

Company Registration No. 5857605

CIDER OF SWEDEN LIMITED

**ANNUAL REPORT AND FINANCIAL
STATEMENTS**

For the year ended 31 December 2019

COMPANIES HOUSE
BELFAST
22 SEP 2020
RECEPTION DESK

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CIDER OF SWEDEN LIMITED ANNUAL REPORT AND FINANCIAL STATEMENTS

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**CIDER OF SWEDEN LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
OFFICERS AND PROFESSIONAL ADVISERS**

DIRECTORS

Peter Bronsman
Barry Connolly
Carl-Eric Berg

SECRETARY

Ciaran Cleland

REGISTERED OFFICE

Albion Court
5 Albion Place
Leeds
LS1 6JL

BANKERS

Ulster Bank Ltd
11-16 Donegal Square East
Belfast
BT1 5UB

INDEPENDENT AUDITOR

Deloitte (NI) Limited
Belfast
United Kingdom

LEGAL ADVISERS

Tughans
Marlborough House
30 Victoria Street
Belfast
BT1 3GG

CIDER OF SWEDEN LIMITED
STRATEGIC REPORT
For the year ended 31 December 2019

REVIEW OF THE BUSINESS

The principal activity of the company is the wholesaling and marketing of alcoholic and non-alcoholic beverages.

The directors continue to monitor the affairs of the company and note the profitability of the company to date. Projections for the forthcoming year indicate growth of the business.

SECTION 172 (1) STATEMENT

The director's intention is to behave responsibly towards all our stakeholders and treat them fairly and justly so that they too may benefit from the business' success.

PRINCIPAL RISKS AND UNCERTAINTIES

The directors consider the principal risks and uncertainties facing the company to be as follows:

- The company faces strong competition in the marketplace and if it fails to compete successfully, market share and profitability may decline;
- The company may be adversely affected by changes in foreign exchange rates;
- The company may be impacted by any change in UK excise duty rates; and
- The company may be affected by changes resulting from Britain leaving the European Union including potential import tariffs.

KEY PERFORMANCE INDICATORS

Turnover and profit on ordinary activities before taxation are considered to be key performance indicators for the business. The results of the company for the year are set out in detail in the profit and loss account on page 8. Turnover has decreased by 4% on the previous year. Profit on ordinary activities before taxation for the year is £2,604,999 (2018: £4,395,584) as we continued to invest in the long-term development of the Kopparberg brand.

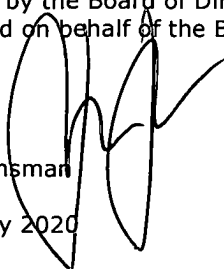
The retained profits as at 31 December 2019 are £10,513,054 (2018: £12,396,007).

FUTURE DEVELOPMENTS

The Directors continue to explore and develop opportunities to further develop the Kopparberg brand in the United Kingdom.

Approved by the Board of Directors
and signed on behalf of the Board

Peter Bronsman
Director
4 February 2020



CIDER OF SWEDEN LIMITED
DIRECTORS' REPORT
For the year ended 31 December 2019

The directors present their annual report on the affairs of the company, together with the financial statements and auditor's report for the year ended 31 December 2019.

DIRECTORS

The directors who served during the year and to the date of this report are listed on page 1.

RESULTS AND DIVIDENDS

The results of the company for the year are set out in detail in the profit and loss account on page 8. Turnover has decreased by 4% on the previous year. Profit on ordinary activities before taxation for the year is £2,604,999 (2018: £4,395,584).

The retained profits as at 31 December 2019 are £10,513,054 (2018: £12,396,007).

During the year directors approved and paid a dividend of £4,000,000 (2018: £4,000,000).

FINANCIAL RISK MANAGEMENT

The company's financial risk management objectives and policies are governed by the directors. Policies include defined controls on the use of financial instruments in managing risk. The principal financial risks faced by the company relate to credit risk and working capital requirements.

The company's principal financial assets are trade debtors. The company's credit risk is primarily attributable to its trade debtors. The company has no significant concentration of credit risk, with exposure spread over a number of customers. In line with company policy, appropriate insurance is put in place to cover asset risk including trade debtor transactions.

In order to maintain liquidity to ensure that sufficient funds are available for ongoing operations the company uses short term debt finance.

The company does not trade in financial instruments.

PRINCIPAL RISKS AND UNCERTAINTIES

The Strategic Report on page 2 contains details of the principal risks and uncertainties facing the business.

GOING CONCERN

The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Thus they continue to adopt the going concern basis in preparing the financial statements.

**CIDER OF SWEDEN LIMITED
DIRECTORS' REPORT (continued)
For the year ended 31 December 2019**

AUDITOR

Each person who is a director at the date of approval of this report confirms that:

- so far as the director is aware, there is no relevant audit information of which the company's auditor is unaware; and
- the director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Deloitte (NI) Limited have expressed their willingness to continue in office as auditor and appropriate arrangements have been put in place for them to be deemed reappointed as auditor in the absence of an Annual General Meeting.

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

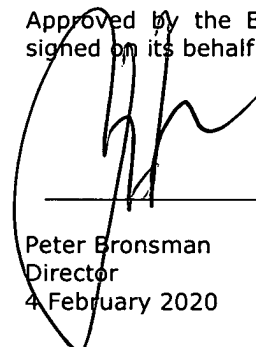
Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 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 and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- 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 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.

Albion Court
5 Albion Place
Leeds
LS1 6JL

Approved by the Board and
signed on its behalf by



Peter Bronsman
Director
4 February 2020

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CIDER OF SWEDEN LIMITED

Report on the audit of the financial statements

Opinion

In our opinion the financial statements of Cider of Sweden Limited (the 'company'):

- give a true and fair view of the state of the company's affairs as at 31 December 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the profit and loss account;
- the balance sheet;
- the statement of changes in equity; and
- the related notes 1 to 14.

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).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the 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

We are required by ISAs (UK) to report in respect of the following matters where:

- the directors' use of the going concern basis of accounting in preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

We have nothing to report in respect of these matters.

Other information

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

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CIDER OF SWEDEN LIMITED (continued)

In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. 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 respect of these matters.

Responsibilities of directors

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, 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.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (UK), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the director.
- Conclude on the appropriateness of the director's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the entity (or where relevant, the group) to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CIDER OF SWEDEN LIMITED (continued)

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that the auditor identifies during the audit.

Report on other legal and regulatory requirements

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

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 any material misstatements in the strategic report or the directors' report.

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters 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.

We have nothing to report in respect of these matters.

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 auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Dawn Johnston

Dawn Johnston FCA (Senior statutory auditor)
For and on behalf of Deloitte (NI) Limited
Chartered Accountants and Statutory Auditor
Belfast, Northern Ireland
4 February 2020

CIDER OF SWEDEN LIMITED

PROFIT AND LOSS ACCOUNT

For the year ended 31 December 2019

		31 December 2019 £	31 December 2018 £
	Note		
TURNOVER	1	140,996,736	146,857,216
Cost of sales		(125,705,914)	(128,873,214)
Gross profit		<u>15,290,822</u>	<u>17,984,002</u>
Other operating expenses		(12,585,868)	(13,519,561)
OPERATING PROFIT		<u>2,704,954</u>	<u>4,464,441</u>
Finance costs	2	(99,955)	(68,857)
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION	3	<u>2,604,999</u>	<u>4,395,584</u>
Tax on profit on ordinary activities	4	(487,952)	(851,666)
PROFIT FOR THE FINANCIAL YEAR		<u><u>2,117,047</u></u>	<u><u>3,543,918</u></u>

All activities in the current and prior year derive from continuing operations.

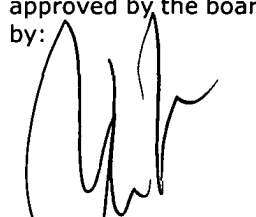
There were no recognised gains or losses for the current period other than as stated above. Accordingly, no statement of comprehensive income is required.

CIDER OF SWEDEN LIMITED


BALANCE SHEET At 31 December 2019

	Note	2019 £	2018 £
FIXED ASSETS			
Tangible assets	6	<u>1,143,580</u>	<u>76,330</u>
CURRENT ASSETS			
Stocks	7	19,781,456	14,291,516
Debtors	8	33,481,242	31,934,521
Cash at bank		262,580	1,575,106
		<u>53,525,278</u>	<u>47,801,143</u>
CREDITORS - amounts falling due within one year	9	<u>(43,983,513)</u>	<u>(35,468,234)</u>
NET CURRENT ASSETS		<u>9,541,765</u>	<u>12,332,909</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		10,685,345	12,409,239
PROVISIONS FOR LIABILITIES	10	<u>(171,891)</u>	<u>(12,832)</u>
NET ASSETS		<u>10,513,454</u>	<u>12,396,407</u>
CAPITAL AND RESERVES			
Called up share capital	11	353	353
Capital redemption reserve	11	47	47
Profit and loss account	11	10,513,054	12,396,007
SHAREHOLDERS' FUNDS		<u>10,513,454</u>	<u>12,396,407</u>

The financial statements of Cider of Sweden Limited, registered number 5857605, have been approved by the board and authorised for issue on 4 February 2020. They were signed on its behalf by:



Director
Peter Bronsman



Director
Carl-Eric Berg

CIDER OF SWEDEN LIMITED**STATEMENT OF CHANGES IN EQUITY
At 31 December 2019**

	Called-up share capital £	Capital Redemption reserve £	Profit & Loss Account £	Total £
At 31 December 2017	353	47	12,852,089	12,852,489
Profit for the financial year 2018	-	-	3,543,918	3,543,918
Dividend	-	-	(4,000,000)	(4,000,000)
As at 31 December 2018	353	47	12,396,007	12,396,407
Profit for the financial year 2019	-	-	2,117,047	2,117,047
Dividend	-	-	(4,000,000)	(4,000,000)
As at 31 December 2019	353	47	10,513,054	10,513,454

CIDER OF SWEDEN LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2019

1. ACCOUNTING POLICIES

The principal accounting policies adopted by the directors, all of which have been applied consistently throughout the current and preceding year, are described below:

General Information and Basis of Accounting

Cider of Sweden Limited is a private company limited by shares, incorporated in the United Kingdom under the Companies Act 2006 and registered in England and Wales. The address of the company's registered office is given on page 1. The nature of the company's operations and its principal activities are set out in the strategic report on page 2.

The financial statements have been prepared under the historical cost convention and in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council. The functional currency of Cider of Sweden Limited is considered to be pounds sterling because that is the currency of the primary economic environment in which the company operates.

Cider of Sweden Limited meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its separate financial statements. Cider of Sweden Limited is consolidated in the financial statements of its parent, Kopparbergs Bryggeri AB, which may be obtained at their registered office, 71482 Kopparberg, Sweden. Exemptions have been taken in these separate company financial statements in relation to financial instruments, presentation of a cash flow statement and remuneration of key management personnel.

Turnover

Turnover is the amount derived from the provision of goods and services falling within the company's ordinary activities after the deduction of trade discounts and value added tax. Turnover from the sale of goods is recognised when the goods are physically delivered to the customers. Turnover is attributable to the company's principal activities carried out in the United Kingdom.

Taxation

Current tax is provided at amounts expected to be paid (or recovered) using the UK tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that, on the basis of all available evidence, 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 difference can be deducted.

Deferred tax is measured at the average tax rates that are expected to apply in the periods in which the timing differences are expected to reverse based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is measured on a non-discounted basis.

CIDER OF SWEDEN LIMITED

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 December 2019

1. ACCOUNTING POLICIES (CONTINUED)

Finance costs

Finance costs of financial liabilities are recognised in the profit and loss account.

Tangible fixed assets

Tangible fixed assets are stated at cost, net of depreciation and any provision for impairment. Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost or valuation, less estimated residual value, of each asset on a straight-line basis over its expected useful life, as follows:

Computers	50% or 20% per annum
Other tangible assets	4% per annum

Residual value represents the estimated amount which would currently be obtained from the disposal of an asset, after deducting estimated costs of disposal, if the asset were already of the age and in condition expected at the end of its useful life.

Financial instruments

Financial assets and financial liabilities are recognised when the company becomes a party to the contractual provisions of the instrument.

Financial liabilities are classified according to the substance of the related contractual arrangements.

Financial assets and liabilities

All financial assets and liabilities are initially measured at transaction price (including transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the balance sheet when, and only when there exists a legally enforceable right to set off the recognised amounts and the company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Debt instruments that are classified as payable or receivable within one year on initial recognition are measured at the undiscounted amount of the cash or other consideration expected to be paid or received, net of impairment.

Commitments to make and receive loans which meet the conditions mentioned above are measured at cost (which may be nil) less impairment.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the company transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the company, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expires.

CIDER OF SWEDEN LIMITED

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 December 2019

1. ACCOUNTING POLICIES (CONTINUED)

Stocks

Stocks are stated at the lower of cost and net realisable value. Provision is made for obsolete, slow moving or defective stock where appropriate.

Impairment of assets

Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss as described below.

Non-financial assets

An asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

Where indicators exist for a decrease in impairment loss previously recognised for assets, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

Financial assets

For financial assets carried at amortised cost, the amount of an impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

Foreign currency

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction or, if hedged, at the forward contract rate. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date or, if appropriate, at the forward contract rate. Exchange differences are included in the profit and loss account.

Leases

Rentals under operating leases are charged on a straight line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight line basis over the lease term, except where the period to the review date on which the rent is first expected to be adjusted to the prevailing market rate is shorter than the full lease term, in which case the shorter period is used.

CIDER OF SWEDEN LIMITED

NOTES TO THE FINANCIAL STATEMENTS

For the year ended 31 December 2019

1. ACCOUNTING POLICIES (CONTINUED)

Pensions

The company operated a defined contribution pension scheme for employees. Contributions are recognised in the profit and loss account when they fall due. Difference between contributions payable in the year and contributions actually paid are shown as either accruals or prepayments in the balance sheet.

Critical accounting judgements and key sources of estimation uncertainty

In the application of the company's accounting policies, which are described in the preceding paragraph of this note, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The Directors do not consider that any critical judgements have been made in the application of the company's accounting policies and no key sources of estimation uncertainty have been identified that have a significant risk of causing a material misstatement to the carrying amount of assets and liabilities within the next financial year.

2. FINANCE COSTS

	2019 £	2018 £
Bank interest payable	99,955	68,857

3. PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION

	2019 £	2018 £
Profit is arrived at after charging:		
Fees payable to the company's auditor for the audit of the company's annual accounts	23,575	23,000
Fees payable to the company's auditor for tax compliance services	2,350	2,300
Depreciation of tangible fixed assets	80,399	62,292
Loss on disposal of fixed assets	-	741
Operating lease rentals	146,080	158,428
Foreign exchange loss	5,379	2,256

CIDER OF SWEDEN LIMITED

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 December 2019

4. TAX ON PROFIT ON ORDINARY ACTIVITIES

	2019 £	2018 £
Current tax on profit on ordinary activities		
UK corporation tax	327,692	855,427
Adjustment in respect of previous periods	1,200	-
Total current tax	<u>328,892</u>	<u>855,427</u>
Deferred tax:		
Origination and reversal of timing differences	177,772	(4,203)
Effect of changes in tax rates	(18,712)	442
Total deferred tax	<u>159,060</u>	<u>(3,761)</u>
Total tax on profit on ordinary activities	<u><u>487,952</u></u>	<u><u>851,666</u></u>

The charge for the year can be reconciled to the profit per the income statement as follows:

	2019 £	2018 £
Profit on ordinary activities before tax	<u>2,604,999</u>	<u>4,395,584</u>
Tax on profit at standard UK tax rate of 19% (2018: 19%)	494,950	835,161
Effects of:		
Expenses not deductible	10,514	16,063
Adjustment from previous periods	1,200	-
Tax rate changes	(18,712)	442
Tax charge for period and reported in the income statement	<u><u>487,952</u></u>	<u><u>851,666</u></u>

Future tax impacts

The Finance Bill 2016 provided that the main rate of corporation tax fell from 20% to 19% on 1 April 2017 and will fall from 19% to 17% on 1 April 2020. As a result, the above rate changes will decrease any future UK corporation tax liabilities of the company.

5. STAFF NUMBERS AND COSTS

	2019 £	2018 £
Wages and salaries	2,330,696	2,265,529
Social security costs	321,636	312,643
Other pension costs	147,935	143,875
	<u><u>2,800,267</u></u>	<u><u>2,722,047</u></u>

Directors are remunerated by other related companies.

CIDER OF SWEDEN LIMITED

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 December 2019

5. STAFF NUMBERS AND COSTS (continued)

The average weekly number of persons employed by the company (including directors) during the year was:

	2019 No	2018 No
Finance & Administration	9	7
Sales & Marketing	34	33
	43	40
	43	40

6. TANGIBLE ASSETS

	Computers £	Other Tangible Assets £	Total £
Cost			
At 1 January 2019	283,007	-	283,007
Additions during the year	7,649	1,140,000	1,147,649
Disposals during the year	-	-	-
At 31 December 2019	290,656	1,140,000	1,430,656
	290,656	1,140,000	1,430,656
Depreciation			
At 1 January 2019	206,677	-	206,677
Charge for year	61,399	19,000	80,399
Disposals during the year	-	-	-
At 31 December 2019	268,076	19,000	287,076
	268,076	19,000	287,076
Net book value			
As at 31 December 2019	22,580	1,121,000	1,143,580
As at 31 December 2018	76,330	-	76,330
	76,330	-	76,330

7. STOCKS

	2019 £	2018 £
Goods for resale	19,781,456	14,291,516
	19,781,456	14,291,516
	19,781,456	14,291,516

8. DEBTORS

	2019 £	2018 £
Trade debtors	32,719,820	31,006,974
Prepayments & other debtors	761,422	927,547
	33,481,242	31,934,521
	33,481,242	31,934,521

CIDER OF SWEDEN LIMITED

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 December 2019

9. CREDITORS - AMOUNTS FALLING DUE WITHIN ONE YEAR

	2019 £	2018 £
Trade creditors	1,977,213	1,185,535
Amount due to related party (see note 13)	17,670,382	17,420,897
Corporation tax	18,900	382,475
Social Security	138,310	110,383
VAT	1,136,065	835,882
Other creditors	9,071,173	-
Accruals	13,971,470	15,533,062
	<u>43,983,513</u>	<u>35,468,234</u>

Included in creditors is an amount of £16,240 in respect of outstanding pension contributions at 31st December 2019 (2018: £884).

10. PROVISIONS FOR LIABILITIES

	2019 £	2018 £
Deferred tax:		
Provision at start of period	12,832	16,593
Deferred tax charge in period	159,059	(3,761)
	<u>171,891</u>	<u>12,832</u>

Deferred tax is comprised of accelerated capital allowances.

11. CAPITAL & RESERVES

	2019 £	2018 £
Called up, allotted and fully paid: 353 ordinary shares of £1 each	<u>353</u>	<u>353</u>

The company's reserves are made up of the profit and loss reserve which represents cumulative profits or losses, net of dividends paid and a capital redemption reserve which represents the cumulative effect of the redemption of ordinary share capital.

12. FINANCIAL COMMITMENTS

Total future minimum lease payments under non-cancellable operating leases are as follows:

	2019 £	2018 £
Expiry Date		
Within 1 year	119,081	102,445
Between 2 – 5 years	136,706	131,772
	<u>255,787</u>	<u>234,217</u>

CIDER OF SWEDEN LIMITED

NOTES TO THE FINANCIAL STATEMENTS For the year ended 31 December 2019

13. RELATED PARTY TRANSACTIONS

Kopparbergs Bryggeri AB owns 58% of the ordinary share capital of Cider of Sweden Ltd. During the year, purchases from Kopparbergs Bryggeri AB amounted to £99,179,825 (2018: £89,370,284). Sales to Kopparbergs Bryggeri AB from Cider of Sweden Ltd were £582 (2018: £174,883). At the year-end £17,670,382 (2018: £17,420,897) was due to Kopparbergs Bryggeri AB and is disclosed within creditors.

Richmond Marketing (NI) Ltd and Cider of Sweden Ltd have a director in common. During the year, purchases from an associated company, Richmond Marketing (NI) Ltd, amounted to £1,437,572 (2018: £1,555,707). Sales to Richmond Marketing (NI) Ltd from Cider of Sweden Ltd were £1,516,569 (2018: £1,513,768). Management fees paid to Richmond Marketing (NI) Ltd during the year totalled £250,560 (2018: £262,860).

14. ULTIMATE HOLDING COMPANY

By virtue of a 58% share of the company's share capital Kopparbergs Bryggeri AB is the ultimate holding company. The financial statements of Kopparbergs Bryggeri AB are available at their registered office 71482 Kopparberg Sweden. The largest and smallest group of undertakings for which group financial statements are drawn up and of which the company is a member of is Kopparbergs Bryggeri AB, which may be obtained at their registered office, 71482 Kopparberg, Sweden.