Registered number: 07213215

THE GREATER GOOD FRESH BREWING CO LIMITED (FORMERLY KNOWN AS VICTOR'S DRINKS LIMITED)

UNAUDITED

FINANCIAL STATEMENTS

INFORMATION FOR FILING WITH THE REGISTRAR

FOR THE YEAR ENDED 31 DECEMBER 2019

THE GREATER GOOD FRESH BREWING CO LIMITED
REGISTERED NUMBER: 07213215

BALANCE SHEET
AS AT 31 DECEMBER 2019

	Note		2019 £		2018 £
Fixed assets					
Intangible assets	4		**49,184**		*38,079*
Tangible assets	5		**194,614**		*207,211*
			243,798		*245,290*
Current assets					
Stocks		**118,458**		*59,726*	
Debtors: amounts falling due within one year	6	**227,223**		*251,393*	
Cash at bank and in hand	7	**4,589**		*894*	
		350,270		*312,013*	
Creditors: amounts falling due within one year	8	**(2,620,339)**		*(2,596,331)*	
Net current liabilities			**(2,270,069)**		*(2,284,318)*
Total assets less current liabilities			**(2,026,271)**		*(2,039,028)*
Creditors: amounts falling due after more than one year	9		**(37,224)**		*(71,580)*
Net liabilities			**(2,063,495)**		*(2,110,608)*
Capital and reserves					
Called up share capital	10		**3**		*2*
Share premium account			**1,212,481**		*337,482*
Profit and loss account			**(3,275,979)**		*(2,448,092)*
			(2,063,495)		*(2,110,608)*

The directors consider that the Company is entitled to exemption from audit under section 477 of the Companies Act 2006 and members have not required the Company to obtain an audit for the year in question in accordance with section 476 of Companies Act 2006.

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

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

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

The Company has opted not to file the statement of income and retained earnings in accordance with provisions applicable to companies subject to the small companies' regime.

BALANCE SHEET (CONTINUED)
AS AT 31 DECEMBER 2019

The financial statements were approved and authorised for issue by the board and were signed on its behalf on 24 February 2020.

R T Broadbent
Director

The notes on pages 3 to 11 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2019

1. General information

The Greater Good Fresh Brewing Co Limited is a private company limited by shares. The company incorporated in the United Kingdom and is registered in England and Wales. The registration number is 07213215. The registered office address is Unit 4 Lennox Trading Estate, Lennox Road, London, England E17 8NS.

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 Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 Going concern

The company has net liabilities of £2,063,495 *(2018: £2,110,608)* at the year end. The directors will continue to support the business and therefore believe it is appropriate to prepare the accounts on a going concern basis.

2.3 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 the Statement of income and retained earnings 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 Statement of income and retained earnings within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Statement of income and retained earnings within 'other operating income'.

2. Accounting policies (continued)

2.4 Revenue

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company 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 Company has transferred the significant risks and rewards of ownership to the buyer;
- the Company 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 Company 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.

2.5 Operating leases: the Company as lessee

Rentals paid under operating leases are charged to the Statement of income and retained earnings 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.

The Company has taken advantage of the optional exemption available on transition to FRS 102 which allows lease incentives on leases entered into before the date of transition to the standard 01 January 2018 to continue to be charged over the period to the first market rent review rather than the term of the lease.

2.6 Research and development

In the research phase of an internal project it is not possible to demonstrate that the project will generate future economic benefits and hence all expenditure on research shall be recognised as an expense when it is incurred. Intangible assets are recognised from the development phase of a project if and only if certain specific criteria are met in order to demonstrate the asset will generate probable future economic benefits and that its cost can be reliably measured. The capitalised development costs are subsequently amortised on a straight line basis over their useful economic lives, which range from 3 to 6 years.

If it is not possible to distinguish between the research phase and the development phase of an internal project, the expenditure is treated as if it were all incurred in the research phase only.

2.7 Finance costs

Finance costs are charged to the Statement of income and retained earnings 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. Accounting policies (continued)

2.8 Borrowing costs

All borrowing costs are recognised in the Statement of income and retained earnings in the year in which they are incurred.

2.9 Pensions

Defined contribution pension plan

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

The contributions are recognised as an expense in the Statement of income and retained earnings 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 Company in independently administered funds.

2.10 Taxation

Tax is recognised in the Statement of income and retained earnings, except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

2.11 Intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses.

All intangible assets are considered to have a finite useful life. If a reliable estimate of the useful life cannot be made, the useful life shall not exceed ten years.

2.12 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.

2. Accounting policies (continued)

2.12 Tangible fixed assets (continued)

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, on a reducing balance basis.

Depreciation is provided on the following basis:

Plant and machinery	-	25%	reducing balance
Fixtures and fittings	-	25%	reducing balance
Computer equipment	-	25%	reducing balance
Other fixed assets	-	25%	reducing balance

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 the Statement of income and retained earnings.

2.13 Stocks

Stocks and work in progress are valued at the lower of cost and net realisable value after making due allowance for obsolete and slow-moving stocks. Cost includes all direct costs and an appropriate proportion of fixed and variable overheads. Work in progress is reflected in the accounts on a contract by contract basis by recording turnover and related costs as contract activity progresses.

2.14 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.

2.15 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.

2.16 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.

2.17 Financial instruments

The Company 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 ordinary shares.

2. Accounting policies (continued)

2.17 Financial instruments (continued)

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found, an impairment loss is recognised in the Statement of income and retained earnings.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

3. Employees

The average monthly number of employees, including directors, during the year was 10 *(2018 - 14)*.

4. Intangible assets

	Patents	Development expenditure	Total
	£	£	£
Cost			
At 1 January 2019	-	54,398	54,398
Additions	16,545	-	16,545
At 31 December 2019	16,545	54,398	70,943
Amortisation			
At 1 January 2019	-	16,319	16,319
Charge for the year	-	5,440	5,440
At 31 December 2019	-	21,759	21,759
Net book value			
At 31 December 2019	16,545	32,639	49,184
At 31 December 2018	*-*	*38,079*	*38,079*

5. Tangible fixed assets

	Plant and machinery	Fixtures and fittings	Computer equipment	Other fixed assets	Total
	£	£	£	£	£
Cost or valuation					
At 1 January 2019	**282,546**	**15,900**	**7,558**	**-**	**306,004**
Additions	**25,081**	**-**	**499**	**158,114**	**183,694**
Disposals	**(254,980)**	**-**	**-**	**-**	**(254,980)**
At 31 December 2019	**52,647**	**15,900**	**8,057**	**158,114**	**234,718**
Depreciation					
At 1 January 2019	**92,159**	**3,562**	**3,072**	**-**	**98,793**
Charge for the year on owned assets	**43,393**	**2,848**	**1,122**	**10,886**	**58,249**
Disposals	**(116,938)**	**-**	**-**	**-**	**(116,938)**
At 31 December 2019	**18,614**	**6,410**	**4,194**	**10,886**	**40,104**
Net book value					
At 31 December 2019	**34,033**	**9,490**	**3,863**	**147,228**	**194,614**
At 31 December 2018	*190,387*	*12,338*	*4,486*	*-*	*207,211*

6. Debtors

	2019	*2018*
	£	*£*
Trade debtors	**2,200**	*80,790*
Other debtors	**92,240**	*14,351*
Prepayments and accrued income	**145**	*-*
Tax recoverable	**132,638**	*156,252*
	227,223	*251,393*

7. Cash and cash equivalents

	2019 £	2018 £
Cash at bank and in hand	4,589	894
Less: bank overdrafts	-	(18,751)
	4,589	(17,857)

8. Creditors: Amounts falling due within one year

	2019 £	2018 £
Bank overdrafts	-	18,751
Other loans	436,667	369,390
Trade creditors	103,677	265,840
Other taxation and social security	9,261	27,230
Obligations under finance lease and hire purchase contracts	36,464	34,199
Other creditors	1,970,673	1,871,658
Accruals and deferred income	63,597	9,263
	2,620,339	2,596,331

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

	2019 £	2018 £
Net obligations under finance leases and hire purchase contracts	37,224	71,580
	37,224	71,580

10. Share capital

	2019 £	2018 £
Allotted, called up and fully paid		
122 *(2018 - 20)* B Ordinary shares of £0.001- each	0.1220	0.0200
258 *(2018 - 260)* C Ordinary shares of £0.001- each	0.2580	0.2600
2,082 *(2018 - 2,080)* Ordinary shares of £0.001- each	2.0820	2.0800
350 *(2018 - Nil)* D Ordinary shares of £0.001- each	0.3500	-
	2.8120	2.3600

10. Share capital (continued)

11. Pension commitments

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund. The pension cost charge represents contributions payable by the company to the fund and amounted to £3,733 *(2018: £7,235)*. Contributions totalling £755 *(2018: £717)* were payable to the fund at the balance sheet date.

12. Related party transactions

ONE TWO FESTIVALS LTD

At 31 December 2019, the company owed £Nil *(2018: £9,000)* to One Two Festivals Limited, a company with common directors. The amount is unsecured interest free and has no fixed repayment date.

COMPACT TANK SOLUTIONS LTD

During the year, the company received loans from Compact Tank Solutions Ltd, a company with common directors, of £Nil *(2018: £60,400)*. At 31 December 2019, the company owed £242,235 *(2018: £244,203)* to Compact Tank Solutions Ltd. The amount is unsecured, interest free and has no fixed repayment date.

Directors of the company

At 31 December 2019, the company owed £1,714,508 *(2018: £1,545,139)* to the directors. The amount is unsecured interest free and has no fixed repayment date.