £
Other interest payable	605	1,507
	<u>605</u>	<u>1,507</u>

5. **OTHER FINANCE INCOME**

	2014 £	2013 £
Expected return on pension scheme assets	324,000	306,000
Interest on pension scheme liabilities	(217,000)	(218,000)
	<u>107,000</u>	<u>88,000</u>

ALCOHOLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014

6. TAXATION

	2014 £	2013 £
<b>ANALYSIS OF TAX CHARGE IN THE YEAR</b>		
<b>CURRENT TAX</b> (see note below)		
UK corporation tax charge on profit for the year	341,000	316,500
Adjustments in respect of prior periods	8,793	(6,561)
<b>TOTAL CURRENT TAX</b>	<b>349,793</b>	<b>309,939</b>
<b>DEFERRED TAX</b> (Note 14)		
Origination and reversal of timing differences	(15,000)	13,000
<b>TAX ON PROFIT ON ORDINARY ACTIVITIES</b>	<b>334,793</b>	<b>322,939</b>

**FACTORS AFFECTING TAX CHARGE FOR THE YEAR**

The tax assessed for the year is lower than (2013: lower than) the standard rate of corporation tax in the UK of 21.5% (2013: 23%). The differences are explained below:

	2014 £	2013 £
Profit on ordinary activities before tax	2,080,135	1,603,377
Profit on ordinary activities multiplied by standard rate of corporation tax in the UK of 21.5% (2013: 23%)	447,229	368,777
<b>EFFECTS OF:</b>		
Expenses not deductible for tax purposes, other than goodwill amortisation and impairment	6,820	1,579
Difference between capital allowances and depreciation	6,275	(11,101)
Adjustments to tax charge in respect of prior periods	8,793	(6,561)
Non-taxable income	(44,505)	-
Book (profit)/loss on chargeable assets	(26,129)	(760)
Changes in provisions leading to an increase in the tax charge	17,165	11,500
Marginal relief	-	(2,354)
Pension contributions paid	(43,000)	(34,875)
Pensions scheme finance income	(23,005)	(20,460)
Other tax adjustments	150	4,194
<b>CURRENT TAX CHARGE FOR THE YEAR</b> (see note above)	<b>349,793</b>	<b>309,939</b>

There were no factors that may affect future tax charges.



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ALCOHOLS LIMITED

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014

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7. INTANGIBLE FIXED ASSETS

	Goodwill £
<b>GROUP</b>	
<b>COST</b>	
At 1 January 2014 and 31 December 2014	<u>197,905</u>
<b>AMORTISATION</b>	
At 1 January 2014	186,833
Charge for the year	3,167
At 31 December 2014	<u>190,000</u>
<b>NET BOOK VALUE</b>	
At 31 December 2014	<u>7,905</u>
At 31 December 2013	<u>11,072</u>
	<b>Goodwill</b>
<b>COMPANY</b>	<b>£</b>
<b>COST</b>	
At 1 January 2014 and 31 December 2014	<u>5</u>
<b>NET BOOK VALUE</b>	
At 31 December 2014	<u>5</u>
At 31 December 2013	<u>5</u>

ALCOHOLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014

8. TANGIBLE FIXED ASSETS

GROUP	Short term leasehold property £	Plant & machinery £	Motor vehicles £	Fixtures & fittings £	Assets in the course of construction £
<b>COST</b>					
At 1 January 2014	161,579	2,387,636	414,973	111,429	-
Additions	-	129,319	140,727	14,905	58,500
Disposals	-	-	(179,437)	-	-
At 31 December 2014	<u>161,579</u>	<u>2,516,955</u>	<u>376,263</u>	<u>126,334</u>	<u>58,500</u>
<b>DEPRECIATION</b>					
At 1 January 2014	126,449	1,581,146	235,406	80,473	-
Charge for the year	2,967	137,452	75,724	14,393	-
On disposals	-	-	(157,516)	-	-
At 31 December 2014	<u>129,416</u>	<u>1,718,598</u>	<u>153,614</u>	<u>94,866</u>	<u>-</u>
<b>NET BOOK VALUE</b>					
At 31 December 2014	<u>32,163</u>	<u>798,357</u>	<u>222,649</u>	<u>31,468</u>	<u>58,500</u>
At 31 December 2013	<u>35,130</u>	<u>806,490</u>	<u>179,567</u>	<u>30,956</u>	<u>-</u>

GROUP	Total £
<b>COST</b>	
At 1 January 2014	3,075,617
Additions	343,451
Disposals	(179,437)
At 31 December 2014	<u>3,239,631</u>
<b>DEPRECIATION</b>	
At 1 January 2014	2,023,474
Charge for the year	230,536
On disposals	(157,516)
At 31 December 2014	<u>2,096,494</u>
<b>NET BOOK VALUE</b>	
At 31 December 2014	<u>1,143,137</u>
At 31 December 2013	<u>1,052,143</u>

**ALCOHOLS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014**

**8. TANGIBLE FIXED ASSETS (continued)**

<b>COMPANY</b>	<b>Short term leasehold property £</b>	<b>Plant &amp; machinery £</b>	<b>Motor vehicles £</b>	<b>Fixtures &amp; fittings £</b>	<b>Assets in the course of construction £</b>
<b>COST</b>					
At 1 January 2014	161,579	2,387,636	414,973	111,429	-
Additions	-	129,319	140,727	14,905	58,500
Disposals	-	-	(179,437)	-	-
At 31 December 2014	<u>161,579</u>	<u>2,516,955</u>	<u>376,263</u>	<u>126,334</u>	<u>58,500</u>
<b>DEPRECIATION</b>					
At 1 January 2014	126,449	1,581,146	235,406	80,473	-
Charge for the year	2,967	137,452	75,724	14,393	-
On disposals	-	-	(157,516)	-	-
At 31 December 2014	<u>129,416</u>	<u>1,718,598</u>	<u>153,614</u>	<u>94,866</u>	<u>-</u>
<b>NET BOOK VALUE</b>					
At 31 December 2014	<u>32,163</u>	<u>798,357</u>	<u>222,649</u>	<u>31,468</u>	<u>58,500</u>
At 31 December 2013	<u>35,130</u>	<u>806,490</u>	<u>179,567</u>	<u>30,956</u>	<u>-</u>

<b>COMPANY</b>	<b>Total £</b>
<b>COST</b>	
At 1 January 2014	3,075,617
Additions	343,451
Disposals	(179,437)
At 31 December 2014	<u>3,239,631</u>
<b>DEPRECIATION</b>	
At 1 January 2014	2,023,474
Charge for the year	230,536
On disposals	(157,516)
At 31 December 2014	<u>2,096,494</u>
<b>NET BOOK VALUE</b>	
At 31 December 2014	<u>1,143,137</u>
At 31 December 2013	<u>1,052,143</u>

**ALCOHOLS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014**

**9. FIXED ASSET INVESTMENTS**

<b>GROUP</b>	<b>Investments in subsidiary companies £</b>	<b>Unlisted investments £</b>	<b>Total £</b>
<b>COST</b>			
At 1 January 2014 and 31 December 2014	<u>125,500</u>	<u>63,394</u>	<u>188,894</u>
<b>IMPAIRMENT</b>			
At 1 January 2014 and 31 December 2014	<u>5,000</u>	<u>62,394</u>	<u>67,394</u>
<b>NET BOOK VALUE</b>			
At 31 December 2014	<u>120,500</u>	<u>1,000</u>	<u>121,500</u>
At 31 December 2013	<u>120,500</u>	<u>1,000</u>	<u>121,500</u>
<b>COMPANY</b>	<b>Investments in subsidiary companies £</b>	<b>Unlisted investments £</b>	<b>Total £</b>
<b>COST</b>			
At 1 January 2014 and 31 December 2014	<u>133,500</u>	<u>63,394</u>	<u>196,894</u>
<b>IMPAIRMENT</b>			
At 1 January 2014 and 31 December 2014	<u>5,000</u>	<u>62,394</u>	<u>67,394</u>
<b>NET BOOK VALUE</b>			
At 31 December 2014	<u>128,500</u>	<u>1,000</u>	<u>129,500</u>
At 31 December 2013	<u>128,500</u>	<u>1,000</u>	<u>129,500</u>

**ALCOHOLS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014**

**10. PRINCIPAL SUBSIDIARIES**

Company name	Country	Percentage Shareholding	Description
Alcohols (North West) Limited	England & Wales	100%	100,000 Ordinary shares of £1 each
Lang-Met Distillers Limited	England & Wales	100%	25,000 Ordinary shares of £1 each
Langley Distillery Limited	England & Wales	100%	5,000 Ordinary shares of £1 each
Trithin Products Limited	England & Wales	100%	100 Ordinary shares of £1 each

Company name	Principal activity
Alcohols (North West) Limited	Dormant
Lang-Met Distillers Limited	Dormant
Langley Distillery Limited	Dormant
Trithin Products Limited	Export of chemical products

The aggregate of the share capital and reserves as at 31 December 2014 and of the profit or loss for the year ended on that date for the subsidiary undertakings not consolidated were as follows:

Name	Aggregate of share capital and reserves	Profit/(loss)
	£	£
Alcohols (North West) Limited	92,011	-
Lang-Met Distillers Limited	28,500	-
Langley Distillery Limited	-	-

**11. STOCKS**

	<u>GROUP</u>		<u>COMPANY</u>	
	2014	2013	2014	2013
	£	£	£	£
Finished goods and goods for resale	<b>1,305,788</b>	1,353,434	<b>1,274,230</b>	1,333,401

**12. DEBTORS**

	<u>GROUP</u>		<u>COMPANY</u>	
	2014	2013	2014	2013
	£	£	£	£
Trade debtors	<b>3,505,606</b>	3,777,661	<b>3,221,617</b>	3,331,854
Other debtors	<b>33,726</b>	14,006	<b>17,672</b>	10,500
Prepayments and accrued income	<b>248,287</b>	337,272	<b>248,287</b>	251,473
	<b>3,787,619</b>	4,128,939	<b>3,487,576</b>	3,593,827

ALCOHOLS LIMITED

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014

**13. CREDITORS:  
AMOUNTS FALLING DUE WITHIN ONE YEAR**

	<b>GROUP</b>		<b>COMPANY</b>	
	2014 £	2013 £	2014 £	2013 £
Payments received on account	-	130,985	-	126,792
Trade creditors	1,669,598	1,797,878	1,624,425	1,697,371
Amounts owed to parent undertaking	2,329,892	203,626	2,650,137	278,951
Corporation tax	190,989	216,489	179,989	201,989
Other taxation and social security	156,011	151,505	156,011	151,505
Accruals and deferred income	976,944	837,485	907,129	804,255
	<b>5,323,434</b>	<b>3,337,968</b>	<b>5,517,691</b>	<b>3,260,863</b>

**14. DEFERRED TAXATION**

	<b>GROUP</b>		<b>COMPANY</b>	
	2014 £	2013 £	2014 £	2013 £
At beginning of year	138,000	125,000	138,000	125,000
(Credit)/charge for the year (profit and loss account)	(15,000)	13,000	(15,000)	13,000
At end of year	<b>123,000</b>	<b>138,000</b>	<b>123,000</b>	<b>138,000</b>

The provision for deferred taxation is made up as follows:

	<b>GROUP</b>		<b>COMPANY</b>	
	2014 £	2013 £	2014 £	2013 £
Accelerated capital allowances	<b>123,000</b>	<b>138,000</b>	<b>123,000</b>	<b>138,000</b>

**15. SHARE CAPITAL**

	2014 £	2013 £
<b>ALLOTTED, CALLED UP AND FULLY PAID</b>		
1,000 Ordinary shares of £1 each	<b>1,000</b>	<b>1,000</b>

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ALCOHOLS LIMITED

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014

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16. RESERVES

	Profit and loss account £
<b>GROUP</b>	
At 1 January 2014	6,914,328
Profit for the financial year	1,745,342
Dividends: Equity capital	(300,000)
Pension reserve movement	(571,000)
Other movements	264,000
	<hr/>
At 31 December 2014	8,052,670
	<hr/> <hr/>
	Profit and loss account £
<b>COMPANY</b>	
At 1 January 2014	6,205,052
Profit for the financial year	1,701,155
Dividends: Equity capital	(300,000)
Pension reserve movement	(571,000)
Other movements	264,000
	<hr/>
At 31 December 2014	7,299,207
	<hr/> <hr/>

The closing balance on the profit and loss account includes a £NIL (2013: £NIL) credit, stated after deferred taxation of £NIL (2013: £NIL), in respect of pension scheme liabilities of the Group and Company pension scheme.

**ALCOHOLS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014**

**17. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS**

<b>GROUP</b>	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Opening shareholders' funds	<b>6,915,328</b>	5,992,890
Profit for the financial year	<b>1,745,342</b>	1,280,438
Dividends (Note 18)	<b>(300,000)</b>	(120,000)
Other recognised gains and losses during the year	<b>(307,000)</b>	(238,000)
	<hr/>	<hr/>
Closing shareholders' funds	<b>8,053,670</b>	6,915,328
	<hr/> <hr/>	<hr/> <hr/>
	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
<b>COMPANY</b>		
Opening shareholders' funds	<b>6,206,052</b>	5,341,593
Profit for the financial year	<b>1,701,155</b>	1,222,459
Dividends (Note 18)	<b>(300,000)</b>	(120,000)
Pension reserve movement	<b>(571,000)</b>	4,000
Unrealised movement in defined benefit pension scheme surplus	<b>264,000</b>	(242,000)
	<hr/>	<hr/>
Closing shareholders' funds	<b>7,300,207</b>	6,206,052
	<hr/> <hr/>	<hr/> <hr/>

The company has taken advantage of the exemption contained within section 408 of the Companies Act 2006 not to present its own profit and loss account.

The profit for the year dealt with in the accounts of the company was £1,701,155 (2013: £1,222,459).

**18. DIVIDENDS**

	<b>2014</b>	<b>2013</b>
	<b>£</b>	<b>£</b>
Final dividends paid on equity capital of £300 (2013: £120) per share	<b>300,000</b>	120,000
	<hr/>	<hr/>

**19. CONTINGENT LIABILITIES**

The company forms a VAT group with Trithin Products Limited and W H Palmer & Co (Industries) Limited and as such is jointly and severally liable for any liabilities as they fall due. No provision has been made because the directors consider that all parties have the resources to meet the liability as it falls due and it is therefore unlikely that this company will incur any additional liability. The total VAT liability not recognised in the accounts is £Nil (2013: £Nil).



ALCOHOLS LIMITED

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014**

**20. CAPITAL COMMITMENTS**

At 31 December 2014 the group and company had capital commitments as follows:

	<u>GROUP</u>		<u>COMPANY</u>	
	2014 £	2013 £	2014 £	2013 £
Contracted for but not provided in these financial statements	<b>285,456</b>	-	<b>285,456</b>	-

**21. PENSION COMMITMENTS**

The group operates a defined contribution pension scheme. The assets of the scheme are held separately from those of the group in employee owned independently administered funds. The pension cost charge represents contributions payable by the group to the fund and amounted to £58,278 (2013: £129,292). At the year end, £20,000 (2013: £75,000) remained unpaid.

The group also operates a defined benefit pension scheme.

The overall expected return on assets is calculated as the weighted average of the expected returns on each individual asset class. The expected return on equities is the sum of inflation, the dividend yield, economic growth and investment expenses. The return on gilts and bonds is the current market yield on long term gilts and bonds. The expected return on property has been set equal to the expected return on equities less an allowance for liquidity. The expected return on other assets is broadly the current interest rate set by the Bank of England.

The amounts recognised in the balance sheet are as follows:

	2014 £	2013 £
Present value of funded obligations	(5,620,000)	(5,188,000)
Fair value of scheme assets	5,719,000	5,551,000
Surplus in scheme	99,000	363,000
Surplus not recognised	(99,000)	(363,000)
Net asset recognised	-	-

The amounts recognised in profit or loss are as follows:

	2014 £	2013 £
Interest on obligation	(217,000)	(218,000)
Expected return on scheme assets	324,000	306,000
Total	107,000	88,000
Actual return on scheme assets	498,000	304,000

**ALCOHOLS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014**

**21. PENSION COMMITMENTS (continued)**

Movements in the present value of the defined benefit obligation were as follows:

	2014 £	2013 £
Opening defined benefit obligation	5,188,000	5,153,000
Interest cost	217,000	218,000
Actuarial gain/(loss)	745,000	(6,000)
Benefits paid	(530,000)	(177,000)
	<u>5,620,000</u>	<u>5,188,000</u>

Changes in the fair value of scheme assets were as follows:

	2014 £	2013 £
Opening fair value of scheme assets	5,551,000	5,274,000
Expected return on assets	324,000	306,000
Actuarial gain/(loss)	174,000	(2,000)
Contributions by employer	200,000	150,000
Benefits paid	(530,000)	(177,000)
	<u>5,719,000</u>	<u>5,551,000</u>

The cumulative amount of actuarial gains and losses recognised in the consolidated statement of total recognised gains and losses was £1,286,000 (2013: £715,000).

The group expects to contribute at least £60,000 to its defined benefit pension scheme in 2015.

The major categories of scheme assets as a percentage of total scheme assets are as follows:

	2014	2013
European equities	20.00 %	20.00 %
European bonds	41.00 %	37.00 %
Other	39.00 %	43.00 %

Principal actuarial assumptions at the balance sheet date (expressed as weighted averages):

	2014	2013
Discount rate at 31 December	3.50 %	4.40 %
Expected return on scheme assets at 31 December	3.50 %	6.01 %
Future salary increases	3.00 %	3.00 %
Future pension increases	3.00 %	3.30 %
Price inflation	3.15 %	3.50 %

**ALCOHOLS LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014**

**21. PENSION COMMITMENTS (continued)**

Amounts for the current and previous four periods are as follows:

Defined benefit pension schemes

	2014 £	2013 £	2012 £	2011 £	2010 £
Defined benefit obligation	(5,620,000)	(5,188,000)	(5,153,000)	(4,674,000)	(4,468,000)
Scheme assets	5,719,000	5,551,000	5,274,000	4,736,000	4,609,000
Surplus	<u>99,000</u>	<u>363,000</u>	<u>121,000</u>	<u>62,000</u>	<u>141,000</u>
Experience adjustments on scheme liabilities	18,000	(3,000)	(13,000)	109,000	(60,000)
Experience adjustments on scheme assets	<u>174,000</u>	<u>(2,000)</u>	<u>212,000</u>	<u>(179,000)</u>	<u>239,000</u>

**22. OPERATING LEASE COMMITMENTS**

At 31 December 2014 the group had annual commitments under non-cancellable operating leases as follows:

	Land and buildings	
	2014 £	2013 £
<b>GROUP</b>		
<b>EXPIRY DATE:</b>		
After more than 5 years	<u>186,456</u>	<u>186,456</u>

At 31 December 2014 the company had annual commitments under non-cancellable operating leases as follows:

	Land and buildings	
	2014 £	2013 £
<b>COMPANY</b>		
<b>EXPIRY DATE:</b>		
After more than 5 years	<u>186,456</u>	<u>186,456</u>

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ALCOHOLS LIMITED

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NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014

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23. STAFF COSTS

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

	2014 £	2013 £
Wages and salaries	1,501,581	1,529,335
Social security costs	172,315	177,527
Other pension costs (Note 21)	59,836	130,850
	<u>1,733,732</u>	<u>1,837,712</u>

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

	2014 No.	2013 No.
Administration and management	7	7
Operational, selling and distribution	37	37
	<u>44</u>	<u>44</u>

24. DIRECTORS' REMUNERATION

	2014 £	2013 £
Remuneration	<u>298,970</u>	<u>271,814</u>
Group pension contributions to money purchase pension schemes	<u>17,344</u>	<u>80,213</u>

During the year retirement benefits were accruing to 2 directors (2013: 2) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £161,286 (2013: £147,013).

The value of the group's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £2,752 (2013: £65,976).

During the year retirement benefits were accruing to 2 directors (2013: 2) in respect of defined benefit pension schemes.

The accrued entitlement under defined benefit pension schemes in respect of the highest paid director amounted to £49,084 (2013: £47,909) per annum.

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**ALCOHOLS LIMITED**

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**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2014**

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**25. ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY**

The ultimate parent company is W H Palmer & Co (Industries) Limited, a company registered in England and Wales.

W H Palmer & Co (Industries) Limited prepares group financial statements and copies can be obtained from Charringtons House, The Causeway, Bishop's Stortford, Hertfordshire, CM23 2ER.