Company Registration No. SC603621 (Scotland)

# GLASWEGIN DISTILLING CO. LIMITED

## ANNUAL REPORT AND UNAUDITED FINANCIAL STATEMENTS

## FOR THE YEAR ENDED 31 JULY 2020

# GLASWEGIN DISTILLING CO. LIMITED

## COMPANY INFORMATION

| | |
|---|---|
| **Director** | Mr A McGeoch |
| **Company number** | SC603621 |
| **Registered office** | Caledonia House<br>5 Inchinnan Drive<br>Inchinnan<br>Renfrew<br>Renfrewshire<br>United Kingdom<br>PA4 9AF |
| **Accountants** | Azets<br>5 Whitefriars Crescent<br>Perth<br>United Kingdom<br>PH2 0PA |

# GLASWEGIN DISTILLING CO. LIMITED

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# GLASWEGIN DISTILLING CO. LIMITED

## DIRECTOR'S REPORT

### *FOR THE YEAR ENDED 31 JULY 2020*

The director presents his annual report and financial statements for the year ended 31 July 2020.

**Principal activities**
The principal activity of the company during the year continued to be that of distilling and selling gin.

**Director**
The director who held office during the year and up to the date of signature of the financial statements was as follows:

Mr A McGeoch

**Small companies exemption**
This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

On behalf of the board

Mr A McGeoch
**Director**

19 April 2021

# GLASWEGIN DISTILLING CO. LIMITED

## ACCOUNTANTS' REPORT TO THE DIRECTOR ON THE PREPARATION OF THE UNAUDITED STATUTORY FINANCIAL STATEMENTS OF GLASWEGIN DISTILLING CO. LIMITED FOR THE YEAR ENDED 31 JULY 2020

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Glaswegin Distilling Co. Limited for the year ended 31 July 2020 which comprise the profit and loss account, the balance sheet and the related notes from the company's accounting records and from information and explanations you have given us.

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

It is your duty to ensure that Glaswegin Distilling Co. Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit of Glaswegin Distilling Co. Limited. You consider that Glaswegin Distilling Co. Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of Glaswegin Distilling Co. Limited. 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 financial statements.

**Azets**

19 April 2021

5 Whitefriars Crescent
Perth
United Kingdom
PH2 0PA

# GLASWEGIN DISTILLING CO. LIMITED

## PROFIT AND LOSS ACCOUNT

*FOR THE YEAR ENDED 31 JULY 2020*

| | Year ended 31 July 2020 £ | Period ended 31 July 2019 £ |
|---|---|---|
| **Turnover** | 495,725 | 129,631 |
| Cost of sales | (366,101) | (97,347) |
| **Gross profit** | 129,624 | 32,284 |
| Administrative expenses | (110,323) | (42,256) |
| **Profit/(loss) before taxation** | 19,301 | (9,972) |
| Tax on profit/(loss) | (2,060) | - |
| **Profit/(loss) for the financial year** | 17,241 | (9,972) |

# GLASWEGIN DISTILLING CO. LIMITED

## BALANCE SHEET

***AS AT 31 JULY 2020***

| | Notes | 2020 £ | 2020 £ | 2019 £ | 2019 £ |
|---|---|---|---|---|---|
| **Fixed assets** | | | | | |
| Intangible assets | **3** | | 11,830 | | 3,650 |
| Tangible assets | **4** | | 1,374 | | 1,116 |
| | | | 13,204 | | 4,766 |
| **Current assets** | | | | | |
| Stocks | | 99,584 | | 37,330 | |
| Debtors | **5** | 54,816 | | 56,664 | |
| Cash at bank and in hand | | 91,606 | | 16,696 | |
| | | 246,006 | | 110,690 | |
| **Creditors: amounts falling due within one year** | **6** | (251,928) | | (125,427) | |
| **Net current liabilities** | | | (5,922) | | (14,737) |
| **Total assets less current liabilities** | | | 7,282 | | (9,971) |
| **Capital and reserves** | | | | | |
| Called up share capital | **7** | | 1 | | 1 |
| Profit and loss reserves | | | 7,281 | | (9,972) |
| **Total equity** | | | 7,282 | | (9,971) |

For the financial year ended 31 July 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The director acknowledges his responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The member has not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime.

The financial statements were approved and signed by the director and authorised for issue on 19 April 2021

Mr A McGeoch
**Director**

**Company Registration No. SC603621**

## 1 Accounting policies

**Company information**

Glaswegin Distilling Co. Limited is a private company limited by shares incorporated in Scotland. The registered office is Caledonia House, 5 Inchinnan Drive, Inchinnan, Renfrew, Renfrewshire, United Kingdom, PA4 9AF.

### 1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary a mounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

### 1.2 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

### 1.3 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

| | |
|---|---|
| Domain names | 33.33% on cost |
| Recipe costs and trademarks | 10% on cost |

### 1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

| | |
|---|---|
| Plant and equipment | 25% on cost |
| Computers | 25% on cost |

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

**1 Accounting policies** **(Continued)**

**1.5 Impairment of fixed assets**

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

**1.6 Stocks**

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

Stocks held for distribution at no or nominal consideration are measured at the lower of cost and replacement cost, adjusted where applicable for any loss of service potential.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

**1.7 Cash and cash equivalents**

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

**1.8 Financial instruments**

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

***Basic financial assets***

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

***Derecognition of financial assets***

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the company transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

**1 Accounting policies** **(Continued)**

***Classification of financial liabilities***

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

***Basic financial liabilities***

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

***Derecognition of financial liabilities***

Financial liabilities are derecognised when the company's contractual obligations expire or are discharged or cancelled.

**1.9 Equity instruments**

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

**1.10 Taxation**

The tax expense represents the sum of the tax currently payable and deferred tax.

***Current tax***

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

***Deferred tax***

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

**1 Accounting policies** **(Continued)**

**1.11 Employee benefits**

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

**1.12 Retirement benefits**

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

**1.13 Foreign exchange**

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

**2 Employees**

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

| | 2020<br>Number | 2019<br>Number |
|---|---|---|
| Total | 1 | 1 |

**3 Intangible fixed assets**

| | Intangibles<br>£ |
|---|---|
| **Cost** | |
| At 1 August 2019 | 4,250 |
| Additions | 8,927 |
| At 31 July 2020 | 13,177 |
| **Amortisation and impairment** | |
| At 1 August 2019 | 600 |
| Amortisation charged for the year | 747 |
| At 31 July 2020 | 1,347 |
| **Carrying amount** | |
| At 31 July 2020 | 11,830 |
| At 31 July 2019 | 3,650 |

## 4 Tangible fixed assets

| | Plant and machinery etc |
|---|---|
| | £ |
| **Cost** | |
| At 1 August 2019 | 1,204 |
| Additions | 660 |
| At 31 July 2020 | 1,864 |
| **Depreciation and impairment** | |
| At 1 August 2019 | 88 |
| Depreciation charged in the year | 402 |
| At 31 July 2020 | 490 |
| **Carrying amount** | |
| At 31 July 2020 | 1,374 |
| At 31 July 2019 | 1,116 |

## 5 Debtors

| **Amounts falling due within one year:** | **2020** **£** | **2019** **£** |
|---|---|---|
| Trade debtors | 43,425 | 36,918 |
| Other debtors | 11,391 | 19,746 |
| | 54,816 | 56,664 |

## 6 Creditors: amounts falling due within one year

| | **2020** **£** | **2019** **£** |
|---|---|---|
| Trade creditors | 5,055 | 30,940 |
| Corporation tax | 2,060 | - |
| Other taxation and social security | 21,568 | 11,013 |
| Other creditors | 223,245 | 83,474 |
| | 251,928 | 125,427 |

7 **Called up share capital**

| | 2020 | 2019 | 2020 | 2019 |
|---|---|---|---|---|
| **Ordinary share capital** | **Number** | **Number** | **£** | **£** |
| **Issued and fully paid** | | | | |
| Ordinary share of £1 each | 1 | 1 | 1 | 1 |

8 **Related party transactions**

At the balance sheet date, the company owed the director £217,800 (2019:£79,374). This loan is interest free and repayable on demand.

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.