

REGISTERED NUMBER: SC416421 (Scotland)

Financial Statements for the Year Ended 28 February 2018

for

Brewhemia Limited

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for the Year Ended 28 February 2018

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Brewhemia Limited
Company Information
for the Year Ended 28 February 2018

DIRECTORS: S W Smith
P Smith

SECRETARY: K M Liddle

REGISTERED OFFICE: 2nd Floor Offices
52-54 King Street
Stirling
FK8 1AY

REGISTERED NUMBER: SC416421 (Scotland)

SENIOR STATUTORY AUDITOR: Derek J Smith

AUDITORS: Rennie Smith & Co
Registered Auditors
Chartered Accountants
64 Murray Place
Stirling
FK8 2BX

Brewhemia Limited (Registered number: SC416421)

Balance Sheet
28 February 2018

	Notes	2018 £	£	2017 £	£
FIXED ASSETS					
Tangible assets	4		1,511,404		535,367
CURRENT ASSETS					
Stocks		75,492		-	
Debtors	5	84,925		47,896	
Cash at bank and in hand		261,100		359,445	
		421,517		407,341	
CREDITORS					
Amounts falling due within one year	6	1,686,200		245,001	
NET CURRENT (LIABILITIES)/ASSETS			(1,264,683)		162,340
TOTAL ASSETS LESS CURRENT LIABILITIES			246,721		697,707
CREDITORS					
Amounts falling due after more than one year	7		908,233		799,900
NET LIABILITIES			(661,512)		(102,193)
CAPITAL AND RESERVES					
Called up share capital	11		200		200
Retained earnings	12		(661,712)		(102,393)
SHAREHOLDERS' FUNDS			(661,512)		(102,193)

The financial statements have been prepared and delivered in accordance with the provisions of Part 15 of the Companies Act 2006 relating to small companies.

In accordance with Section 444 of the Companies Act 2006, the Income Statement has not been delivered.

The financial statements were approved by the Board of Directors on 8 January 2019 and were signed on its behalf by:

P Smith - Director

The notes form part of these financial statements

Notes to the Financial Statements
for the Year Ended 28 February 2018

1. STATUTORY INFORMATION

Brewhemia Limited is a private company, limited by shares, registered in Scotland. The company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with the provisions of Section 1A "Small Entities" of Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

Going concern

The balance sheet at 28 February 2018 shows net liabilities of £661,512. However, there is no fixed date for redemption of the preference shares and it is not the intention of the directors to redeem those shares until the company has sufficient liquidity. In addition, the loan notes which are included in long term liabilities are repayable in October 2021 and, whilst, other loans from shareholders and associates, as mentioned at notes 11 and 14, have been classified as short term it is not the intention of those parties to seek repayment with the next 12 period. Accordingly, the directors have prepared the financial statements on a going concern basis.

Critical accounting judgements and key sources of estimation uncertainty

In preparing the financial statements the directors have made the following judgements

Taxation

Management establish provisions based on reasonable estimates, for possible consequences of taxation. The amount of the provision is based on various factors. Management's estimation is required to determine the amount of deferred tax that can be recognized based on likely timing and level of future taxable profits.

Tangible fixed assets

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing assets lives, factors such as technology innovation and maintenance programmes are taken into account. Residual value assessments consider issues such as future market conditions, the remaining life of the asset and projected disposal values.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Leasehold under refurbishment	- 20% on cost
Fixtures and fittings	- 20% on cost

Stocks

Stocks are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slow moving items.

Notes to the Financial Statements - continued
for the Year Ended 28 February 2018

2. ACCOUNTING POLICIES - continued

Financial instruments

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangement entered into. An equity instrument is any contract that evidences a residual interest in the assets of the entity after deducting all of its financial liabilities.

Where the contractual obligations of the financial instruments (including share capital) are equivalent to a similar debt instrument, those financial instruments are classified as financial liabilities. Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

Where the contractual terms of share capital do not have any terms meeting the definition of a financial liability then this is classed as an equity instrument. Dividends and distributions relating to equity instruments are debited direct to equity.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the period of the lease.

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 and are readily convertible to known amounts of cash with insignificant risk of change in value.

3. EMPLOYEES AND DIRECTORS

The average number of employees during the year was 132 (2017 - NIL) .

Notes to the Financial Statements - continued
for the Year Ended 28 February 2018

4. TANGIBLE FIXED ASSETS

	Leasehold under refurbishment £	Fixtures and fittings £	Totals £
COST			
At 1 March 2017	526,410	8,957	535,367
Additions	889,251	299,215	1,188,466
Disposals	(11,316)	-	(11,316)
At 28 February 2018	<u>1,404,345</u>	<u>308,172</u>	<u>1,712,517</u>
DEPRECIATION			
Charge for year	<u>165,160</u>	<u>35,953</u>	<u>201,113</u>
At 28 February 2018	<u>165,160</u>	<u>35,953</u>	<u>201,113</u>
NET BOOK VALUE			
At 28 February 2018	<u>1,239,185</u>	<u>272,219</u>	<u>1,511,404</u>
At 28 February 2017	<u>526,410</u>	<u>8,957</u>	<u>535,367</u>

5. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018 £	2017 £
Other debtors	<u>84,925</u>	<u>47,896</u>

6. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2018 £	2017 £
Bank loans and overdrafts	50,000	-
Trade creditors	280,346	93,386
Amounts owed to associates	165,353	107,928
Taxation and social security	180,404	-
Other creditors	<u>1,010,097</u>	<u>43,687</u>
	<u>1,686,200</u>	<u>245,001</u>

7. CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	2018 £	2017 £
Bank loans	108,333	-
Other creditors	<u>799,900</u>	<u>799,900</u>
	<u>908,233</u>	<u>799,900</u>

Notes to the Financial Statements - continued
for the Year Ended 28 February 2018

8. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2018	2017
	£	£
Within one year	70,000	70,000
Between one and five years	280,000	280,000
In more than five years	280,000	350,000
	<u>630,000</u>	<u>700,000</u>

9. SECURED DEBTS

The following secured debts are included within creditors:

	2018	2017
	£	£
Bank loans	<u>158,333</u>	<u>-</u>

The bank hold a floating charge over all the property or undertakings of the company.

10. FINANCIAL INSTRUMENTS

The issued preference shares in the company is 299,000 shares of £1 each. Those shares carry no voting rights but the holders of the shares are entitled to a fixed cumulative dividend at the rate of 3.5% per annum on the nominal value of the preference shares. The unpaid cumulative dividend at the balance sheet date was £14,091.

In addition, the shareholders hold loan notes in the total amount of £500,000. Those notes, which are not transferable, are unsecured and bear an interest rate of 10%. The loan notes are repayable on 26 October 2021. The unpaid cumulated interest on those notes at the balance sheet date was £67,124.

Further loans, in the total amount of £200,000 were also advanced by associates. Those loans which are repayable within 12 months of the balance sheet date are unsecured but interest at the rate of 8% and 10% has been accrued on the outstanding balance. The unpaid accumulated interest at the balance sheet date was £10,027.

11. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2018	2017
			£	£
200	Ordinary	£1	<u>200</u>	<u>200</u>

12. RESERVES

	Retained earnings
	£
At 1 March 2017	(102,393)
Deficit for the year	<u>(559,319)</u>
At 28 February 2018	<u><u>(661,712)</u></u>

Notes to the Financial Statements - continued
for the Year Ended 28 February 2018

13. DISCLOSURE UNDER SECTION 444(5B) OF THE COMPANIES ACT 2006

The Report of the Auditors was unqualified.

Derek J Smith (Senior Statutory Auditor)
for and on behalf of Rennie Smith & Co

14. DIRECTORS' ADVANCES, CREDITS AND GUARANTEES

The directors advanced loans to the company during the year under review in the total amount of £384,412. Those loans which have no fixed term of repayment are unsecured but interest at the rate of 15% has been accrued on the outstanding balance. The unpaid accumulated interest at the balance sheet date was £46,052.

15. RELATED PARTY DISCLOSURES

Lochrise Limited

During the period under review, Lochrise Limited incurred expenses of £38,413 (2017 -£23,333) on behalf of Brewhemia Limited. Brewhemia Limited also incurred expenses costs relating to Lochrise Limited in the amount of £180 (2017 - £0).

In addition, Lochrise advanced funds of £107,563 to the company. This loan is unsecured but interest at the rate of 8% has been accrued on the outstanding balance..The unpaid accumulated interest at the balance sheet date was £5,987.

The balance due to Lochrise Limited at the balance sheet date was in the amount of £145,796. (2017- £23,333).

City Falkirk Limited

During the period under review, City Falkirk Limited incurred expenses of £2,095 on behalf of Brewhemia Limited.

The balance due to City Falkirk Limited at the balance sheet date was in the amount of £2,095.

Fubar Stirling Limited

During the period under review, Fubar Stirling Limited incurred expenses of £1,348 on behalf of Brewhemia Limited.

The balance due to Fubar Stirling Limited at the balance sheet date was in the amount of £1,348.

City Edinburgh Limited

City Edinburgh Limited entered into voluntary liquidation on the 9th March 2018. The balance due to that company at the balance sheet date was £16,114 (2017 - £84,595).

16. ULTIMATE CONTROLLING PARTY

The company is under the control of the shareholders..

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.