

COMPANY REGISTRATION NUMBER: SC415555

Windswept Brewing Co. Ltd.
Filleled Unaudited Financial Statements
31 December 2020

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COMPANIES HOUSE

RITSONS
Chartered Accountants
103 High Street
ELGIN
Moray
IV30 1EB

Windswept Brewing Co. Ltd.

Chartered Accountants Report to the Board of Directors on the Preparation of the Unaudited Statutory Financial Statements of Windswept Brewing Co. Ltd.

Year ended 31 December 2020

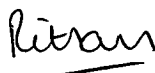
In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Windswept Brewing Co. Ltd. for the year ended 31 December 2020, which comprise the statement of financial position and the related notes from the company's accounting records and from information and explanations you have given us.

As a practising member firm of ICAS, we are subject to its ethical and other professional requirements which are detailed at www.icas.com/accountspreparationguidance.

This report is made solely to the Board of Directors of Windswept Brewing Co. Ltd., as a body, in accordance with the terms of our engagement letter dated 1 June 2018. Our work has been undertaken solely to prepare for your approval the financial statements of Windswept Brewing Co. Ltd. and state those matters that we have agreed to state to you, as a body, in this report in accordance with the requirements of ICAS as detailed at www.icas.com/accountspreparationguidance. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Windswept Brewing Co. Ltd. and its Board of Directors, as a body, for our work or for this report.

It is your duty to ensure that Windswept Brewing Co. Ltd. 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 Windswept Brewing Co. Ltd.. You consider that Windswept Brewing Co. Ltd. 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 Windswept Brewing Co. 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 financial statements.



RITSONS
Chartered Accountants

103 High Street
ELGIN
Moray
IV30 1EB

26 April 2021

Windswept Brewing Co. Ltd.

Statement of Financial Position

31 December 2020

	Note	2020 £	2019 £
Fixed assets			
Intangible assets	5	741	741
Tangible assets	6	179,267	173,619
		<u>180,008</u>	<u>174,360</u>
Current assets			
Stocks		53,175	45,303
Debtors	7	32,118	40,978
Cash at bank and in hand		92,882	1,027
		<u>178,175</u>	<u>87,308</u>
Creditors: amounts falling due within one year	8	125,093	99,238
Net current assets/(liabilities)		<u>53,082</u>	<u>(11,930)</u>
Total assets less current liabilities		<u>233,090</u>	<u>162,430</u>
Creditors: amounts falling due after more than one year	9	276,349	267,668
Net liabilities		<u>(43,259)</u>	<u>(105,238)</u>
Capital and reserves			
Called up share capital		1,250	1,230
Share premium account		49,940	49,940
Capital Contribution - Equity		36,334	38,356
Profit and loss account		(130,783)	(194,764)
Shareholders deficit		<u>(43,259)</u>	<u>(105,238)</u>

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.

For the year ending 31 December 2020 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.

The statement of financial position
continues on the following page.

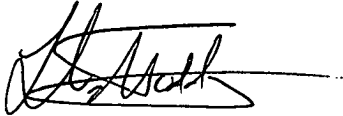
The notes on pages 4 to 10 form part of these financial statements.

Windswept Brewing Co. Ltd.

Statement of Financial Position *(continued)*

31 December 2020

These financial statements were approved by the board of directors and authorised for issue on ~~22 April 2021~~ and are signed on behalf of the board by:



Mr N Tiddy
Director



Mr A Read
Director

Company registration number: SC415555

The notes on pages 4 to 10 form part of these financial statements.

Windswept Brewing Co. Ltd.

Notes to the Financial Statements

Year ended 31 December 2020

1. General information

The company is a private company limited by shares, registered in Scotland. The address of the registered office is Unit B, 13 Coulardbank Industrial Estate, Lossiemouth, IV31 6NG.

2. Statement of compliance

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

Going concern

The directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. Included within their going concern review the directors have considered the impact of the COVID-19 pandemic and its impact on the operations of the company. While there has been a significant effect on trade sales during government imposed lock downs due to coronavirus, the company's online sales have seen a considerable increase which has offset a large proportion of the loss in trade turnover. With a new focus on the online market and the return of trade customers, as the UK moves out of lockdown, the directors are confident that the company will come out of the current situation with a sound base to capitalise on subsequent market growth. The directors have thus concluded that there has not been a significant impact on the operations of the company and it is not anticipated that there will be an adverse impact on the company results.

Thus the directors continue to adopt the going concern basis of accounting in preparing the annual financial statements.

Revenue recognition

Turnover is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods supplied and services rendered, stated net of discounts and of Value Added Tax.

Foreign currencies

Foreign currency transactions are initially recorded in the functional currency, by applying the spot exchange rate as at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the reporting date, with any gains or losses being taken to the profit and loss account.

Windswept Brewing Co. Ltd.

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

3. Accounting policies *(continued)*

Intangible assets

Intangible assets are initially recorded at cost, and are subsequently stated at cost less any accumulated amortisation and impairment losses. Any intangible assets carried at revalued amounts, are recorded at the fair value at the date of revaluation, as determined by reference to an active market, less any subsequent accumulated amortisation and subsequent accumulated impairment losses.

Intangible assets acquired as part of a business combination are only recognised separately from goodwill when they arise from contractual or other legal rights, are separable, the expected future economic benefits are probable and the cost or value can be measured reliably.

Tangible assets

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

Depreciation

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

Tenants' Improvements	- 10% reducing balance
Plant & Machinery	- 15% reducing balance
Fixtures & Fittings	- 15% reducing balance
Motor Vehicles	- 20% reducing balance
Office Equipment	- 33% reducing balance

There are two smaller items within Plant Machinery depreciated on a straight line basis over 4 years. There is a small item within Office Equipment depreciated on the straight line basis over 2 years.

Stocks

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

Windswept Brewing Co. Ltd.

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

3. Accounting policies *(continued)*

Finance leases and hire purchase contracts

Assets held under finance leases and hire purchase contracts are recognised in the statement of financial position as assets and liabilities at the lower of the fair value of the assets and the present value of the minimum lease payments, which is determined at the inception of the lease term. Any initial direct costs of the lease are added to the amount recognised as an asset.

Lease payments are apportioned between the finance charges and reduction of the outstanding lease liability using the effective interest method. Finance charges are allocated to each period so as to produce a constant rate of interest on the remaining balance of the liability.

Government grants

Government grants are recognised at the fair value of the asset received or receivable. Grants are not recognised until there is reasonable assurance that the company will comply with the conditions attaching to them and the grants will be received.

Government grants are recognised using the accrual model and the performance model.

Under the accrual model, government grants relating to revenue are recognised on a systematic basis over the periods in which the company recognises the related costs for which the grant is intended to compensate. Grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs are recognised in income in the period in which it becomes receivable.

Grants relating to assets are recognised in income on a systematic basis over the expected useful life of the asset. Where part of a grant relating to an asset is deferred, it is recognised as deferred income and not deducted from the carrying amount of the asset.

Under the performance model, where the grant does not impose specified future performance-related conditions on the recipient, it is recognised in income when the grant proceeds are received or receivable. Where the grant does impose specified future performance-related conditions on the recipient, it is recognised in income only when the performance-related conditions have been met. Where grants received are prior to satisfying the revenue recognition criteria, they are recognised as a liability.

Windswept Brewing Co. Ltd.

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

3. Accounting policies *(continued)*

Financial instruments

Financial instruments are classified and accounted for, according to the substance of the contractual arrangement, as either financial assets, financial liabilities or equity instruments. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Cash and cash equivalents in the statement of financial position comprise cash at bank and in hand held on demand.

Trade debtors and creditors are measured at the undiscounted amounts receivable from the customer or payable to a supplier, which is normally the invoiced price.

Loans received from a bank at the market rate of interest are recognised at the amount of cash received from the bank, less separately incurred transition costs.

Directors' loans to the company which are repayable on demand are measured at the undiscounted amount of the cash expected to be paid.

Directors Loan accounts includes loans at both market rate and non-market rate. Loans from connected parties which are not at market rate are recognised in the accounts at present value.

Defined contribution plans

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

4. Employee numbers

The average number of persons employed by the company during the year amounted to 12 (2019: 14).

Windswept Brewing Co. Ltd.

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

5. Intangible assets

	Patents, trademarks and licences £
Cost	
At 1 January 2020 and 31 December 2020	<u>741</u>
Amortisation	
At 1 January 2020 and 31 December 2020	<u>—</u>
Carrying amount	
At 31 December 2020	<u>741</u>
At 31 December 2019	<u>741</u>

6. Tangible assets

	Tenants improvements £	Plant and machinery £	Fixtures and fittings £	Motor vehicles £	Equipment £	Total £
Cost						
At 1 Jan 2020	77,152	229,651	2,813	15,695	13,884	339,195
Additions	7,820	26,603	—	—	606	35,029
At 31 Dec 2020	<u>84,972</u>	<u>256,254</u>	<u>2,813</u>	<u>15,695</u>	<u>14,490</u>	<u>374,224</u>
Depreciation						
At 1 Jan 2020	18,539	129,119	1,089	5,781	11,048	165,576
Charge for the year	6,643	19,323	259	1,983	1,173	29,381
At 31 Dec 2020	<u>25,182</u>	<u>148,442</u>	<u>1,348</u>	<u>7,764</u>	<u>12,221</u>	<u>194,957</u>
Carrying amount						
At 31 Dec 2020	<u>59,790</u>	<u>107,812</u>	<u>1,465</u>	<u>7,931</u>	<u>2,269</u>	<u>179,267</u>
At 31 Dec 2019	<u>58,613</u>	<u>100,532</u>	<u>1,724</u>	<u>9,914</u>	<u>2,836</u>	<u>173,619</u>

Finance leases and hire purchase contracts

Included within the carrying value of tangible assets are the following amounts relating to assets held under finance leases or hire purchase agreements:

	Plant and machinery £	Motor vehicles £	Total £
At 31 December 2020	<u>—</u>	<u>5,755</u>	<u>5,755</u>
At 31 December 2019	<u>5,290</u>	<u>7,194</u>	<u>12,484</u>

Windswept Brewing Co. Ltd.

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

7. Debtors

	2020	2019
	£	£
Trade debtors	22,258	29,067
Other debtors	9,860	11,911
	<u>32,118</u>	<u>40,978</u>

8. Creditors: amounts falling due within one year

	2020	2019
	£	£
Bank loans and overdrafts	4,167	32,717
Trade creditors	34,550	25,127
Social security and other taxes	31,562	21,927
Pension Fund	682	612
Credit card	611	329
Other creditors	53,521	18,526
	<u>125,093</u>	<u>99,238</u>

Included within creditors due within 1 year is an amount of £2,301 (2019 - £2,946) in respect of assets held under Hire Purchase/Finance Lease. These liabilities are secured over the assets to which they relate.

9. Creditors: amounts falling due after more than one year

	2020	2019
	£	£
Bank loans and overdrafts	45,833	14,000
Other creditors	230,516	253,668
	<u>276,349</u>	<u>267,668</u>

Included within creditors due after 1 year is an amount of £3,446 (2019 - £5,748) in respect of assets held under Hire Purchase/Finance Lease. These liabilities are secured over the assets to which they relate.

10. Prior year adjustment

The fuel and repair expenses of £8,734 in relation to the van have been reallocated from motor expenses within administrative expenses to distribution costs in the prior year's financial statements. This adjustment has no effect on the overall financial results of the company but presents the information in what the directors consider to be a fairer manner.

11. Share capital

The movement in Share Capital relates to an issue of 20 B Shares in 2017 previously omitted from the accounts.

Windswept Brewing Co. Ltd.

Notes to the Financial Statements *(continued)*

Year ended 31 December 2020

12. Related party transactions

Included within creditors falling due after more than one year is an amount of £69,402 (2019 - £67,380) in respect of loans advanced from the directors at a non-market rate.