

Company registration number: 09827004

Higsons 1780 Limited

Unaudited filleted financial statements

31 December 2021

Higsons 1780 Limited

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Statement of financial position

31 December 2021

	Note	2021 £	£	2020 £	£
Fixed assets					
Investments	5	200		200	
		<u> </u>		<u> </u>	
			200		200
Current assets					
Debtors	6	34,551		5,963,939	
Cash at bank and in hand		2,410		17,207	
		<u> </u>		<u> </u>	
		36,961		5,981,146	
Creditors: amounts falling due within one year	7	(335,559)		(365,167)	
		<u> </u>		<u> </u>	
Net current (liabilities)/assets			(298,598)		5,615,979
			<u> </u>		<u> </u>
Total assets less current liabilities			(298,398)		5,616,179
			<u> </u>		<u> </u>
Net (liabilities)/assets			(298,398)		5,616,179
			<u> </u>		<u> </u>
Capital and reserves					
Called up share capital	8	5,816		5,753	
Share premium account		5,750,671		5,666,734	
Profit and loss account		(6,054,885)		(56,308)	
		<u> </u>		<u> </u>	
Shareholders (deficit)/funds			(298,398)		5,616,179
			<u> </u>		<u> </u>

For the year ending 31 December 2021 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors responsibilities:

- The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with Section 1A of FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the statement of comprehensive income has not been delivered.

These financial statements were approved by the board of directors and authorised for issue on 22 December 2022 , and are signed on behalf of the board by:

Mr Stephen Crawley

Director

Company registration number: 09827004

Higsons 1780 Limited

Statement of changes in equity

Year ended 31 December 2021

	Called up share capital £	Share premium account £	Profit and loss account £	Total £
At 1 January 2020	5,610	5,466,859	(42,076)	5,430,393
Loss for the year			(14,232)	(14,232)
Total comprehensive income for the year	-	-	(14,232)	(14,232)
Issue of shares	143	199,875		200,018
Total investments by and distributions to owners	143	199,875	-	200,018
At 31 December 2020 and 1 January 2021	5,753	5,666,734	(56,308)	5,616,179
Loss for the year			(5,998,577)	(5,998,577)
Total comprehensive income for the year	-	-	(5,998,577)	(5,998,577)
Issue of shares	63	83,937		84,000
Total investments by and distributions to owners	63	83,937	-	84,000
At 31 December 2021	5,816	5,750,671	(6,054,885)	(298,398)

Higsons 1780 Limited

Notes to the financial statements

Year ended 31 December 2021

1. General information

The company is a private company limited by shares, registered in England & Wales. The address of the registered office is 62-64 Bridgewater Street, Liverpool, Merseyside, L1 0AY.

2. Statement of compliance

These financial statements have been prepared in compliance with the provisions of FRS 102, Section 1A, 'The Financial Reporting Standard applicable in the UK and Republic of Ireland.'

3. Accounting policies

Basis of preparation

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

The financial statements are prepared in sterling, which is the functional currency of the entity.

Disclosure exemptions

The company has taken advantage of the exemption under section 399 of the Companies Act 2006 not to prepare consolidated accounts, on the basis that the group of which this is the parent entity qualifies as a small group. The financial statements present information about the company as an individual entity and not about its group.

Taxation

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in the statement of comprehensive income, except to the extent that it relates to items recognised in other comprehensive income or directly in capital and reserves. In this case, tax is recognised in other comprehensive income or directly in capital and reserves, respectively. Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other 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. Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date that are expected to apply to the reversal of the timing difference.

Fixed asset investments

Fixed asset investments are initially recorded at cost, and subsequently stated at cost less any accumulated impairment losses. Listed investments are measured at fair value with changes in fair value being recognised in profit or loss.

Impairment

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date. When it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

Financial instruments

A financial asset or a financial liability is recognised only when the company becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

4. Employee numbers

The average number of persons employed by the company during the year amounted to 3 (2020: 3).

5. Investments

	Shares in group undertakings	Total
	£	£
Cost		
At 1 January 2021 and 31 December 2021	200	200
	<hr/>	<hr/>
Impairment		
At 1 January 2021 and 31 December 2021	-	-
	<hr/>	<hr/>
Carrying amount		
At 31 December 2021	200	200
	<hr/>	<hr/>
At 31 December 2020	200	200
	<hr/>	<hr/>

Investments in group undertakings

	Registered office	Class of share	Percentage of shares held
Subsidiary undertakings			
The Ginsmiths of Liverpool Limited	62-64 Bridgewater Street Liverpool United Kingdom L1 0AY	Ordinary	100
LLB Realisations Limited	62-64 Bridgewater Street Liverpool United Kingdom L1 0AY	Ordinary	100

6. Debtors

	2021	2020
	£	£
Amounts owed by group undertakings	-	5,957,711
VAT repayable	2,349	6,228
Other debtors	30,002	-
Prepayments and accrued income	2,200	-
	34,551	5,963,939

The debtors above include the following amounts falling due after more than one year:

	2021	2020
	£	£
Amounts owed by group undertakings	-	5,957,711

7. Creditors: amounts falling due within one year

	2021	2020
	£	£
Other loans	217,202	207,198
Trade creditors	35,432	78,169
Director loan accounts	15,000	15,000
Other creditors	60,299	60,299
Accruals and deferred income	7,626	4,501
	<u>335,559</u>	<u>365,167</u>

8. Called up share capital

Issued, called up and fully paid

	2021		2020	
	No	£	No	£
Ordinary shares of £0.01 each	581,542	5,815	575,258	5,753
	<u>581,542</u>	<u>5,815</u>	<u>575,258</u>	<u>5,753</u>

9. Operating leases

The company as lessee

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

	£	£
Not later than 1 year	15,556	15,556
Later than 1 year and not later than 5 years	60,556	61,112
Later than 5 years	77,500	92,500
	<u>153,612</u>	<u>169,168</u>

10. Related party transactions

Mr Stephen Crawley is considered to be a related party by virtue of his shareholding and directorship in the company. As at the balance sheet date the company owed Mr Crawley £15,000 (2020: £15,000). The loan was unsecured and interest free with no specific repayment terms. The Ginsmiths of Liverpool Limited is considered to be a related party by virtue of being a subsidiary company. At the balance sheet date The Ginsmiths of Liverpool Limited owed the company £210,614 (2020: £205,888). The loan was unsecured and interest free with no specific repayment terms. However, the balance owed in the sum of £210,614 has been written off at the year end as an irrecoverable unsecured debt following the company entering into a creditors' voluntary liquidation post the balance sheet date on 14 October 2022. LLB Realisations Limited (previously Love Lane Brewing Limited) is considered to be a related party by virtue of being a subsidiary company. At the balance sheet date LLB Realisations Limited (previously Love Lane Brewing Limited) owed the company £5,784,203 (2020: £5,751,823). The loan was unsecured and interest free with no specific repayment terms. However, the balance owed in the sum of £5,784,203 has been written off at the year end as an irrecoverable unsecured debt following the company entering into administration post the balance sheet date on 20 June 2022. The administrators have reported that they do not envisage that there will be any distributions to unsecured creditors. Higsons 1780 Limited provided a guarantee for Love Lane Brewing Limited for a Hire Purchase agreement of which £8,770 (2020: £16,288) was outstanding at the balance sheet date.

11. Going Concern

As reflected within these financial statements, the company has reported a loss of £5,998,577 (2020: £14,232) and has a deficiency of assets of £298,398 (2020: the company had net assets of £5,616,179). Post the financial year end, a new trading subsidiary company was incorporated, Love Lane Brewery Limited (company number 14079191). The new subsidiary company have acquired a brewing licence under Sections 41A and 47 of the Alcoholic Liquor Duties Act 1979 on 18 October 2022. The directors are of the opinion that the new trading subsidiary company will generate profits in the future. In addition to this, the company has received additional shareholder funding post the year end amounting to £600,000. Further shareholder funding is also in the process of being raised via an allotment of shares, for which the consideration receivable is anticipated to be in the region of £750,000. Furthermore, cash utilisation to date has been in line with expectations and through a combination of Higsons 1780 Limited's existing cash resources and continued support from the director and other shareholders, Higsons 1780 Limited has sufficient resources to meet known and expected liabilities as they fall due for a period of at least 12 months from the date of signing these financial statements. In view of the above the financial statements have been prepared on a going concern basis.

12. Post Balance Sheet Events

As more fully detailed in note 10 above, between the balance sheet date and the date of this report the subsidiary company LLB Realisations Limited (previously Love Lane Brewing Limited) has entered into administration and the subsidiary company The Ginsmiths of Liverpool Limited has entered into creditors' voluntary liquidation. A new trading subsidiary company Love Lane Brewery Limited was incorporated on 29 April 2022, as more fully detailed in note 11 above. The initial tranche of shareholder funds raised were used to buy the assets owned by LLB Realisations Limited (previously Love Lane Brewing Limited) from the joint administrators of Kroll Advisory. The total purchase consideration of the tangible and intangible assets acquired was £226,000. The directors are of the opinion that these assets have a current materially higher market value. Post the balance sheet date the company received a total consideration in respect to the allotment of 126,667 £0.01 ordinary shares in the sum of £600,000.

13. Irrecoverable Group Debts

The subsidiary trading company LLB Realisations Limited (previously Love Lane Brewing Limited) has entered into administration on 20 June 2022. The balance owed in the sum of £5,784,203 has been written off at the year end as an irrecoverable unsecured debt. The administrators have reported that they do not envisage that there will be any distributions to unsecured creditors. Similarly, the subsidiary company The Ginsmiths of Liverpool Limited has entered into creditors' voluntary liquidation on 14 October 2022. The balance owed in the sum of £210,614 has been written off at the year end as an irrecoverable unsecured debt.

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.