

# YOUR OWN WHISKY CASK



## The Distillery

Stonehouse started as a brewery in 2007 and is still family run, with 3 generations working in the business. We're still on the same site behind our house in beautiful Shropshire. We founded another distillery with some friends in 2016 but have now gone our own way and have taken what we learned to produce our own spirits.

## The Whisky

Our cask offer is an opportunity to lay down your own stock of Stonehouse Single Malt, to witness its development from new make spirit to maturity and ultimately have access to a personal supply of whisky. Our smaller size lets us offer a flexible service, so we will fill any cask that is available to us at the time. These can range from 30L ex Bourbon Blood Tubs, 200L ex Bourbon Barrels, 250L ex Sherry Hogsheads, right up to 600L Port Pipes. We will also work with you throughout maturation.

Every year you can visit your cask and take a small sample. While it's your decision, we can provide advice on progress. You can even choose to move your whisky to another cask for finishing. **Please note the value of whisky can go down as well as up as the market price for bulk whisky is subject to fluctuation. We are not committing to buying it back from you at the end of term, but may consider this at the time based on our own needs.**

## The Process

1. Contact Shane and select the size and type of cask you wish to order from available stock. This will depend on what we have here on site or what is available from Speyside Cooperage at the time. The cost of cask will vary but below is an example of cask costs as at May 2024.
2. We will issue an invoice and you can make payment over the phone or by bank transfer.
3. We will aim to produce the wash and begin production process within 30 days, but this may take longer if you request a cask that requires the cooper to make from scratch – such as 30 and 50L casks.
4. A receipted invoice and display certificate detailing the cask number, capacity (expressed in litres of pure alcohol, LPA), strength, and cask type will be sent to you.

Cask Example Type	Approx Capacity	Cost of Spirit	Cost of Cask	Total Initial Outlay
First Fill* Ex-Bourbon Barrel	200 Litres	£3500	£315	£3815
First Fill* Ex-Bourbon Blood Tub	30 Litres	£525	£450	£975
Ex-Sherry Octave	55 Litres	£985	£382	£1367
Ex-Sherry Hogshead	250 Litres	£4375	£854	£5229

(Prices for spirit are current but cask prices are examples only. Costs shown are per cask UNDER BOND, and only include cost of spirit, cask, up to 10 years storage and insurance.)

\*First Fill means this is the first time these casks have been used to mature our whisky and so the previous contents will have a much greater influence on flavour and colour.

## Cask Types

Availability and distillation dates for specific cask types may vary. Volumes quoted are approximate, as cask shapes and sizes vary slightly.

As at 23 July 2024 available casks include: 30L ex Bourbons, 50L ex bourbons, 50L ex Sherry, 50L ex red wine, 200L ex Islay, 200L ex Rum, 200L Chinkapin, 225L ex Madeira, 225L ex Ruby Port, 250L ex Sherry. There is currently a global shortage of 200L ex bourbons, so these are not available at this time.

## Storage and Insurance

A 10 year storage and insurance charge is included in the purchase prices; storage charges will be made thereafter on an annual basis which will be charged at the current rate at the time. The Company will insure your cask under its group policy. If you wish to remove your cask after 3 years but before 10 years, you may do so after paying handling costs, and any duty & vat liable.

Casks are stored with other Stonehouse stock at one of our warehouses here in Oswestry, though we reserve the right to move your cask to another secure HMRC bonded location if we deem it necessary. We will notify you of this move and the proposed new location. You must notify us of any changes of address or contact details. Storage and insurance must be paid when due and failure to do so may result in administration charges.

## Paperwork

Please direct all correspondence regarding the purchase of casks to Stone House Brewery Limited, Weston, Oswestry, Shropshire, SY10 9ES.

If you have any questions, please contact [shane@stonehousebrewery.co.uk](mailto:shane@stonehousebrewery.co.uk) – 01691 676457.

If you wish to order a cask, please complete the last page on this form and return via post or email.

## Cask Visits

You are welcome to visit your cask once per year. We request notice of 15 working days for any cask visit and if a sample is required at the time of visit. Stonehouse is a working brewery and distillery so visits will need to work around our production. We have our own bar & restaurant and can offer 10% off food & drinks for you and up to 3 guests during your annual visit. If Shane is available at the time of your visit, he will discuss your whisky's progress with you and offer his advice in person. If Shane isn't available, he'll email you this advice.

## Upon Maturation

### Bottling

We recommend bottling after a minimum of 5 years but this is up to you. The spirit cannot be called whisky until it has been aged in cask for at least 3 years. Your initial fee includes 10 years of storage and insurance. We will not provide a part refund if you choose to remove or bottle your cask earlier. We currently have our own bottling facility on site and will quote you for label design, label production and bottling at the time. You should also get quotes from other designers and bottlers.

You can choose to keep the wooden cask, or we will offer to buy the empty cask back from you at the going rate for second fill casks. If you wish to keep the cask, we will charge a handling fee of £80 to extract it. If you choose to move your whisky to another cask for finishing, you will have to pay the cost of the new cask plus an £80 handling fee.

If you are considering bottling your whisky, we would recommend the following procedure:

1. Use your annual sample to decide when to bottle and at what strength.
2. Decide if you wish to have your whisky bottled and who is to do it.
3. Inform us with 30 days' notice if wish to have your cask removed or bottled by a 3<sup>rd</sup> party.  
(We need 30 days' notice as your cask may be underneath a stack of other casks and it would be up to you or your bottler to arrange transport once all our costs have been paid.)

## Samples

There is a limit of 1 x 100ml sample per year per cask. We can post this sample to you but additional courier and packaging costs will apply. We cannot post overseas at this time. Please be aware that some overseas jurisdictions have strict rules on whisky ingredients. The more you remove for samples, the less you'll have in the end.

## Strength

We recommend bottling between 43 – 46% abv but whisky can be bottled to a minimum of 40%. The whisky can also be bottled at cask strength (between approximately 55% and 60%, depending of the age of the whisky) – the cask will yield fewer bottles if the whisky is bottled stronger and aged longer.

## Cask Contents

The cask contents soak into the wood and evaporate over time. This reduction in overall volume and abv is known as the 'Angels' Share'. The evaporation rate of each cask will vary and losses may be higher or lower than outlined above. 2-2.5% is the average over 10 years. Losses are usually higher in the early years and can be up to 5% in the first year. For example, our recent casks disgorged at 5 years had an average annual volume loss of 3.5% per year, and the abv had dropped from 64.5% to 58.1%. There may be spillage when the contents of the cask are bottled but this should not exceed 1% of the total volume. We cannot measure the rate of this evaporation during maturation.

## Number of Bottles

This depends on a number of factors such as maturation rate, age of the whisky, etc. On our recent bottling of a 5yo cask that started as a US barrel (195 litres), bottled at 43% alc. Vol, we yielded 302 x 70cl bottles. We offer no guarantees on number of bottles and your yield may be less than this.

## Partial Bottling and Further Warehousing

We cannot offer partial bottling at this time, but may consider it in the future. We can store your cask beyond 10 years for a basic ground rent. The current price is £100 per year, but this will be different 10 years from now and can be discussed at the time.

## Labelling

As we have registered the rights to our company name and logo, it is not possible to use any of these names for the bottling of private casks. "Private Cask Single Malt, produced at the Stonehouse Distillery" is acceptable. We ask cask owners to discuss the labelling with the bottler regarding label and legal requirements.

## Transfer of Ownership

You must inform us of any change of name or address and, if you wish to transfer ownership of your cask, you must seek our prior written agreement to the same and the new owner must agree to abide by these terms and conditions of sale.

## Taxes and Distribution

### Duty and VAT

Duty is the charge made by HM Revenue and Customs based on the percentage of pure alcohol. The current rate in the UK is £31.64 per litre of pure alcohol (valid at January 2024). This is £10.19 per 70cl bottle at 46% alc. vol.

UK VAT is currently 20%. This is charged on the purchase price of the whisky together with the Duty rate prevailing at the time of removal from bond and the storage and insurance charges paid over the years. Duty, VAT and any other costs due must be paid before goods are removed from our bonded warehouse.

Taxes and duties are subject to change by the UK government and we cannot say what those charges will be at the time of removal from our warehouse. Various rates of Duty apply throughout the EU and the rest of the world.

### Export and/or Under Bond Transfer

We cannot arrange this for you and you should speak to a specialist export agent if you wish to export your whisky duty suspended. We would charge a fee for any admin costs related to us making any under bond transfer. It is the responsibility of the cask purchaser to be aware of all regulations prevailing in their country of residence regarding the importation of alcohol and any issues regarding labelling.

### Capital Gains

You should make your own enquiries with an accountant but our understanding is that Whisky purchased in cask for personal use, or as gifts, is exempt from Capital Gains Tax on realisation of the asset for UK tax payers, as whisky is regarded as a “tangible”, “moveable”, and “wasting asset”.

### Price Calculation (Estimated)

Please see below a model calculation at current rates (prices are subject to change), which gives you an idea of the total costs for an ex-bourbon 200L cask, bottled in five years' time at 46% alc. vol., in 270 x 70cl bottles:

First Fill Ex-Bourbon 200L, contents and up to 10yrs storage & insurance	£3815
Bottling Charge (approx 270 x 70cl)	£870
Label Design & production	£660
Duty on estimated yield of 86.94 LPA at £31.64 per litre	£2751
Refund on cask	-£85
Sub-total	£8011
VAT on above at 20%	£1602.20
Total	£9613.20

Approximate price per bottle = £35.60

An £80 charge will be applicable if you wish to take the full cask unbottled.

Here is the estimated final costs for a 30L ex bourbon Blood Tub:

First Fill Ex-Bourbon 30L, contents and up to 10yrs storage & insurance	£975
Bottling Charge (approx 35 x 70cl)	£113
Label Design & production – (we cannot offer this on low vols).	-
Duty on estimated yield of 11.27 LPA at £31.64 per litre	£356.58
Refund on cask - (not applicable. It's yours to keep)	-
Sub-total	£1444.58
VAT on above at 20%	£288.92
Total	£1733.50

Approximate price per bottle £49.52

No charge will be applicable if you wish to take the full cask unbottled on casks sizes 50L and under.

## Stonehouse Distillery – Cask Purchase Interest Form 2024

Name:

Address:

Post Code:

Email:

Tel:

Mobile Tel:

Let us know what casks you are interested in and any other relevant details. These are usually 50-55L Firkins, 200L Barrels, or 250L Hogsheads. These could be ex Sherry, Sauternes, Marsala, Madeira, Tequila, Rum, Port or red wine (subject to availability). If you give us some ideas, we can see what is available:

Please complete form or simply email back with the answers:

Stone House Brewery Limited, Weston, Oswestry, Shropshire, SY10 9ES. Tel: 0044 (0) 1691 676457.

Email [shane@stonehousebrewery.co.uk](mailto:shane@stonehousebrewery.co.uk).