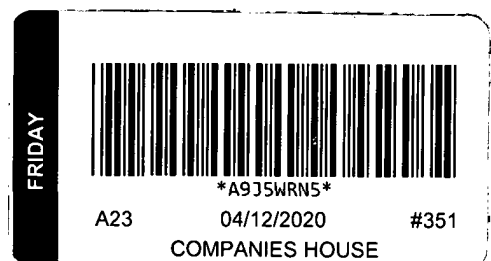


Registered number: 03667842

# **THE WEST BERKSHIRE BREWERY PLC**

## **ANNUAL REPORT AND FINANCIAL STATEMENTS**

**FOR THE YEAR ENDED 29 MARCH 2020**



# THE WEST BERKSHIRE BREWERY PLC

## COMPANY INFORMATION

|                             |  |
|-----------------------------|--|
| <b>Directors</b>            | Mr A D M Bruce (Chairman)<br>Mr A W Dickson (resigned 31 March 2020)<br>Mr S M Kenne (appointed 1 June 2020)<br>Mr T A R Lucas ACCA (Managing)<br>Mr S G Robertson-Macleod |
| <b>Company secretary</b>    | Mr T A R Lucas ACCA  |
| <b>Registered number</b>    | 03667842   |
| <b>Registered office</b>    | 8th Floor South Reading Bridge House<br>George Street<br>Reading<br>Berkshire<br>RG1 8LS   |
| <b>Independent auditors</b> | James Cowper Kreston<br>Chartered Accountants and Statutory Auditor<br>Reading Bridge House<br>George Street<br>Reading<br>Berkshire<br>RG1 8LS                            |
| <b>Registrars</b>           | Share Registrars Limited<br>The Courtyard<br>17 West Street<br>Farnham<br>Surrey<br>GU9 7DR  |
| <b>Solicitors</b>           | Addleshaw Goddard<br>Exchange Tower<br>19 Canning Street<br>Edinburgh<br>EH3 8EH   |

# **THE WEST BERKSHIRE BREWERY PLC**

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## **THE WEST BERKSHIRE BREWERY PLC**

### **CHAIRMAN'S STATEMENT FOR THE YEAR ENDED 29 MARCH 2020**

The Chairman presents his statement for the period.

Writing this, my seventh Chairman's Statement since I was invited by our Company's founders, Dave and Helen Maggs, to become Chairman, is a strange experience.

The financial year to March 2020 was a very difficult one for our business. The period both opened and closed with body blows, though each of them had very different outcomes.

In March 2019, our consolidated supply agreement with a national grocery chain came to an abrupt and shuddering halt. Over the period of a fortnight we had lost trade worth £5m per annum in gross sales; we had geared our business up to be able to cope with this business which evaporated overnight.

Within the next 3 months the lost revenues were rebuilt and, as a result of changing our sales-mix, we had brought about a 20% improvement in gross margin.

Draught and packaged beer sales struggled as we competed in the saturated market; however, we still managed to outperform the market with Good Old Boy rated by the CGA as one of the fastest-growing craft beer brands in Southern England.

Our retail arm continued to grow and to perform excellently. Annualised sales at our Taproom & Kitchen hit £1.3m, the acquisition and integration of The Grapes in Oxford was a great success and The Depot in Islington hit a rich seam, also beating all records and generating good profit and strong cash flows.

As disclosed in my last statement, this was a turbulent time for the business as our Company had grown unbelievably fast and integrating new people and systems took time and was costly. However, the business continued its upward trajectory which included developing a relationship with Britain's largest on-trade wholesaler, perfecting our ability as a brewer and packager on our new plant, developing a suite of best-in-class beers and boosting our profile in the industry and the press.

Cashflow was tight as we entered 2020. We considered various options to shore up our cash position to give us the runway to profitability and cash positivity and by March 2020 had launched our deeply-discounted new equity issue to do so. Incidentally, this latest fund-raising initiative was led by Tom Lucas, our Managing Director, and me investing a total of £290,000, such is our faith in the future of our Company.

All this feels so far away, so long ago, in events if not time, to be irrelevant. On 20th March, due to the global pandemic caused by Covid-19, the government announced the closure of the nation's entire hospitality industry. Overnight this decision changed the landscape for our industry, for our business and for our entire society. During the first week of lockdown, with every single pub, bar, hotel and restaurant in the UK closed, we lost 85% of our revenue stream. Sales crashed from £120,000 per week to only £25,000.

In spite of strong pressure from a few shareholders to make all our staff redundant immediately, we stood by our team. We decided that we were going to survive as a team by working together as a team. Then the government stepped in and threw us a lifeline in the form of furlough. We took many other measures to ensure that our financial position was as protected as possible; this included deals with our major suppliers and importantly the support of our landlord. Being non-qualifying for the government's much-heralded CBILS programme, we didn't bother pursuing any loans and instead looked to our own efforts.

The first month of lockdown was surreal as, with only a skeleton team, we turned our attention to trying to survive the unprecedented circumstances, none of which were of our doing. Our focus switched rapidly to online sales, to supermarket sales and to contract work for other brewers.

Since then, we have been inundated with work. Online sales rocketed and our packaging and production teams have never been busier with contract work for other breweries such as Black Sheep, Adnams, Wadworth and Shepherd Neame. During the past 5 months we have packaged 16,400 hectolitres, or 2.9 million pints, which is two and a half times the total packaged in the entire previous year. This business is growing, as is our reputation for quality and excellence within the industry. Our sales team and Taproom & Kitchen team were un-furloughed in the last week of June to hit the ground running as the nation's licensed premises reopened from 4th July.

## THE WEST BERKSHIRE BREWERY PLC

### CHAIRMAN'S STATEMENT FOR THE YEAR ENDED 29 MARCH 2020

Some may think it is ironic that Covid-19 has unwittingly provided us with a route to success. However, it is not by chance. It is the result of having planned a robust business model; it is a result of the hard work in purchasing and installing a great facility; it is a result of the past 2 years of sheer, hard slog – which has been emotional, physical and financial – which has tempered our skills with the experience and the knowledge to be able to respond nimbly and with agility to this global crisis. It is a testament to our team effort during the past 7 years which has been phenomenal.

Since I was appointed Chairman in March 2013, the business has been on a roller-coaster ride. We have gone from a small team with a well-loved but local product to a totally new business with 3 different elements: a world-class brewery; a portfolio of commercially excellent beers and a great team, all contributing to making this a wonderful place to work.

With the first 6 months (including September) of the 2021 financial year only just ended, we can announce that turnover was £2,595,836, only £406,124 down on last year in spite of the negative effects of lockdown. We are also pleased to announce that our pipeline sales for November are £560,000 and we expect the growth to continue.

Also, with the continuing moral and financial support of so many of our existing shareholders and the new equity raised via crowdfunding with Seedrs, our Company is, once again, in a good position and is looking to continue its exciting growth during the coming year.

#### Annual General Meeting

The Annual General Meeting of The West Berkshire Brewery PLC (the Company) which is scheduled to be held at The Taproom & Kitchen, The Old Dairy, Yattendon, Berkshire RG18 0XT on 11 November 2020 at 10.30 a.m.

Your Board is keen for the AGM to be conducted but in light of public health advice in response to the COVID-19 pandemic, including to limit travel and avoid public gatherings, the Company encourages all shareholders to please submit their Form of Proxy rather than attend the meeting in person. Only the formal business of the AGM set out in the notice of meeting will be carried out at the meeting and no trading or other update will be provided at the meeting. To comply with Government guidance, only two directors will be in attendance at the meeting and no directors will be available to meet with shareholders in person either before or after the meeting.

However, if you would like to submit a question on the business of the meeting in advance of the meeting then please do so by email to [krissy.rogers@wbbrew.co.uk](mailto:krissy.rogers@wbbrew.co.uk). Any such questions will, depending on the nature of the issue raised, be addressed with answers posted on the Company's website or in personal correspondence.

We thank you for your understanding and continuing support at this uniquely challenging time for us all.



David Bruce  
(Chairman)

Date: 08/10/2020

## **THE WEST BERKSHIRE BREWERY PLC**

### **GROUP STRATEGIC REPORT FOR THE YEAR ENDED 29 MARCH 2020**

#### **Business review and KPIs**

The Chairman's statement includes a detailed review of the business and forms a key part of this strategic report. Revenue for the year was £5.8m, slightly down on the previous year's £6.2m - however, as explained in the strategic report this decline was due to the loss of one specific large contract, with the business in fact showing good underlying growth. The operating loss for the year reduced from £3.1m to £2.6m due mainly to improved gross profit margins again as outlined in the Chairman's Statement.

#### **Key risks and uncertainties**

##### **Directors and management**

The Company's future success is substantially dependent on the continuing services and performance of the Directors, in particular the Chairman, David Bruce and Managing Director, Tom Lucas, and on members of the Company's management, and, in addition, on the ability of the Company to continue to attract and retain highly skilled and qualified members of staff. There can be no assurance that the Directors or members of the management team will remain with the Company. The loss of the services of any of the Directors, members of the Company's management or other key employees could damage the business of the Company.

##### **Risks relating to legislation, regulation and licensing**

The brewing industry in the United Kingdom is highly regulated at both national and local levels and brewing operations require licences, permits and approvals. Delays and failures to obtain, or the withdrawal of, required licences or permits could negatively affect the Company's operations. The United Kingdom government has sponsored campaigns against excessive drinking and these, together with licensing reforms relating to the sale of alcoholic beverages and changes in drink-driving laws, may reduce demand for the Company's products. Any change in the brewing legislation could also adversely impact the products which the Company now produces or may produce in the future.

The Company seeks to comply at all times with applicable health and safety, hygiene and environmental legislation and regulations. Failure to comply with such regulations in the future could give rise to penalties and other financial costs and damage to the Company's reputation. Changes in such legislation or regulation may impose additional costs or restrictions on the Company thereby affecting its profits and prospects.

##### **Raising of future finance by the Company**

The Directors believe that the Company will need to raise additional funds in the future which may be by way of a placing of shares in the Company.

Further equity financing may be dilutive to existing Shareholders or result in the issuance of securities whose rights, preferences and privileges are senior to those of the owners of Ordinary Shares.

If the Company is unable to secure additional funds when needed or cannot do so on terms it finds acceptable, it may be unable to expand its operations, take full advantage of future commercial opportunities or respond adequately to competitive pressures, any of which may have an adverse effect on its business and the results of its operations.

##### **Borrowings**

The Company may continue to fund its future development partially through borrowings. The extent of borrowings and their terms will depend on the Company's ability to obtain credit facilities, the lenders' estimates of the stability of the Company's cash flow and the debt market at any time. Furthermore, to the extent that the Company funds its activities through borrowing, it will be affected by changes in interest rates. Rising interest rates would have an adverse effect on the Company's financial performance by increasing the Company's cost of capital.

## THE WEST BERKSHIRE BREWERY PLC

### GROUP STRATEGIC REPORT (CONTINUED) FOR THE YEAR ENDED 29 MARCH 2020

If any future funding requirements are met through additional debt financing, the Company may be required to adhere to covenants restricting its future operational and financial activities.

#### COVID-19

Whilst the business has adapted well to the impact of the Covid-19 and is trading well, a number of risks and uncertainties remain. These can be broken down into two categories:

Impact on consumer behaviour/confidence; and the risk of a second wave.

Whilst the business has replaced the revenues lost to the on-trade during the lockdown period, consumer behaviour maybe further impacted both through changes in different consumption habits (place and frequency) and a weakening of economic outlook more generally and this may in turn impact the efficacy of the Company's business model.

A second wave/lockdown on the other hand and the associated working from home may also cause business interruption and a compromising of internal controls and episodes of Covid-19 in the workplace may result in production interruption and business interruption;

It is also unclear that, if there were to be a second wave/lockdown, whether the furlough scheme (or similar) would be made available or whether it will be possible to defer taxes and duties in the same way again and this might negatively impact the Company should a second wave hit the country. Similarly, the raising of finance for investment through equity or debt was negatively impacted by the pandemic and it is considered likely that this will continue to be the case until confidence returns to the market over both the risk of a second wave and the extent of the impact on the economic outlook.

#### Going concern

Whilst the Group has historically been loss making and cash consumptive, following a successful fundraise and recent improvement in trade, the business is now cash generative and, notwithstanding the impact of a second wave, is currently in a secure cash position. It is noted by the Board that the macro uncertainty over Covid-19 and its impact on the industry along with the working capital and investment requirements of the company as it continues to grow and therefore it is possible that additional funding may be required.

#### Maverick Impairment

Maverick Pubs Ltd was in the process of selling The Old Suffolk Punch, Fulham, when Covid-19 hit the country. As a result, of this the sale fell through and the Company was forced to secure additional finance in the form of bank debt to survive the lockdown period. Whilst Maverick has found another purchaser for this property, the impact of Covid-19 on the licensed trade, accompanied by the increased borrowing within the company created circumstances whereby it was deemed prudent by the Board to provide against the investment. Subsequently, Maverick has re-opened for trade at The Oxford Tavern in Kentish Town but at substantially decreased levels.



.....  
Mr T A R Lucas ACCA  
Director

Date: 08/10/2020

## **THE WEST BERKSHIRE BREWERY PLC**

### **DIRECTORS' REPORT FOR THE YEAR ENDED 29 MARCH 2020**

The directors present their report and the financial statements for the year ended 29 March 2020.

#### **Directors**

The directors who served during the year were:

Mr A D M Bruce (Chairman)  
Mr A W Dickson (resigned 31 March 2020)  
Mr T A R Lucas ACCA (Managing)  
Mr S G Robertson-Macleod

#### **Directors' responsibilities statement**

The directors are responsible for preparing the Group Strategic Report, the Directors' Report and the consolidated financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'. Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and the Group and of the profit or loss of the Group for that period.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies for the Group's financial statements and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and the Group and to enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

#### **Results and dividends**

The loss for the year, after taxation, amounted to £3,994,170 (2019 - loss £3,310,194).

No dividends are proposed or paid in the year (2019: £Nil)

#### **Future developments**

The likely future developments are disclosed in the Chairman's statement.

#### **Disclosure of information to auditors**

Each of the persons who are directors at the time when this Directors' Report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the Company and the Group's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company and the Group's auditors are aware of that information.

**THE WEST BERKSHIRE BREWERY PLC**

**DIRECTORS' REPORT (CONTINUED)  
FOR THE YEAR ENDED 29 MARCH 2020**

**Post balance sheet events**

The company has raised additional equity of £1.48m following the end of the financial year.

**Auditors**

The auditors, James Cowper Kreston, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the Board and signed on its behalf.

A handwritten signature in black ink, appearing to read 'T A R Lucas', with a long horizontal stroke extending to the left.

.....  
**Mr T A R Lucas ACCA**  
Director

Date: 08/10/2020

## **THE WEST BERKSHIRE BREWERY PLC**

### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE WEST BERKSHIRE BREWERY PLC**

#### **Opinion**

We have audited the financial statements of The West Berkshire Brewery PLC (the 'parent Company') and its subsidiaries (the 'Group') for the year ended 29 March 2020, which comprise the Group Statement of Comprehensive Income, the Group and Company Balance Sheets, the Group Statement of Cash Flows, the Group and Company Statement of Changes in Equity and the related notes, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the Group's and of the parent Company's affairs as at 29 March 2020 and of the Group's loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the United Kingdom, including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Material uncertainty related to going concern**

We draw attention to note 2.4 in the financial statements, which explains the uncertainties that the group face in trading environment, business performance and funding requirements.

The directors have prepared the financial statements on a going concern basis, the validity of which depends upon the future performance of the business and/or its ability to raise future funds, which are inherently uncertain.

The above factors mean that that a material uncertainty exists that may cast significant doubt on the Group's and the parent Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

#### **Other information**

The directors are responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our Auditors' Report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

## **THE WEST BERKSHIRE BREWERY PLC**

### **INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE WEST BERKSHIRE BREWERY PLC (CONTINUED)**

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### **Opinion on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Group Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Group Strategic Report and the Directors' Report have been prepared in accordance with applicable legal requirements.

#### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the Group and the parent Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Group Strategic Report or the Directors' Report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent Company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

#### **Responsibilities of directors**

As explained more fully in the Directors' Responsibilities Statement on page 5, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Group's and the parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or the parent Company or to cease operations, or have no realistic alternative but to do so.

## THE WEST BERKSHIRE BREWERY PLC

### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THE WEST BERKSHIRE BREWERY PLC (CONTINUED)

#### **Auditors' responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditors' Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our Auditors' Report.

#### **Use of our report**

This report is made solely to the Company's members in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members for our audit work, for this report, or for the opinions we have formed.



Alan Poole BA(Hons) FCA (Senior Statutory Auditor)

for and on behalf of

**James Cowper Kreston**

Chartered Accountants and Statutory Auditor

Reading Bridge House  
George Street  
Reading  
Berkshire  
RG1 8LS

Date: 9 October 2020

THE WEST BERKSHIRE BREWERY PLC

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 29 MARCH 2020

|  | Note | 2020<br>£          | 2019<br>£          |
|--|------|--------------------|--------------------|
| Turnover                               | 4    | 5,804,282          | 6,229,251          |
| Cost of sales                          |      | (4,338,392)        | (5,009,466)        |
| <b>Gross profit</b>                    |      | <b>1,465,890</b>   | <b>1,219,785</b>   |
| Administrative expenses                |      | (4,085,564)        | (4,172,998)        |
| Other operating income                 | 5    | -                  | 3,336              |
| Fair value movements                   |      | 38,569             | (43,185)           |
| <b>Operating loss</b>                  | 6    | <b>(2,581,105)</b> | <b>(2,993,062)</b> |
| Share of loss of associates            |      | (71,874)           | (118,384)          |
| <b>Total operating loss</b>            |      | <b>(2,652,979)</b> | <b>(3,111,446)</b> |
| Impairment of investment in associates | 14   | (1,003,190)        | -                  |
| Interest receivable                    |      | 226                | 501                |
| Interest payable                       | 10   | (338,227)          | (199,249)          |
| <b>Loss before taxation</b>            |      | <b>(3,994,170)</b> | <b>(3,310,194)</b> |
| <b>Loss for the financial year</b>     |      | <b>(3,994,170)</b> | <b>(3,310,194)</b> |

There was no other comprehensive income for 2020 (2019:£NIL).

The notes on pages 17 to 38 form part of these financial statements.

**THE WEST BERKSHIRE BREWERY PLC**  
**REGISTERED NUMBER: 03667842**

**CONSOLIDATED BALANCE SHEET**  
**AS AT 29 MARCH 2020**

|  | Note | 2020<br>£               | 2019<br>£               |
|--|------|-------------------------|-------------------------|
| <b>Fixed assets</b>  |      |                         |                         |
| Tangible assets  | 13   | 8,705,332               | 9,287,463               |
| Investments  | 14   | -                       | 1,075,064               |
|  |      | <u>8,705,332</u>        | <u>10,362,527</u>       |
| <b>Current assets</b>                                      |      |                         |                         |
| Stocks   | 15   | 441,370                 | 486,325                 |
| Debtors  | 16   | 614,884                 | 982,423                 |
| Cash at bank and in hand                                   | 17   | 152,419                 | 887,569                 |
|  |      | <u>1,208,673</u>        | <u>2,356,317</u>        |
| Creditors: amounts falling due within one year             | 18   | (2,537,339)             | (2,540,272)             |
| <b>Net current liabilities</b>                             |      | <u>(1,328,666)</u>      | <u>(183,955)</u>        |
| <b>Total assets less current liabilities</b>               |      | <u>7,376,666</u>        | <u>10,178,572</u>       |
| Creditors: amounts falling due after more than one year    | 19   | (5,339,412)             | (4,763,669)             |
| <b>Provisions for liabilities</b>                          |      |                         |                         |
| <b>Net assets excluding pension asset</b>                  |      | <u>2,037,254</u>        | <u>5,414,903</u>        |
| <b>Net assets</b>  |      | <u><u>2,037,254</u></u> | <u><u>5,414,903</u></u> |
| <b>Capital and reserves</b>                                |      |                         |                         |
| Called up share capital                                    | 23   | 494,428                 | 484,158                 |
| Share premium account                                      | 24   | 11,335,347              | 10,898,158              |
| Other reserves   | 24   | 181,759                 | 181,759                 |
| Profit and loss account                                    | 24   | (9,974,280)             | (6,149,172)             |
| <b>Equity attributable to owners of the parent Company</b> |      | <u>2,037,254</u>        | <u>5,414,903</u>        |
|  |      | <u><u>2,037,254</u></u> | <u><u>5,414,903</u></u> |

The financial statements were approved and authorised for issue by the Board and were signed on its behalf on



.....  
**Mr T A R Lucas ACCA**  
 Director

The notes on pages 17 to 38 form part of these financial statements.

**THE WEST BERKSHIRE BREWERY PLC**  
**REGISTERED NUMBER: 03667842**

**COMPANY BALANCE SHEET**  
**AS AT 29 MARCH 2020**

|   | Note | 2020<br>£               | 2019<br>£               |
|---|------|-------------------------|-------------------------|
| <b>Fixed assets</b>                                     |      |                         |                         |
| Tangible assets   | 13   | 8,661,808               | 9,169,507               |
| Investments   | 14   | 3                       | 1,254,803               |
|   |      | <u>8,661,811</u>        | <u>10,424,310</u>       |
| <b>Current assets</b>                                   |      |                         |                         |
| Stocks  | 15   | 428,270                 | 450,725                 |
| Debtors   | 16   | 638,309                 | 1,055,687               |
| Cash at bank and in hand                                | 17   | 103,130                 | 782,678                 |
|   |      | <u>1,169,709</u>        | <u>2,289,090</u>        |
| Creditors: amounts falling due within one year          | 18   | (2,320,003)             | (2,384,094)             |
| <b>Net current liabilities</b>                          |      | <u>(1,150,294)</u>      | <u>(95,004)</u>         |
| <b>Total assets less current liabilities</b>            |      | <u>7,511,517</u>        | <u>10,329,306</u>       |
| Creditors: amounts falling due after more than one year | 19   | (5,339,412)             | (4,763,669)             |
| <b>Net assets</b>                                       |      | <u><u>2,172,105</u></u> | <u><u>5,565,637</u></u> |
| <b>Capital and reserves</b>                             |      |                         |                         |
| Called up share capital                                 | 23   | 494,428                 | 484,158                 |
| Share premium account                                   | 24   | 11,335,347              | 10,898,158              |
| Other reserves  | 24   | 181,759                 | 181,759                 |
| Profit and loss account                                 | 24   | (9,839,429)             | (5,998,438)             |
|   |      | <u><u>2,172,105</u></u> | <u><u>5,565,637</u></u> |

The financial statements were approved and authorised for issue by the Board and were signed on its behalf by:



.....  
**Mr T A R Lucas ACCA**

Director

Date: 08/10/2020

THE WEST BERKSHIRE BREWERY PLC

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 29 MARCH 2020

|  | Called up<br>share capital<br>£ | Share<br>premium<br>account<br>£ | Other<br>reserves<br>£ | Profit and<br>loss account<br>£ | Total equity<br>£  |
|--|---------------------------------|----------------------------------|------------------------|---------------------------------|--------------------|
| <b>At 1 April 2018</b>                           | <b>441,763</b>                  | <b>9,403,390</b>                 | <b>181,759</b>         | <b>(3,067,169)</b>              | <b>6,959,743</b>   |
| <b>Comprehensive income for the period</b>       |                                 |                                  |                        |                                 |                    |
| Loss for the period                              | -                               | -                                | -                      | (3,310,194)                     | (3,310,194)        |
| <b>Total comprehensive income for the period</b> | <b>-</b>                        | <b>-</b>                         | <b>-</b>               | <b>(3,310,194)</b>              | <b>(3,310,194)</b> |
| Shares issued during the period                  | 42,395                          | 1,494,768                        | -                      | -                               | 1,537,163          |
| Share based payment charge                       | -                               | -                                | -                      | 228,191                         | 228,191            |
| <b>Total transactions with owners</b>            | <b>42,395</b>                   | <b>1,494,768</b>                 | <b>-</b>               | <b>228,191</b>                  | <b>1,765,354</b>   |
| <b>At 30 March 2019</b>                          | <b>484,158</b>                  | <b>10,898,158</b>                | <b>181,759</b>         | <b>(6,149,172)</b>              | <b>5,414,903</b>   |
| <b>Comprehensive income for the year</b>         |                                 |                                  |                        |                                 |                    |
| Loss for the year                                | -                               | -                                | -                      | (3,994,170)                     | (3,994,170)        |
| <b>Total comprehensive income for the year</b>   | <b>-</b>                        | <b>-</b>                         | <b>-</b>               | <b>(3,994,170)</b>              | <b>(3,994,170)</b> |
| Shares issued during the year                    | 10,270                          | 437,189                          | -                      | -                               | 447,459            |
| Share based payment charge                       | -                               | -                                | -                      | 169,062                         | 169,062            |
| <b>Total transactions with owners</b>            | <b>10,270</b>                   | <b>437,189</b>                   | <b>-</b>               | <b>169,062</b>                  | <b>616,521</b>     |
| <b>At 29 March 2020</b>                          | <b>494,428</b>                  | <b>11,335,347</b>                | <b>181,759</b>         | <b>(9,974,280)</b>              | <b>2,037,254</b>   |

The notes on pages 17 to 38 form part of these financial statements.

THE WEST BERKSHIRE BREWERY PLC

COMPANY STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 29 MARCH 2020

|  | Called up<br>share capital<br>£ | Share<br>premium<br>account<br>£ | Other<br>reserves<br>£ | Profit and<br>loss account<br>£ | Total equity<br>£  |
|--|---------------------------------|----------------------------------|------------------------|---------------------------------|--------------------|
| <b>At 1 April 2018</b>                           | <b>441,763</b>                  | <b>9,403,390</b>                 | <b>181,759</b>         | <b>(3,014,733)</b>              | <b>7,012,179</b>   |
| Loss for the period                              | -                               | -                                | -                      | (3,211,896)                     | (3,211,896)        |
| <b>Total comprehensive income for the period</b> | <b>-</b>                        | <b>-</b>                         | <b>-</b>               | <b>(3,211,896)</b>              | <b>(3,211,896)</b> |
| Shares issued during the period                  | 42,395                          | 1,494,768                        | -                      | -                               | 1,537,163          |
| Share based payment charge                       | -                               | -                                | -                      | 228,191                         | 228,191            |
| <b>Total transactions with owners</b>            | <b>42,395</b>                   | <b>1,494,768</b>                 | <b>-</b>               | <b>228,191</b>                  | <b>1,765,354</b>   |
| <b>At 30 March 2019</b>                          | <b>484,158</b>                  | <b>10,898,158</b>                | <b>181,759</b>         | <b>(5,998,438)</b>              | <b>5,565,637</b>   |
| Loss for the year                                | -                               | -                                | -                      | (4,010,053)                     | (4,010,053)        |
| <b>Total comprehensive income for the year</b>   | <b>-</b>                        | <b>-</b>                         | <b>-</b>               | <b>(4,010,053)</b>              | <b>(4,010,053)</b> |
| Shares issued during the year                    | 10,270                          | 437,189                          | -                      | -                               | 447,459            |
| Share based payment charge                       | -                               | -                                | -                      | 169,062                         | 169,062            |
| <b>Total transactions with owners</b>            | <b>10,270</b>                   | <b>437,189</b>                   | <b>-</b>               | <b>169,062</b>                  | <b>616,521</b>     |
| <b>At 29 March 2020</b>                          | <b>494,428</b>                  | <b>11,335,347</b>                | <b>181,759</b>         | <b>(9,839,429)</b>              | <b>2,172,105</b>   |

The notes on pages 17 to 38 form part of these financial statements.

THE WEST BERKSHIRE BREWERY PLC

CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 29 MARCH 2020

|   | 2020<br>£          | 2019<br>£          |
|---|--------------------|--------------------|
| <b>Cash flows from operating activities</b>         |                    |                    |
| Loss for the financial year                         | (3,994,170)        | (3,310,194)        |
| <b>Adjustments for:</b>                             |                    |                    |
| Depreciation of tangible assets                     | 879,224            | 884,589            |
| (Profit)/loss on disposal of tangible assets        | (69,253)           | (21,855)           |
| Interest paid                                       | 338,227            | 199,249            |
| Interest received                                   | (226)              | (501)              |
| Decrease in stocks                                  | 44,955             | 68,163             |
| Decrease/(increase) in debtors                      | 346,371            | (481,934)          |
| Decrease in amounts owed by associates              | 21,168             | 79,570             |
| Increase in creditors                               | 107,631            | 1,076,470          |
| Net fair value (gains)/losses recognised in P&L     | (38,569)           | 43,185             |
| Share of operating profit in associates             | 71,874             | 118,384            |
| Share based payment charge                          | 169,062            | 228,191            |
| <b>Net cash generated from operating activities</b> | <b>(2,123,706)</b> | <b>(1,116,683)</b> |
| <b>Cash flows from investing activities</b>         |                    |                    |
| Purchase of tangible fixed assets                   | (415,875)          | (3,291,483)        |
| Sale of tangible fixed assets                       | 188,035            | 53,347             |
| Impairment of investment in associate               | 1,003,190          | -                  |
| Interest received                                   | 226                | 501                |
| HP interest paid                                    | (111,426)          | (84,603)           |
| <b>Net cash from investing activities</b>           | <b>664,150</b>     | <b>(3,322,238)</b> |
| <b>Cash flows from financing activities</b>         |                    |                    |
| Issue of ordinary shares                            | 513,510            | 1,761,449          |
| Expenses paid in connection with share issue        | (66,051)           | (224,287)          |
| Other new loans                                     | 1,076,098          | 1,870,993          |
| Net (repayment of)/new finance leases               | (572,350)          | 1,102,630          |
| Interest paid                                       | (226,801)          | (114,646)          |
| <b>Net cash used in financing activities</b>        | <b>724,406</b>     | <b>4,396,139</b>   |

THE WEST BERKSHIRE BREWERY PLC

CONSOLIDATED STATEMENT OF CASH FLOWS (CONTINUED)  
FOR THE YEAR ENDED 29 MARCH 2020

|   | 2020<br>£        | 2019<br>£       |
|---|------------------|-----------------|
| <b>Net (decrease) in cash and cash equivalents</b>            | <b>(735,150)</b> | <b>(42,782)</b> |
| Cash and cash equivalents at beginning of year                | 887,569          | 930,351         |
| <b>Cash and cash equivalents at the end of year</b>           | <b>152,419</b>   | <b>887,569</b>  |
| <b>Cash and cash equivalents at the end of year comprise:</b> |                  |                 |
| Cash at bank and in hand                                      | 152,419          | 887,569         |

The notes on pages 17 to 38 form part of these financial statements.

# THE WEST BERKSHIRE BREWERY PLC

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 29 MARCH 2020

### 1. General information

The West Berkshire Brewery PLC is a public limited company, incorporated in the United Kingdom and registered in England and Wales. The Group's principal place of business is The Old Dairy, Yattendon, Berkshire, RG18 0XT.

The principal activity of the Group is brewing and selling of beers and ales, and the operation and management of public houses.

### 2. Accounting policies

#### 2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The preparation of financial statements in compliance with FRS 102 requires the use of certain critical accounting estimates. It also requires Group management to exercise judgment in applying the Group's accounting policies (see note 3).

The Company has taken advantage of the exemption allowed under section 408 of the Companies Act 2006 and has not presented its own Statement of Comprehensive Income in these financial statements.

The following principal accounting policies have been applied:

#### 2.2 Basis of consolidation

The consolidated financial statements present the results of the Company and its own subsidiaries ("the Group") as if they form a single entity. Intercompany transactions and balances between group companies are therefore eliminated in full.

The consolidated financial statements incorporate the results of business combinations using the purchase method. In the Balance Sheet, the acquiree's identifiable assets, liabilities and contingent liabilities are initially recognised at their fair values at the acquisition date. The results of acquired operations are included in the Consolidated Statement of Comprehensive Income from the date on which control is obtained. They are deconsolidated from the date control ceases.

The financial period for the Group's non-dormant subsidiary is a 52-week period to 29 March 2020.

#### 2.3 Associates and joint ventures

An entity is treated as an associated undertaking where the Group exercises significant influence in that it has the power to participate in the operating and financial policy decisions.

In the consolidated accounts, interests in associated undertakings are accounted for using the equity method of accounting. Under this method an equity investment is initially recognised at the transaction price (including transaction costs) and is subsequently adjusted to reflect the investors share of the profit or loss, other comprehensive income and equity of the associate. The Consolidated Statement of Comprehensive Income includes the Group's share of the operating results, interest, pre-tax results and attributable taxation of such undertakings applying accounting policies consistent with those of the Group. In the Consolidated Balance Sheet, the interests in associated undertakings are shown as the Group's share of the identifiable net assets, including any unamortised premium paid on acquisition.

Any premium on acquisition is dealt with in accordance with the goodwill policy.

## THE WEST BERKSHIRE BREWERY PLC

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 29 MARCH 2020

#### 2. Accounting policies (continued)

##### 2.4 Going concern

The Group has historically been loss-making and cash consumptive having gone through a period of sustained investment into plant, pub acquisitions and business infrastructure.

The future cash consumption will depend on the trajectory of revenue and gross profit growth together with the overhead expenditure and amount of capital expenditure required to support this growth. The forecast of these items is inherently uncertain.

Covid-19 has had a massive impact on the economy and the Company has adapted quickly to react to the challenges it has posed. However, there is widespread uncertainty over the future particularly within the On-Trade. Despite this the Company is currently trading profitably, is cash positive and has a healthy cash position as at 30 September 2020. However, it is noted that growth across the business has required increased staff and resources as the Company has increased production 250%.

The Board believes that the current rate of growth may also bring a cash requirement to support capital expenditure and working capital. The Board is discussing suitable financing arrangements and has a reasonable expectation that sufficient funds will be raised, however there can be no certainty of this.

The directors are taking proactive measures to optimise working capital and preserve cash. These include tight cash flow management, delays to capital expenditure where possible and discussions with potential funding partners.

In view of the above, the directors consider it appropriate to prepare the financial statements on a going concern basis. However, they recognise that the impact of COVID-19 represents a material uncertainty and presents risk to operations and the ability to raise finance that will challenge the Group in the current economic climate.

## THE WEST BERKSHIRE BREWERY PLC

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 29 MARCH 2020

#### 2. Accounting policies (continued)

##### 2.5 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Group and the revenue can be reliably measured. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. The following criteria must also be met before revenue is recognised:

##### **Sale of goods**

Revenue from the sale of goods is recognised when all of the following conditions are satisfied:

- the Group has transferred the significant risks and rewards of ownership to the buyer;
- the Group retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the Group will receive the consideration due under the transaction; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

##### **Rendering of services**

Revenue from a contract to provide services is recognised in the period in which the services are provided in accordance with the stage of completion of the contract when all of the following conditions are satisfied:

- the amount of revenue can be measured reliably;
- it is probable that the Group will receive the consideration due under the contract;
- the stage of completion of the contract at the end of the reporting period can be measured reliably; and
- the costs incurred and the costs to complete the contract can be measured reliably.

##### 2.6 Intangible assets

##### **Goodwill**

Goodwill represents the difference between the cost of a business combination and the acquirer's interest in the fair value of the Group's share of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, Goodwill is measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is amortised on a straight-line basis to the Consolidated Statement of Comprehensive Income over its useful economic life.

##### 2.7 Tangible fixed assets

Tangible fixed assets under the cost model are stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

## THE WEST BERKSHIRE BREWERY PLC

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 29 MARCH 2020

#### 2. Accounting policies (continued)

##### 2.7 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis:

|                          |                      |
|--------------------------|----------------------|
| Improvements to property | - Over term of lease |
| Plant and machinery      | - 4% - 20% on cost   |
| Motor vehicles           | - 25% on cost        |
| Computer equipment       | - 25% on cost        |

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

##### 2.8 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment.

##### 2.9 Stocks

Stocks are stated at the lower of cost and net realisable value, being the estimated selling price less costs to complete and sell. Cost is based on the cost of purchase on a first in, first out basis. Work in progress and finished goods include labour and attributable overheads.

At each balance sheet date, stocks are assessed for impairment. If stock is 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.

##### 2.10 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

##### 2.11 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

In the Consolidated Statement of Cash Flows, cash and cash equivalents are shown net of bank overdrafts that are repayable on demand and form an integral part of the Group's cash management.

##### 2.12 Financial instruments

The Group only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

Derivatives, including interest rate swaps and forward contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and

## THE WEST BERKSHIRE BREWERY PLC

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 29 MARCH 2020

#### 2. Accounting policies (continued)

##### 2.12 Financial instruments (continued)

are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or income as appropriate. The company does not currently apply hedge accounting for interest rate and foreign exchange derivatives.

##### 2.13 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

##### 2.14 Government grants

Grants are accounted under the accruals model as permitted by FRS 102. Grants relating to expenditure on tangible fixed assets are credited to profit or loss at the same rate as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

Grants of a revenue nature are recognised in the Consolidated Statement of Comprehensive Income in the same period as the related expenditure.

##### 2.15 Foreign currency translation

###### Functional and presentation currency

The Company's functional and presentational currency is GBP.

###### Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Consolidated Statement of Comprehensive Income within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

On consolidation, the results of overseas operations are translated into Sterling at rates approximating to those ruling when the transactions took place. All assets and liabilities of overseas operations are translated at the rate ruling at the reporting date. Exchange differences arising on translating the opening net assets at opening rate and the results of overseas operations at actual rate are recognised in other comprehensive income.

## **THE WEST BERKSHIRE BREWERY PLC**

### **NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 29 MARCH 2020**

#### **2. Accounting policies (continued)**

##### **2.16 Finance costs**

Finance costs are charged to profit or loss over the term of the debt using the effective interest method so that the amount charged is at a constant rate on the carrying amount. Issue costs are initially recognised as a reduction in the proceeds of the associated capital instrument.

##### **2.17 Operating leases: the Group as lessee**

Rentals paid under operating leases are charged to profit or loss on a straight line basis over the lease term.

Benefits received and receivable as an incentive to sign an operating lease are recognised on a straight line basis over the lease term, unless another systematic basis is representative of the time pattern of the lessee's benefit from the use of the leased asset.

##### **2.18 Pensions**

###### **Defined contribution pension plan**

The Group operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the Group pays fixed contributions into a separate entity. Once the contributions have been paid the Group has no further payment obligations.

The contributions are recognised as an expense in profit or loss when they fall due. Amounts not paid are shown in accruals as a liability in the Balance Sheet. The assets of the plan are held separately from the Group in independently administered funds.

##### **2.19 Interest income**

Interest income is recognised in profit or loss using the effective interest method.

##### **2.20 Borrowing costs**

All borrowing costs are recognised in profit or loss in the year in which they are incurred.

# THE WEST BERKSHIRE BREWERY PLC

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 29 MARCH 2020

### 3. Judgments in applying accounting policies and key sources of estimation uncertainty

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amount of reported assets and liabilities as at the balance sheet date and the amounts reported for revenues and expenses during the year. However, the nature of estimation means that actual outcomes could differ from those estimates. The following judgements and estimates have had the most significant effects on amounts recognised in the financial statements.

#### Share based payment valuation

Management used the Black-Scholes model to estimate the value of the share options granted to employees. Details of the estimated inputs are disclosed in Note 26.

#### Stock valuation

The company uses a standard costing estimate to value work in progress and finished goods stock, including estimates for raw material, labour and overhead costs. These estimates are reviewed by management twice a year.

#### Useful life of fixed assets

The useful economic life of fixed assets is estimated on a class by class basis. Assets are depreciated over the average length of time management believe assets will be held for.

#### Impairment

Assets are assessed for impairment when indicators of impairment exist. Impairment reviews consist of estimating the current value (which is considered to be the higher of value in use and recoverable amount) of the assets in question and comparing against the carrying value. Such estimations are inherently judgemental and are predicated on estimation of the future cash flows generated by the assets in question.

### 4. Turnover

An analysis of turnover by class of business is as follows:

|         | 2020<br>£        | 2019<br>£        |
|---------|------------------|------------------|
| Brewery | 4,498,132        | 5,321,867        |
| Pub     | 1,306,150        | 907,384          |
|         | <u>5,804,282</u> | <u>6,229,251</u> |

### 5. Other operating income

|                              | 2020<br>£ | 2019<br>£    |
|------------------------------|-----------|--------------|
| Government grants receivable | -         | 3,336        |
|                              | <u>-</u>  | <u>3,336</u> |

**THE WEST BERKSHIRE BREWERY PLC**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 29 MARCH 2020**

**6. Operating loss**

The operating loss is stated after charging:

|                               | 2020<br>£    | 2019<br>£    |
|-------------------------------|--------------|--------------|
| Exchange differences          | 343          | -            |
| Other operating lease rentals | 1,915        | 1,378        |
|                               | <u>1,915</u> | <u>1,378</u> |

**7. Auditors' remuneration**

|   | 2020<br>£     | 2019<br>£     |
|---|---------------|---------------|
| Fees payable to the Group's auditor and its associates for the audit of the Group's annual financial statements | 18,000        | 19,050        |
|   | <u>18,000</u> | <u>19,050</u> |
| <b>Fees payable to the Group's auditor and its associates in respect of:</b>                                    |               |               |
| Taxation compliance and other services  | 1,900         | 4,150         |
|   | <u>1,900</u>  | <u>4,150</u>  |

**8. Employees**

The average monthly number of employees, including the directors, during the year was as follows:

|                            | 2020<br>No. | 2019<br>No. |
|----------------------------|-------------|-------------|
| Production                 | 13          | 16          |
| Administration and support | 23          | 10          |
| Distribution               | 11          | 9           |
| Pub staff                  | 17          | 16          |
|                            | <u>64</u>   | <u>51</u>   |

Key management personnel comprise the directors, their remuneration is disclosed below.

Staff costs, including directors' remuneration, were as follows:

|                       | 2020<br>£        | 2019<br>£        |
|-----------------------|------------------|------------------|
| Wages and salaries    | 2,271,231        | 1,530,668        |
| Social security costs | 176,870          | 136,311          |
| Pension costs         | 34,006           | 15,847           |
|                       | <u>2,482,107</u> | <u>1,682,826</u> |

**THE WEST BERKSHIRE BREWERY PLC**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 29 MARCH 2020**

**9. Directors' remuneration**

|   | 2020<br>£      | 2019<br>£      |
|---|----------------|----------------|
| Directors' emoluments   | 294,393        | 315,364        |
| Company contributions to defined contribution pension schemes | 3,166          | 1,545          |
|   | <u>297,559</u> | <u>316,909</u> |

During the year retirement benefits were accruing to 3 directors (2019 - 3) in respect of defined contribution pension schemes.

The highest paid director received remuneration of £108,107 (2019 - £113,466).

The value of the company's contributions paid to a defined contribution pension scheme in respect of the highest paid director amounted to £1,206 (2019 - £806).

**10. Interest payable and similar expenses**

|  | 2020<br>£      | 2019<br>£      |
|--|----------------|----------------|
| Other loan interest payable                | 226,801        | 114,646        |
| Finance leases and hire purchase contracts | 111,426        | 84,603         |
|  | <u>338,227</u> | <u>199,249</u> |

THE WEST BERKSHIRE BREWERY PLC

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 29 MARCH 2020

11. Taxation

|   | 2020<br>£   | 2019<br>£   |
|---|-------------|-------------|
| <b>Taxation on profit on ordinary activities</b>  | -           | -           |
| <b>Factors affecting tax charge for the year/period</b>   |             |             |
| The tax assessed for the year/period is higher than (2019 - higher than) the standard rate of corporation tax in the UK of 19% (2019 - 19%). The differences are explained below: |             |             |
|   | 2020<br>£   | 2019<br>£   |
| Loss on ordinary activities before tax  | (3,994,170) | (3,310,194) |
| Loss on ordinary activities multiplied by standard rate of corporation tax in the UK of 19% (2019 - 19%)  | (758,892)   | (526,916)   |
| <b>Effects of:</b>  |             |             |
| Expenses not deductible for tax purposes  | 325,500     | 279,391     |
| Deferred tax asset not recognised   | 433,392     | 247,525     |
| <b>Total tax charge for the year/period</b>   | -           | -           |

**Factors that may affect future tax charges**

Legislation has been passed to reduce the rate of UK corporation tax to 17% from 1 April 2020.

The Group has approximately £7,000,000 (2019: £5,000,000) of taxable losses to carry forward. The Group has an unrecognised deferred tax asset of approximately £1,330,000 (2019: £950,000) arising from tax losses and other timing differences. These assets are, as yet, unrecognised as there is insufficient evidence that these assets will be recovered.

THE WEST BERKSHIRE BREWERY PLC

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 29 MARCH 2020

12. Intangible assets

Group

|                       | Goodwill<br>£  |
|-----------------------|----------------|
| <b>Cost</b>           |                |
| At 30 March 2019      | 399,998        |
| At 29 March 2020      | <u>399,998</u> |
| <b>Amortisation</b>   |                |
| At 30 March 2019      | 399,998        |
| At 29 March 2020      | <u>399,998</u> |
| <b>Net book value</b> |                |
| At 29 March 2020      | <u>-</u>       |
| At 30 March 2019      | <u>-</u>       |

THE WEST BERKSHIRE BREWERY PLC

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 29 MARCH 2020

13. Tangible fixed assets

Group

|                                     | Improve-<br>ments to<br>property<br>£ | Plant and<br>machinery<br>£ | Motor<br>vehicles<br>£ | Office<br>equipment<br>£ | Computer<br>equipment<br>£ |
|-------------------------------------|---------------------------------------|-----------------------------|------------------------|--------------------------|----------------------------|
| <b>Cost or valuation</b>            |                                       |                             |                        |                          |                            |
| At 30 March 2019                    | 2,829,911                             | 8,048,231                   | 138,250                | 4,886                    | 114,198                    |
| Additions                           | 60,913                                | 305,985                     | -                      | -                        | 48,977                     |
| Disposals                           | (108,307)                             | (181,650)                   | -                      | -                        | -                          |
| At 29 March 2020                    | <u>2,782,517</u>                      | <u>8,172,566</u>            | <u>138,250</u>         | <u>4,886</u>             | <u>163,175</u>             |
| <b>Depreciation</b>                 |                                       |                             |                        |                          |                            |
| At 30 March 2019                    | 119,164                               | 1,564,011                   | 100,192                | 2,554                    | 62,092                     |
| Charge for the year on owned assets | -                                     | 879,224                     | -                      | -                        | -                          |
| Disposals                           | (57,158)                              | (114,017)                   | -                      | -                        | -                          |
| At 29 March 2020                    | <u>62,006</u>                         | <u>2,329,218</u>            | <u>100,192</u>         | <u>2,554</u>             | <u>62,092</u>              |
| <b>Net book value</b>               |                                       |                             |                        |                          |                            |
| At 29 March 2020                    | <u>2,720,511</u>                      | <u>5,843,348</u>            | <u>38,058</u>          | <u>2,332</u>             | <u>101,083</u>             |
| At 30 March 2019                    | <u>2,710,747</u>                      | <u>6,484,220</u>            | <u>38,058</u>          | <u>2,332</u>             | <u>52,106</u>              |

THE WEST BERKSHIRE BREWERY PLC

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 29 MARCH 2020

13. Tangible fixed assets (continued)

|                                     | Total<br>£ |
|-------------------------------------|------------|
| <b>Cost or valuation</b>            |            |
| At 30 March 2019                    | 11,135,476 |
| Additions                           | 415,875    |
| Disposals                           | (289,957)  |
|                                     | <hr/>      |
| At 29 March 2020                    | 11,261,394 |
|                                     | <hr/>      |
| <b>Depreciation</b>                 |            |
| At 30 March 2019                    | 1,848,013  |
| Charge for the year on owned assets | 879,224    |
| Disposals                           | (171,175)  |
|                                     | <hr/>      |
| At 29 March 2020                    | 2,556,062  |
|                                     | <hr/>      |
| <b>Net book value</b>               |            |
| At 29 March 2020                    | 8,705,332  |
|                                     | <hr/>      |
| At 30 March 2019                    | 9,287,463  |
|                                     | <hr/>      |

The net book value of assets held under finance leases or hire purchase contracts, included above, are as follows:

|                     | 2020<br>£ | 2019<br>£ |
|---------------------|-----------|-----------|
| Plant and machinery | 2,038,240 | 2,300,928 |
|                     | <hr/>     | <hr/>     |

THE WEST BERKSHIRE BREWERY PLC

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 29 MARCH 2020

13. Tangible fixed assets (continued)

Company

|                                     | Improve-<br>ments to<br>property<br>£ | Plant and<br>machinery<br>£ | Motor<br>vehicles<br>£ | Computer<br>equipment<br>£ | Total<br>£ |
|-------------------------------------|---------------------------------------|-----------------------------|------------------------|----------------------------|------------|
| <b>Cost or valuation</b>            |                                       |                             |                        |                            |            |
| At 30 March 2019                    | 2,766,895                             | 7,867,246                   | 138,250                | 114,198                    | 10,886,589 |
| Additions                           | 60,913                                | 300,417                     | -                      | 48,977                     | 410,307    |
| Disposals                           | (108,307)                             | (181,650)                   | -                      | -                          | (289,957)  |
| At 29 March 2020                    | 2,719,501                             | 7,986,013                   | 138,250                | 163,175                    | 11,006,939 |
| <b>Depreciation</b>                 |                                       |                             |                        |                            |            |
| At 30 March 2019                    | 93,539                                | 1,461,259                   | 100,192                | 62,092                     | 1,717,082  |
| Charge for the year on owned assets | -                                     | 799,224                     | -                      | -                          | 799,224    |
| Disposals                           | (57,158)                              | (114,017)                   | -                      | -                          | (171,175)  |
| At 29 March 2020                    | 36,381                                | 2,146,466                   | 100,192                | 62,092                     | 2,345,131  |
| <b>Net book value</b>               |                                       |                             |                        |                            |            |
| At 29 March 2020                    | 2,683,120                             | 5,839,547                   | 38,058                 | 101,083                    | 8,661,808  |
| At 30 March 2019                    | 2,673,356                             | 6,405,987                   | 38,058                 | 52,106                     | 9,169,507  |

Finance leases

All group assets held under finance leases are assets of the Company.

THE WEST BERKSHIRE BREWERY PLC

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 29 MARCH 2020

14. Fixed asset investments

Group

|                          | Investments<br>in<br>associates<br>£ |
|--------------------------|--------------------------------------|
| <b>Cost or valuation</b> |                                      |
| At 30 March 2019         | 1,075,064                            |
| Share of profit/(loss)   | (71,874)                             |
|                          | <hr/>                                |
| At 29 March 2020         | 1,003,190                            |
|                          | <hr/>                                |
| <b>Impairment</b>        |                                      |
| Charge for the period    | 1,003,190                            |
|                          | <hr/>                                |
| At 29 March 2020         | 1,003,190                            |
|                          | <hr/>                                |
| <b>Net book value</b>    |                                      |
| At 29 March 2020         | -                                    |
|                          | <hr/> <hr/>                          |
| At 30 March 2019         | 1,075,064                            |
|                          | <hr/> <hr/>                          |

Maverick Pubs Ltd was in the process of selling The Old Suffolk Punch Fulham when Covid-19 hit the country. As a result of this the sale fell through and the Company was forced to secure additional finance in the form of bank debt to survive the lockdown period. Whilst Maverick has found another purchaser for this property the impact of Covid-19 on the licensed trade, accompanied by the increased borrowing within the company created circumstances whereby it was deemed prudent by the Board to provide against the investment. Subsequently, Maverick has re-opened for trade at The Oxford Tavern in Kentish Town but at substantially decreased levels.

**THE WEST BERKSHIRE BREWERY PLC**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 29 MARCH 2020**

**14. Fixed asset investments (continued)**

**Company**

|                          | Investments<br>in<br>subsidiary<br>companies<br>£ | Investments<br>in<br>associates<br>£ | Total<br>£ |
|--------------------------|---|--------------------------------------|------------|
| <b>Cost or valuation</b> |   |                                      |            |
| At 30 March 2019         | 3   | 1,254,800                            | 1,254,803  |
| At 29 March 2020         | 3   | 1,254,800                            | 1,254,803  |
| <b>Impairment</b>        |   |                                      |            |
| Charge for the period    | -   | 1,254,800                            | 1,254,800  |
| At 29 March 2020         | -   | 1,254,800                            | 1,254,800  |
| <b>Net book value</b>    |   |                                      |            |
| At 29 March 2020         | 3   | -                                    | 3          |
| At 30 March 2019         | 3   | 1,254,800                            | 1,254,803  |

**Subsidiary undertakings**

The following were subsidiary undertakings of the Company:

| Name                             | Class of shares | Holding |
|----------------------------------|-----------------|---------|
| Renegade Brewery Limited         | Ordinary shares | 100%    |
| The Renegade Pub Co.1 Limited    | Ordinary shares | 100%    |
| The Renegade Pub Co.2 Limited    | Ordinary shares | 100%    |
| Maverick Pubs (Holdings) Limited | Ordinary shares | 20%     |
| Maverick Pubs Limited            | Ordinary shares | 20%     |

Renegade Brewery Limited is dormant.

The Renegade Pub Co.1 Limited's principal activity is operating a public house. Its financial period end is 31 March.

The Renegade Pub Co.2 Limited is dormant.

THE WEST BERKSHIRE BREWERY PLC

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 29 MARCH 2020

15. Stocks

|                                     | Group<br>2020<br>£ | Group<br>2019<br>£ | Company<br>2020<br>£ | Company<br>2019<br>£ |
|-------------------------------------|--------------------|--------------------|----------------------|----------------------|
| Raw materials and consumables       | 144,940            | 123,964            | 144,940              | 108,064              |
| Work in progress (goods to be sold) | 44,980             | 75,986             | 44,980               | 75,986               |
| Finished goods and goods for resale | 251,450            | 286,375            | 238,350              | 266,675              |
|                                     | <u>441,370</u>     | <u>486,325</u>     | <u>428,270</u>       | <u>450,725</u>       |

The difference between purchase price or production cost of stocks and their replacement cost is not material.

16. Debtors

|  | Group<br>2020<br>£ | Group<br>2019<br>£ | Company<br>2020<br>£ | Company<br>2019<br>£ |
|--|--------------------|--------------------|----------------------|----------------------|
| Trade debtors  | 387,982            | 724,300            | 387,982              | 724,300              |
| Amounts owed by group undertakings                         | -                  | -                  | 51,716               | 120,988              |
| Amounts owed by joint ventures and associated undertakings | 5,000              | 26,168             | 5,000                | 26,168               |
| Other debtors  | 88,009             | 76,169             | 61,245               | 31,353               |
| Prepayments and accrued income                             | 133,893            | 155,786            | 132,366              | 152,878              |
|  | <u>614,884</u>     | <u>982,423</u>     | <u>638,309</u>       | <u>1,055,687</u>     |

17. Cash and cash equivalents

|                          | Group<br>2020<br>£ | Group<br>2019<br>£ | Company<br>2020<br>£ | Company<br>2019<br>£ |
|--------------------------|--------------------|--------------------|----------------------|----------------------|
| Cash at bank and in hand | 152,419            | 887,569            | 103,130              | 782,678              |

**THE WEST BERKSHIRE BREWERY PLC**

**NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 29 MARCH 2020**

**18. Creditors: Amounts falling due within one year**

|                                    | <b>Group<br/>2020<br/>£</b> | <b>Group<br/>2019<br/>£</b> | <b>Company<br/>2020<br/>£</b> | <b>Company<br/>2019<br/>£</b> |
|------------------------------------|-----------------------------|-----------------------------|-------------------------------|-------------------------------|
| Trade creditors                    | 677,307                     | 1,100,220                   | 652,972                       | 1,060,348                     |
| Other taxation and social security | 446,409                     | 146,704                     | 378,700                       | 110,835                       |
| HP liabilities and finance leases  | 574,142                     | 702,137                     | 574,142                       | 702,137                       |
| Other creditors                    | 361,120                     | 137,667                     | 281,366                       | 86,692                        |
| Accruals and deferred income       | 478,256                     | 414,870                     | 432,718                       | 385,408                       |
| Other financial instruments        | 105                         | 38,674                      | 105                           | 38,674                        |
|                                    | <b>2,537,339</b>            | <b>2,540,272</b>            | <b>2,320,003</b>              | <b>2,384,094</b>              |

**19. Creditors: Amounts falling due after more than one year**

|                                   | <b>Group<br/>2020<br/>£</b> | <b>Group<br/>2019<br/>£</b> | <b>Company<br/>2020<br/>£</b> | <b>Company<br/>2019<br/>£</b> |
|-----------------------------------|-----------------------------|-----------------------------|-------------------------------|-------------------------------|
| Other loans                       | 4,115,341                   | 3,039,243                   | 4,115,341                     | 3,039,243                     |
| HP liabilities and finance leases | 1,224,071                   | 1,668,426                   | 1,224,071                     | 1,668,426                     |
| Other creditors                   | -                           | 56,000                      | -                             | 56,000                        |
|                                   | <b>5,339,412</b>            | <b>4,763,669</b>            | <b>5,339,412</b>              | <b>4,763,669</b>              |

**20. Loans**

|                                      | <b>Group<br/>2020<br/>£</b> | <b>Group<br/>2019<br/>£</b> | <b>Company<br/>2020<br/>£</b> | <b>Company<br/>2019<br/>£</b> |
|--------------------------------------|-----------------------------|-----------------------------|-------------------------------|-------------------------------|
| <b>Amounts falling due 2-5 years</b> |                             |                             |                               |                               |
| Convertible loans                    | 4,115,341                   | 3,039,243                   | 4,115,341                     | 3,039,243                     |

THE WEST BERKSHIRE BREWERY PLC

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 29 MARCH 2020

21. Hire purchase and finance leases

Minimum lease payments under hire purchase fall due as follows:

|                   | Group<br>2020<br>£ | Group<br>2019<br>£ | Company<br>2020<br>£ | Company<br>2019<br>£ |
|-------------------|--------------------|--------------------|----------------------|----------------------|
| Within one year   | 574,142            | 574,142            | 574,142              | 574,142              |
| Between 1-5 years | 1,224,070          | 1,668,426          | 1,224,070            | 1,668,426            |
|                   | <u>1,798,212</u>   | <u>2,242,568</u>   | <u>1,798,212</u>     | <u>2,242,568</u>     |

22. Financial instruments

|   | Group<br>2020<br>£ | Group<br>2019<br>£ | Company<br>2020<br>£ | Company<br>2019<br>£ |
|---|--------------------|--------------------|----------------------|----------------------|
| <b>Financial assets</b>   |                    |                    |                      |                      |
| Cash at bank  | 152,419            | 887,569            | 103,130              | -                    |
| Financial assets that are debt instruments<br>measured at amortised cost          | 480,991            | 826,637            | 505,943              | -                    |
|   | <u>633,410</u>     | <u>1,714,206</u>   | <u>609,073</u>       | <u>-</u>             |
| <b>Financial liabilities</b>  |                    |                    |                      |                      |
| Derivative financial instruments measured at<br>fair value through profit or loss | (105)              | (38,674)           | (105)                | (38,674)             |
| Financial liabilities measured at amortised<br>cost                               | (5,612,024)        | (4,724,669)        | -                    | (4,681,922)          |
|   | <u>(5,612,129)</u> | <u>(4,763,343)</u> | <u>(105)</u>         | <u>(4,720,596)</u>   |

# THE WEST BERKSHIRE BREWERY PLC

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 29 MARCH 2020

### 23. Share capital

|  | 2020<br>£      | 2019<br>£      |
|--|----------------|----------------|
| <b>Allotted, called up and fully paid</b>                  |                |                |
| 4,944,280 (2019 - 4,841,580) Ordinary shares of £0.10 each | <b>494,428</b> | <b>484,158</b> |

The Group issued 102,700 ordinary shares during the year with a total nominal value of £10,270 for a total consideration of £513,500.

### 24. Reserves

#### Share premium account

Share premium account is the cumulative total of the amounts which the Group has received for a share issues in excess of its nominal value.

#### Other reserves

The other reserve is value of the equity element of the convertible loan facility introduced in the year ended 31 March 2018.

#### Profit and loss account

The profit and loss account is the accumulated profit or losses at the year-end date.

THE WEST BERKSHIRE BREWERY PLC

NOTES TO THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 29 MARCH 2020

25. Share based payments

The Group operates an Enterprise Management Incentive Plan under which certain employees have been granted options to subscribe to new ordinary shares of the Group.

The share-based payment charge for the year was £169,062 (2019: £228,191).

The movement in the number and weighted average exercise price of the share options during the year were as follows:

|   | Weighted<br>average<br>exercise<br>price<br>(pence)<br>2020 | Number<br>2020 | Weighted<br>average<br>exercise<br>price<br>(pence)<br>2019 | Number<br>2019 |
|---|---|----------------|---|----------------|
| Outstanding at the beginning of the year  | 66  | 641,505        | 87  | 781,505        |
| Granted during the year                   | 0   | -              | 0   | -              |
| Forfeited during the year                 | 379   | (50,000)       | 183   | (140,000)      |
| Exercised during the year                 | 0   | -              | 0   | -              |
| <b>Outstanding at the end of the year</b> | <b>40</b>   | <b>591,505</b> | <b>66</b>   | <b>641,505</b> |

|   | 2020<br>Black-<br>Scholes | 2019<br>Black-<br>Scholes |
|---|---------------------------|---------------------------|
| Option pricing model used                 |                           |                           |
| Weighted average share price (pence)      | 300                       | 300                       |
| Exercise price (pence)                    | 86                        | 86                        |
| Weighted average contractual life (years) | 6                         | 6                         |
| Expected volatility                       | 62%                       | 62%                       |
| Risk-free interest rate                   | 1%                        | 1%                        |

26. Commitments under operating leases

At 29 March 2020 the Group and the Company had future minimum lease payments due under non-cancellable operating leases for each of the following periods:

|  | Group<br>2020<br>£ | Group<br>2019<br>£ | Company<br>2020<br>£ | Company<br>2019<br>£ |
|--|--------------------|--------------------|----------------------|----------------------|
| Not later than 1 year                        | 408,678            | 364,252            | 349,678              | 314,252              |
| Later than 1 year and not later than 5 years | 2,088,170          | 1,922,400          | 1,881,670            | 1,722,400            |
| Later than 5 years                           | 1,703,293          | 2,241,574          | 1,703,293            | 2,240,741            |
|  | <b>4,200,141</b>   | <b>4,528,226</b>   | <b>3,934,641</b>     | <b>4,277,393</b>     |

## THE WEST BERKSHIRE BREWERY PLC

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 29 MARCH 2020

#### 27. Related party transactions

The Group has taken advantage of the exemption under Section 33 of FRS102 not to disclose transactions with wholly owned group members.

During the year ended 29 March 2020, the Group made sales totalling £215,145 (2019: £149,914) to 8 companies with common directors (2019: 7 companies).

At the balance sheet date, the total amount due from companies with common directors was £26,131 (2019: £18,534).

During the year ended 29 March 2020, the Group made purchases totalling £30,000 (2019: £26,075) to 1 company with common directors (2019: 2 companies).

At the balance sheet date the total amount due to companies with common directors was £nil (2019: £nil).

During the year ended 29 March 2020, the Group made sales totalling £132,725 (2019: £122,325) to associates and purchases totalling £nil (2019: £866) from associates. At the balance sheet date, the amount due from associates was £5,000 (2019: £26,168).

During the year ended 29 March 2020, the Group made purchases totalling £32,722 (2019: £53,395) from directors. At the balance sheet date, the company was owed £nil (2019: £17) from directors.