

BELFAST DISTILLERY COMPANY LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 OCTOBER 2018
PAGES FOR FILING WITH REGISTRAR



BELFAST DISTILLERY COMPANY LIMITED

BALANCE SHEET

AS AT 31 OCTOBER 2018

	Notes	2018 £	£	2017 £	£
Fixed assets					
Intangible assets	3	32,099		114,587	
Tangible assets	4	1,556,101		1,520,717	
		<u>1,588,200</u>		<u>1,635,304</u>	
Current assets					
Stocks		2,023,430		-	
Debtors	5	7,218,558		547,069	
Cash at bank and in hand		224,681		10,538	
		<u>9,466,669</u>		<u>557,607</u>	
Creditors: amounts falling due within one year	6	<u>(2,197,914)</u>		<u>(4,105,527)</u>	
Net current assets/(liabilities)		<u>7,268,755</u>		<u>(3,547,920)</u>	
Total assets less current liabilities		<u>8,856,955</u>		<u>(1,912,616)</u>	
Capital and reserves					
Called up share capital	7	10,904,469		104,469	
Profit and loss reserves		<u>(2,047,514)</u>		<u>(2,017,085)</u>	
Total equity		<u>8,856,955</u>		<u>(1,912,616)</u>	

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

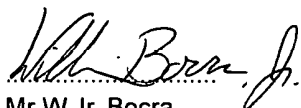
For the financial year ended 31 October 2018 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

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.

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

The financial statements were approved by the board of directors and authorised for issue on 26.11.19... and are signed on its behalf by:



Mr W Jr. Bocra
Director

Company Registration No. NI604784

BELFAST DISTILLERY COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 OCTOBER 2018

1 Accounting policies

Company information

Belfast Distillery Company Limited is a private company limited by shares incorporated in Northern Ireland. The registered office is Innovation Factory, Forthriver Business Park, 385 Springfield Road, Belfast, Co Antrim, BT12 7DJ.

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 amounts 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 Going concern

These financial statements have been prepared on a going concern basis, notwithstanding the fact that, at the balance sheet date, the company had made accumulated losses of £2,047,514.

In February 2018 the company entered into a Share Purchase Agreement with Belfast Investors LLC. Through this agreement, Belfast Investors LLC have an obligation of £10,800,000 to the company, of which the company has received £3,655,184 at the balance sheet date. The company meets its day to day working capital requirements through the support of Belfast Investors LLC. The directors believe that the company has adequate resources and support to continue for at least the next twelve months from signing these financial statements.

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.

Intangible assets acquired on business combinations are recognised separately from goodwill at the acquisition date where it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the fair value of the asset can be measured reliably.

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:

Licence	10 Years
Branding	10 Years
Trademarks	10 Years

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.

BELFAST DISTILLERY COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2018

1 Accounting policies (Continued)

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:

Alterations to leasehold property	2% per annum straight line
Plant and machinery	5% per annum straight line
Fixtures and fittings	10% per annum straight line

The company does not depreciate plant and machinery that are not yet in use, as the company believes the assets retain their value until they are in use.

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.

1.5 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.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

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 replacement cost and 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.

BELFAST DISTILLERY COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2018

1 Accounting policies (Continued)

1.7 Cash at bank and in hand

Cash at bank and in hand 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.

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.

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.

BELFAST DISTILLERY COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2018

1 Accounting policies (Continued)

1.10 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.

2 Employees

The average monthly number of persons (including directors) employed by the company during the year was 4 (2017 - 2).

3 Intangible fixed assets

	Licence £	Branding £	Trademarks £	Total £
Cost				
At 1 November 2017	101,964	50,025	2,510	154,499
Disposals	(101,964)	-	(2,510)	(104,474)
At 31 October 2018	-	50,025	-	50,025
Amortisation and impairment				
At 1 November 2017	26,341	12,923	648	39,912
Amortisation charged for the year	5,098	5,003	125	10,226
Disposals	(31,439)	-	(773)	(32,212)
At 31 October 2018	-	17,926	-	17,926
Carrying amount				
At 31 October 2018	-	32,099	-	32,099
At 31 October 2017	75,624	37,101	1,862	114,587

BELFAST DISTILLERY COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2018

4 Tangible fixed assets

	Alterations to leasehold property	Plant and machinery	Fixtures and fittings	Total
	£	£	£	£
Cost				
At 1 November 2017	1,220,727	352,636	14,525	1,587,888
Additions	-	57,500	-	57,500
At 31 October 2018	1,220,727	410,136	14,525	1,645,388
Depreciation and impairment				
At 1 November 2017	59,667	3,750	3,752	67,169
Depreciation charged in the year	24,415	(3,750)	1,453	22,118
At 31 October 2018	84,082	-	5,205	89,287
Carrying amount				
At 31 October 2018	1,136,645	410,136	9,320	1,556,101
At 31 October 2017	1,161,059	348,886	10,772	1,520,717

5 Debtors

	2018	2017
	£	£
Amounts falling due within one year:		
Other debtors	7,218,558	547,069

6 Creditors: amounts falling due within one year

	2018	2017
	£	£
Bank loans and overdrafts	-	103,872
Trade creditors	608,967	1,175,413
Taxation and social security	-	84,127
Other creditors	1,588,947	2,742,115
	2,197,914	4,105,527

BELFAST DISTILLERY COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 OCTOBER 2018

7 Called up share capital

	2018 £	2017 £
Ordinary share capital		
331,774,922 Ordinary shares paid of 1p each	3,759,653	104,469
758,672,000 Ordinary shares unpaid of 1p each	7,144,816	-
	<u>10,904,469</u>	<u>104,469</u>

During the year the company issued 1,080,000,000 Ordinary £0.01 shares at par value.

8 Related party transactions

Directors

At the year end the balance due from the company to the directors was £nil (2017 - £779,284).

No other transactions with related parties were undertaken such as are required to be disclosed under FRS 102 Section 1A.