WHISKYINVESTDIRECT LIMITED

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DIRECTORS' REPORT AND FINANCIAL STATEMENTS
COMPANY REGISTRATION NUMBER: 09068458

FOR THE YEAR ENDED 31 OCTOBER 2022

Registered number: 09068458

WHISKYINVESTDIRECT LIMITED

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FOR THE YEAR ENDED 31 OCTOBER 2022

WHISKYINVESTDIRECT LIMITED

COMPANY INFORMATION

Directors	R C Patrick A R Procter (resigned 22 March 2022) P G Tustain I M Lochhead A M Kime (appointed 17 May 2022)
Company secretary	J Prytula
Registered number	09068458
Registered office	7th Floor 3 Shortlands London W6 8DA
Independent auditors	Armstrong Watson Audit Limited Statutory Auditors 1st Floor 24 Blythswood Square Glasgow G2 4BG

WHISKYINVESTDIRECT LIMITED

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DIRECTORS' REPORT
FOR THE YEAR ENDED 31 OCTOBER 2022

The directors present their report and the financial statements for the year ended 31 October 2022.

The directors are responsible for preparing 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 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 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.

The directors are responsible for the maintenance and integrity of the corporate and financial information included on the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements and other information included in Directors' reports may differ from legislation in other jurisdictions.

Principal activity

The principal activity of the company is that of enabling its customers to buy and sell barrel whisky for maturation, via the internet, and arranging the custody of the alcohol in professional bonded storage in Scotland. The company delivers its services through the WhiskyInvestDirect.com website.

DIRECTORS' REPORT (CONTINUED)
FOR THE YEAR ENDED 31 OCTOBER 2022

Business review

WhiskyInvestDirect made solid progress in the 2021/2022 financial year. The business continued to grow despite very tight liquid supply. Operating profits grew by 162% , thanks mainly to much higher trading commissions (+175%) and increased storage fees (+33%). Global sales of Scotch remained buoyant, ahead of long term growth forecasts. This resulted in prices of maturing spirit firming further and in a significant increase in buy-backs by the industry from our platform. In addition, the number of clients paying custody fees was up 19% on prior year, deposits increased 115% to £28.5m and total withdrawals increased by 211% to £12.2m.

Demand for spirit on the platform, from existing and new clients was high. We have witnessed prices above the long term average and an increased level of media coverage of investing in whisky. Both of these have increased clients' appetite for stock. At year end our clients owned 12m LPA of spirit, representing 99% of total stock. Due to market pressure, we were not able to accelerate our new spirit purchases to meet this higher demand. Similar to the previous year we added 1.7m LPA of new spirit. The market remains tight.

Topline turnover increased by 57% to £2.93m , generating an operating profit of £1.22m, up 162% on last year. Profit before tax rose 188% to £1.21m. As the business matures, so does the value of Scotch held by customers. This in turn is driving higher commissions which are being generated more consistently.

The most significant change in 2022 was the increased demand from the industry to buy maturing liquid via Bulk Trade Bids (BTBs). There were 132 successful BTBs in the year versus 7 the previous year. A total volume of 2.6m LPA was bought back by the industry. In itself, this is very encouraging as we broaden our influence and reputation within the trade. However the downside is the reduction in the total volume of maturing spirit held on the platform.

We added a member of staff to the team in IT (with another joining Operations at the start of November 2022). With the business now less reliant on outsourced resources overall Administration Expenses decreased by 5%. In May Rupert Patrick stepped into the Chairman role, I moved from Commerical Director to CEO, with Paul Tustain remaining on the Board, continuing to represent the Ordinary Shareholders. This was the formal culmination of a transition which had taken place over the previous 12 months, and as such had no impact on the day-to-day running of the business.

OUTLOOK

The Scotch Whisky industry has recovered faster than expected from COVID19 and the war in the Ukraine had not dampened global demand; however, this could change in the near future with pressures on the cost of living and inflation remaining high.

Distillers are highlighting some important headwinds, warning they expect costs to double in the next 12 months. We are also wary of the potential increase in alcohol duties in the UK which could have a detrimental effect not just on the spirits industry but also on the wider hospitality industry.

Providing an efficient and valuable trading platform for all trade participants continues to be a top priority for WhiskyInvestDirect. We are also focused on broadening our supplier base. However, with market conditions unlikely to ease this year and some further suppliers cutting off new-fill supply I estimate 2023 will see a further reduction in new-fill volume by up to 15%.

The increase in BTB's in 2022 confirmed WhiskyInvestDirect has become a trusted partner for the industry to buy wholesale volumes of maturing liquid. I believe demand from the industry will continue to be high in 2023 and the first 3 months of the new financial year confirm that.

Storage fees are a key source of revenue for the business and during the last six months we have seen strong cost increases from our warehouse providers. In order to maintain margins we will be obliged to pass on these costs by way of increased client storage fees.

We are considering alternative forms of revenue in the form of WhiskyInvestDirect bottlings, both as small batch single malts in partnership with distilleries on the platform, and as blends produced exclusively from whiskies on the platform. The first single malt bottling is due to launch in early 2023.

The WhiskyInvestDirect business remains focused on the wholesale sector of the scotch whisky industry and our goal is to be the only recognised Scotch trading platform for distillers, blenders and brand owners.

Directors

The directors who served during the year were:

R C Patrick
A R Procter (resigned 22 March 2022)
P G Tustain
I M Lochhead
A M Kime (appointed 17 May 2022)

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 the director is aware, there is no relevant audit information of which the Company's auditors are 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 auditors are aware of that information.

Auditors

The auditors, Armstrong Watson Audit Limited, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

Small companies note

In preparing this report, the directors have taken advantage of the small companies exemptions provided by section 415A of the Companies Act 2006.

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

....
A M Kime
Director

Date: 9/2/23

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WHISKYINVESTDIRECT LIMITED

Opinion

We have audited the financial statements of Whiskyinvestdirect Limited (the 'Company') for the year ended 31 October 2022, which comprise the Statement of income and retained earnings, the Statement of financial position and the related notes, 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 Financial Reporting Standard 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 October 2022 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 Auditors' 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 United Kingdom, including the Financial Reporting Council'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 Auditors' 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.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WHISKYINVESTDIRECT LIMITED (CONTINUED)

Opinion 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 Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' report has been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the 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; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Directors' report and from the requirement to prepare a Strategic report.

Responsibilities of directors

As explained more fully in the Directors' responsibilities statement set out on page 1, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WHISKYINVESTDIRECT LIMITED (CONTINUED)

Auditors' 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 Auditors' 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.

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

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and knowledge of the Company to identify or recognise non-compliance with applicable laws and regulations.
- we identified the laws and regulations applicable to the company through discussions with directors and other management and review of appropriate industry knowledge. Key laws and regulations we identified during the audit were the UK Companies Act 2006 and tax legislation, UK employment legislation and UK health and safety legislation;
- we assessed the extent of compliance with the laws and regulations identified above by making enquiries of management and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the Company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations.

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures as a risk assessment tool to identify any unusual or unexpected relationships;
- tested journal entries recorded on the Company's finance system to identify unusual transactions that may indicate override of controls;
- reviewed key judgements and estimates for any evidence of management bias.
- reviewed the application of accounting policies with focus on those with heightened estimation uncertainty.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation and
- enquiring of management to identify actual and potential litigation and claims.

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF WHISKYINVESTDIRECT LIMITED (CONTINUED)

Due to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, as with any audit, there remains a higher risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. We are not responsible for preventing fraud or non-compliance with laws and regulations and cannot be expected to detect all fraud and non-compliance with laws and regulations.

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 Auditors' report.

Use of our 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 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.

Martin Johnston

Martin Johnston (Senior statutory auditor)
for and on behalf of
Armstrong Watson Audit Limited
Statutory Auditors
1st Floor 24 Blythswood Square
Glasgow
G2 4BG
Date: 15/2/23

WHISKYINVESTDIRECT LIMITED

STATEMENT OF INCOME AND RETAINED EARNINGS
FOR THE YEAR ENDED 31 OCTOBER 2022

	2022 £	2021 £
Turnover	5,354,516	8,660,119
Cost of sales	(3,508,380)	(7,539,756)
Gross profit	1,846,136	1,120,363
Administrative expenses	(621,407)	(653,140)
Operating profit	1,224,729	467,223
Interest receivable and similar income	35,342	-
Interest payable and similar expenses	(46,619)	(46,599)
Profit before tax	1,213,452	420,624
Tax on profit	(234,992)	(105,370)
Profit after tax	978,460	315,254
Retained earnings at the beginning of the year	840,115	524,861
	840,115	524,861
Profit for the year	978,460	315,254
Retained earnings at the end of the year	1,818,575	840,115

There were no recognised gains and losses for 2022 or 2021 other than those included in the statement of income and retained earnings.

The notes on pages 10 to 17 form part of these financial statements.

WHISKYINVESTDIRECT LIMITED
REGISTERED NUMBER: 09068458

STATEMENT OF FINANCIAL POSITION
AS AT 31 OCTOBER 2022

	Note		2022 £		2021 £
Fixed assets					
Tangible assets	4		281,238		306,880
			281,238		306,880
Current assets					
Stocks	5	404,349		674,893	
Debtors: amounts falling due within one year	6	803,077		701,275	
Cash at bank and in hand	7	5,375,681		4,016,814	
		6,583,107		5,392,982	
Creditors: amounts falling due within one year	8	(1,338,155)		(1,145,722)	
Net current assets			5,244,952		4,247,260
Total assets less current liabilities			5,526,190		4,554,140
Creditors: amounts falling due after more than one year	9		(1,553,972)		(1,553,972)
Provisions for liabilities					
Deferred tax	12	(70,310)		(76,720)	
			(70,310)		(76,720)
Net assets			3,901,908		2,923,448
Capital and reserves					
Called up share capital			80,000		80,000
Share premium account			2,003,333		2,003,333
Profit and loss account			1,818,575		840,115
			3,901,908		2,923,448

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

....

A M Kime
Director

Date: 9/3/23

The notes on pages 10 to 17 form part of these financial statements.

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

1. General information

WhiskyInvestDirect Limited is a private company, limited by shares, registered in England and Wales. The company's registration number is 09068458 and registered office address is 7th Floor, 3 Shortlands, London, W6 8DA.

These financial statements have been presented in pounds sterling, rounded to the nearest pound, as this is the currency of the primary economic environment in which it operates.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 Going concern

The directors have considered the on-going situation with regard to the current economic downturn as part of their going concern assessment. The view of the directors is that the Company is well placed to negotiate the unique set of conditions currently facing the UK economy and has sufficient cash in order to continue to meet its liabilities as they fall due.

The Company has a strong cash position at the year end and at the time of signing. The directors have prudently assessed the level of outgoings in the business against the available cash and concluded there is sufficient headroom to enable the company to meet its liabilities as they fall due for a period of at least 12 months from the financial statements being signed.

After consideration of all factors, the directors continue to adopt the going concern basis in preparing the financial statements.

2.3 Turnover recognition

Turnover represents the sale of whisky and the related services as part of a composite supply of services to customers. Turnover is recognised at the point of sale.

Where there is an element in the initial sale price that relates to the ownership of the casks by the Company, this element is spread over the period of time the Company expects to own those casks for the purposes of customers storing that whisky.

2. Accounting policies (continued)

2.4 Current and Deferred Taxation

The tax expense for the period comprises current and deferred tax. Tax is recognised in the profit and loss account, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

The current 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 taxable income.

Deferred tax is recognised on timing differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and on unused tax losses or tax credits in the Company. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date. The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit. Deferred tax liabilities are presented within provisions for liabilities on the balance sheet.

2.5 Foreign currency transactions and balances

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.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of income and retained earnings within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

2.6 Interest income

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

2. Accounting policies (continued)

2.7 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.

2.8 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:

Casks	- 15 years
Computer equipment	- 3 years

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.

2.9 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 first in, first out basis.

At each reporting date, stocks are assessed for impairment. If stock is impaired, the carrying amount is reduced to its selling price les costs to complete and sell. The impairment loss is recognised immediately in profit or loss.

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 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.

2.13 Reserves

Called up share capital represents the nominal value of shares that have been issued.

Share premium account includes any premiums received on the issue of share capital. Transaction costs associated with the issuing of shares are deducted from the share premium.

Profit and loss account includes all current and prior period profits and losses.

2.14 Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments.

Redeemable preference shares are treated as non-current loans and borrowings, which is in accordance with FRS 102.

2.15 Client accounts

The Company operates separately designated client accounts in each currency in which the company trades. Customers are only able to purchase whisky once the Company has received cleared money and this money is paid to and held in the separately designated financial accounts. As these amounts are held within designated client accounts and beneficial entitlement is retained by the customers, these cash balances are not included in the balance sheet of the Company.

2.16 Financial instruments

The Company enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares

Derivatives, including currency swaps, 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 fair value. Changes in 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 derivatives.

3. Employees

The average monthly number of employees, including directors, during the year was 6 *(2021 - 6)*.

4. Tangible fixed assets

	Plant and machinery £
Cost or valuation	
At 1 November 2021	418,911
Additions	55,244
Disposals	(75,051)
At 31 October 2022	399,104
Depreciation	
At 1 November 2021	112,031
Charge for the year on owned assets	28,537
Disposals	(22,702)
At 31 October 2022	117,866
Net book value	
At 31 October 2022	281,238
At 31 October 2021	*306,880*

5. Stocks

	2022 £	*2021 £*
Spirits	404,349	*674,893*
	404,349	*674,893*

6. Debtors

	2022 £	2021 £
Other debtors	**767,828**	*681,081*
Prepayments and accrued income	**35,249**	*20,194*
	803,077	*701,275*

Other debtors balance contains a balance of £75,000 that falls due after 12 months of the balance sheet date.

7. Cash and cash equivalents

	2022 £	2021 £
Cash at bank and in hand	**5,375,681**	*4,016,815*
	5,375,681	*4,016,815*

8. Creditors: Amounts falling due within one year

	2022 £	2021 £
Trade creditors	**40,563**	*17,710*
Corporation tax	**143,074**	*54,106*
Other taxation and social security	**10,199**	*15,275*
Other creditors	**1,144,319**	*1,058,631*
	1,338,155	*1,145,722*

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

	2022 £	2021 £
Other creditors	**1,553,972**	*1,553,972*
	1,553,972	*1,553,972*

10. Reedemable Preference Shares

The redeemable preference shares are redeemable at the option of the holder between 1 May 2025 and 31 May 2025. They are redeemable at £1 per share together with any unpaid cumulative preference dividend at the time of redemption and carry no voting rights.

The holder has the right to purchase one ordinary share of £0.01 each per preference share redeemed between 1 May 2025 and 31 May 2025 for consideration of £1 each.

If the shares are not redeemed by the holder during either of the periods then the Company can enforce redemption after 31 May 2025.

11. Related party transactions

Summary of transactions with directors and key management

During the year the directors made personal purchases of whisky from the Company totalling £5,257 (2021 - £50,755) and sales of whisky to the Company totalling £619,050 (2021 - £64,031) which have been settled as normal clients paying in personal funds.

During the year other related parties made purchases of whisky from the Company of £4,861 (2021 - £36,944) which have been settled as normal clients paying in personal funds and sales of whisky to the Company totalling £11,343 (2021 - £3,665).

Dividends were paid to the directors and key management who held preference shares at the year end. The amount of dividends paid to directors and key management was £5,070 (2021 - £5,085).

Dividends were paid to other related parties who held preference shares at the year end. The amount of dividends paid to other related parties was £1,545 (2021 - £1,545).

Summary of transactions with companies under common directorship

During the year the company had recharge agreements in place with Galmarley Limited. These recharges have been reflected in the accounts against the corresponding expenditure. In relation to recharges the Company paid £131,865 (2021 - £151,450).

The Company paid £3,733 (2021 - £3,733) to Galmarley Limited in order to settle a debt with Galmarley's subsidiary, Bullionvault Limited.

At the balance sheet date the amount due to Galmarley Limited was £11,164 (2021 - £17,710).

During the year the Company had recharge agreements in place with James Eadie Limited. These recharges have been reflected in the accounts against the corresponding expenditure. In relation to recharges the Company paid £140 (2021 - £Nil).

The amount outstanding at the balance sheet date owed to the Company by James Eadie Limited was £87,260 (2021 - £87,260).

12. Deferred taxation

	2022
	£
At beginning of year	(76,720)
Charged to profit or loss	6,410
At end of year	**(70,310)**

The provision for deferred taxation is made up as follows:

	2022	2021
	£	£
Accelerated capital allowances	(70,310)	*(76,720)*
	(70,310)	*(76,720)*

13. Controlling party

The company has no ultimate controlling party at the balance sheet date.