

The Teasmith Spirit Company Ltd

Annual Report and Unaudited Financial Statements
for the Period from 7 July 2016 to 31 July 2017

Mint Accounting Ltd
56 King Street
Aberdeen
AB24 5AX

The Teasmith Spirit Company Ltd

Contents

Company Information	<u>1</u>
Accountants' Report	<u>2</u>
Balance Sheet	<u>3 to 4</u>
Notes to the Financial Statements	<u>5 to 9</u>

The Teasmith Spirit Company Ltd

Company Information

Director Mr Nick Smalley

Registered office 4 New Craig Court
Udny
Ellon
Aberdeenshire
AB41 6QD

Accountants Mint Accounting Ltd
56 King Street
Aberdeen
AB24 5AX

**Accountants' Report to the Director on the Preparation of the Unaudited Statutory
Accounts of
The Teasmith Spirit Company Ltd
for the Period Ended 31 July 2017**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the accounts of The Teasmith Spirit Company Ltd for the period ended 31 July 2017 as set out on pages 3 to 9 from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Chartered Institute of Management Accountants (CIMA), we are subject to its ethical and other professional requirements which are detailed at <http://www.cimaglobal.com/members/>.

This report is made solely to the Board of Directors of The Teasmith Spirit Company Ltd, as a body, in accordance with the terms of our engagement letter. Our work has been undertaken solely to prepare for your approval the accounts of The Teasmith Spirit Company Ltd and state those matters that we have agreed to state to the Board of Directors of The Teasmith Spirit Company Ltd, as a body, in this report in accordance with CIMA. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than The Teasmith Spirit Company Ltd and its Board of Directors as a body for our work or for this report.

It is your duty to ensure that The Teasmith Spirit Company Ltd has kept adequate accounting records and to prepare statutory accounts that give a true and fair view of the assets, liabilities, financial position and loss of The Teasmith Spirit Company Ltd. You consider that The Teasmith Spirit Company Ltd is exempt from the statutory audit requirement for the period.

We have not been instructed to carry out an audit or a review of the accounts of The Teasmith Spirit Company Ltd. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory accounts.

.....
Mint Accounting Ltd
56 King Street
Aberdeen
AB24 5AX

6 April 2018

The Teasmith Spirit Company Ltd

(Registration number: SC539739)

Balance Sheet as at 31 July 2017

	Note	2017 £
Fixed assets		
Intangible assets	<u>3</u>	773
Current assets		
Stocks	<u>4</u>	8,583
Debtors	<u>5</u>	10,971
Cash at bank and in hand		<u>5,247</u>
		24,801
Creditors: Amounts falling due within one year	<u>6</u>	<u>(31,454)</u>
Net current liabilities		<u>(6,653)</u>
Total assets less current liabilities		(5,880)
Creditors: Amounts falling due after more than one year	<u>6</u>	<u>(7,083)</u>
Net liabilities		<u><u>(12,963)</u></u>
Capital and reserves		
Called up share capital		100
Profit and loss account		<u>(13,063)</u>
Total equity		<u><u>(12,963)</u></u>

For the financial period ending 31 July 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Director's responsibilities:

- The members have not required the company to obtain an audit of its accounts for the period in question in accordance with section 476; and
- The director acknowledges his responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of accounts.

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Profit and Loss Account has been taken.

The notes on pages 5 to 9 form an integral part of these financial statements.

The Teasmith Spirit Company Ltd

(Registration number: SC539739)

Balance Sheet as at 31 July 2017

Approved and authorised by the director on 6 April 2018

.....

Mr Nick Smalley

Director

The notes on pages 5 to 9 form an integral part of these financial statements.
Page 4

The Teasmith Spirit Company Ltd

Notes to the Financial Statements for the Period from 7 July 2016 to 31 July 2017

1 General information

The company is a private company limited by share capital incorporated in Scotland.

The address of its registered office is:

4 New Craig Court

Udny

Ellon

Aberdeenshire

AB41 6QD

These financial statements were authorised for issue by the director on 6 April 2018.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006.

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

Going concern

As at the balance sheet date, the company's liabilities exceeded its assets by £12,963. The company meets its day to day working capital requirements from sales income and a director's loan. The financial statements have been prepared on a going concern basis, which assumes that the company will continue in operational existence for the foreseeable future. If the company was unable to continue in operational existence for the foreseeable future, adjustments would have to be made to amend the balance sheet values to their recoverable amounts and to provide for further liabilities that may arise. The director believes that the financial statements should be prepared on a going concern basis.

Intangible assets

Separately acquired trademarks and licences are shown at historical cost.

Trademarks, licences (including software) and customer-related intangible assets acquired in a business combination are recognised at fair value at the acquisition date.

Trademarks, licences and customer-related intangible assets have a finite useful life and are carried at cost less accumulated amortisation and any accumulated impairment losses.

The Teasmith Spirit Company Ltd

Notes to the Financial Statements for the Period from 7 July 2016 to 31 July 2017

Amortisation

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

Asset class	Amortisation method and rate
Trademark	20% on cost

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Stocks

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, stocks are assessed for impairment. If stocks are impaired, the carrying amount is reduced to its selling price less costs to complete and sell; the impairment loss is recognised immediately in profit or loss.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

The Teasmith Spirit Company Ltd

Notes to the Financial Statements for the Period from 7 July 2016 to 31 July 2017

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Profit and Loss Account over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

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. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

3 Intangible assets

	Trademarks, patents and licenses £	Total £
Cost or valuation		
Additions acquired separately	933	933
At 31 July 2017	933	933
Amortisation		
Amortisation charge	160	160
At 31 July 2017	160	160
Carrying amount		
At 31 July 2017	773	773

The aggregate amount of research and development expenditure recognised as an expense during the period is £Nil.

4 Stocks

	2017 £
Other inventories	8,583

The Teasmith Spirit Company Ltd

Notes to the Financial Statements for the Period from 7 July 2016 to 31 July 2017

5 Debtors

	2017 £
Trade debtors	8,471
Other debtors	2,500
Total current trade and other debtors	<u>10,971</u>

6 Creditors

	Note	2017 £
Due within one year		
Bank loans and overdrafts	<u>7</u>	25,516
Trade creditors		3,726
Taxation and social security		1,062
Other creditors		1,150
		<u>31,454</u>
Due after one year		
Loans and borrowings	<u>7</u>	<u>7,083</u>

7 Loans and borrowings

	2017 £
Non-current loans and borrowings	
Bank borrowings	<u>7,083</u>

The Teasmith Spirit Company Ltd

Notes to the Financial Statements for the Period from 7 July 2016 to 31 July 2017

	2017 £
Current loans and borrowings	
Bank borrowings	5,000
Other borrowings	20,516
	25,516

8 Related party transactions

Transactions with directors

	Repayments by director £	At 31 July 2017 £
2017		
Mr Nick Smalley		
During the period the director provided the company with an interest free loan, which is unsecured, repayable on demand and shown under Other Creditors.	(20,516)	(20,516)