

Beer Factory and Kitchen Ltd

Annual Report and Unaudited Abridged Financial Statements
for the Year Ended 31 December 2020

Beer Factory and Kitchen Ltd

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Beer Factory and Kitchen Ltd

(Registration number: 11724401)

Abridged Statement of Financial Position as at 31 December 2020

	Note	2020	2019
		£	£
Fixed assets			
Tangible assets	<u>4</u>	18,620	20,650
Current assets			
Inventories	<u>5</u>	4,262	5,490
Debtors		116	851
Cash at bank and in hand		<u>34,485</u>	<u>15,560</u>
		38,863	21,901
Prepayments and accrued income		1,324	319
Creditors: Amounts falling due within one year		<u>(54,274)</u>	<u>(50,511)</u>
Net current liabilities		<u>(14,087)</u>	<u>(28,291)</u>
Total assets less current liabilities		4,533	(7,641)
Creditors: Amounts falling due after more than one year		<u>(45,760)</u>	<u>(23,749)</u>
Net liabilities		<u><u>(41,227)</u></u>	<u><u>(31,390)</u></u>
Capital and reserves			
Called up share capital		100	100
Profit and loss account		<u>(41,327)</u>	<u>(31,490)</u>
Shareholders funds		<u><u>(41,227)</u></u>	<u><u>(31,390)</u></u>

The notes on pages 3 to 8 form an integral part of these abridged financial statements.

Beer Factory and Kitchen Ltd

(Registration number: 11724401)

Abridged Statement of Financial Position as at 31 December 2020

For the financial year ending 31 December 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Directors' responsibilities:

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

These financial statements have been prepared in accordance with the special provisions relating to companies subject to the small companies regime within Part 15 of the Companies Act 2006.

These financial statements have been delivered in accordance with the provisions applicable to companies subject to the small companies regime and the option not to file the Income Statement has been taken.

All of the company's members have consented to the preparation of an Abridged Statement of Financial Position in accordance with Section 444(2A) of the Companies Act 2006.

Approved and authorised by the Board on 30 September 2021 and signed on its behalf by:

.....

Mr T Golder
Director

.....

Mrs S Taylor
Director

Beer Factory and Kitchen Ltd

Notes to the Unaudited Abridged Financial Statements for the Year Ended 31 December 2020

1 General information

The company is a private company limited by share capital, incorporated in England and Wales.

The address of its registered office is:

Hanlons Brewery
Newton St. Cyres
Exeter
Devon
EX5 5AE

These financial statements were authorised for issue by the Board on 30 September 2021.

2 Accounting policies

Summary of significant accounting policies and key accounting estimates

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

Statement of compliance

These abridged financial statements have been prepared in accordance with applicable United Kingdom accounting standards, including Financial Reporting Standard 102 Section 1A smaller entities 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' ('FRS 102') and the Companies Act 2006.

The presentation currency is (£) sterling.

Basis of preparation

These abridged financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

Going concern

The financial statements have been prepared on a going concern basis.

The company has net liabilities of £41,227 (2019: £31,390) at the year end. The director's believe there is no reason that the company will have to cease to trade as a result of inadequate financial resources, or any foreseeable event, within a period of at least 12 months.

The director's continue to support the company and they consider it appropriate to prepare the financial statements on the going concern basis.

Beer Factory and Kitchen Ltd

Notes to the Unaudited Abridged Financial Statements for the Year Ended 31 December 2020

Revenue recognition

Turnover comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the company's activities. Turnover is shown net of sales/value added tax, returns, rebates and discounts.

The company recognises revenue when:

The amount of revenue can be reliably measured;

it is probable that future economic benefits will flow to the entity;

and specific criteria have been met for each of the company's activities.

Government grants

During the year the business received the following Covid-19 related business support payments.

1. £50,416 Job Retention scheme (JRS) grants.

2. £1,843 rates grants share which was passed on by the landlord..

Tax

The tax expense for the period comprises current tax. Tax is recognised in profit or loss, except that a change attributable to an item of income or expense recognised as other comprehensive income is also recognised directly in other comprehensive income.

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

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured using the tax rates and laws that have been enacted or substantively enacted by the reporting date and that are expected to apply to the reversal of the timing difference, except for revalued land and investment property where the tax rate that applies to the sale of the asset is used.

Current and deferred tax assets and liabilities are not discounted.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Tangible assets

Tangible assets are stated in the statement of financial position at cost, less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

The cost of tangible assets includes directly attributable incremental costs incurred in their acquisition and installation.

Depreciation

Depreciation is charged so as to write off the cost of assets, other than land and properties under construction over their estimated useful lives, as follows:

Asset class

Leasehold property improvements

Plant and equipment

Depreciation method and rate

3 years straight line

3 years straight line

Beer Factory and Kitchen Ltd

Notes to the Unaudited Abridged Financial Statements for the Year Ended 31 December 2020

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value.

Trade debtors

Trade debtors are amounts due from customers for merchandise sold or services performed in the ordinary course of business.

Trade debtors are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for the impairment of trade debtors is established when there is objective evidence that the company will not be able to collect all amounts due according to the original terms of the receivables.

Inventories

Inventories are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost is determined using the first-in, first-out (FIFO) method.

The cost of finished goods and work in progress comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. At each reporting date, inventories are assessed for impairment. If inventories are 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.

Trade creditors

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if the company does not have an unconditional right, at the end of the reporting period, to defer settlement of the creditor for at least twelve months after the reporting date. If there is an unconditional right to defer settlement for at least twelve months after the reporting date, they are presented as non-current liabilities.

Trade creditors are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

Borrowings

Interest-bearing borrowings are initially recorded at fair value, net of transaction costs. Interest-bearing borrowings are subsequently carried at amortised cost, with the difference between the proceeds, net of transaction costs, and the amount due on redemption being recognised as a charge to the Income Statement over the period of the relevant borrowing.

Interest expense is recognised on the basis of the effective interest method and is included in interest payable and similar charges.

Borrowings are classified as current liabilities unless the company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

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Notes to the Unaudited Abridged Financial Statements for the Year Ended 31 December 2020

Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee.

Assets held under finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the Statement of Financial Position as a finance lease obligation.

Lease payments are apportioned between finance costs in the Income Statement and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

Share capital

Ordinary shares are classified as equity. Equity instruments are measured at the fair value of the cash or other resources received or receivable, net of the direct costs of issuing the equity instruments. If payment is deferred and the time value of money is material, the initial measurement is on a present value basis.

Defined contribution pension obligation

A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the company has no legal or constructive obligation to pay further contributions even if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods.

Contributions to defined contribution plans are recognised as employee benefit expense when they are due. If contribution payments exceed the contribution due for service, the excess is recognised as a prepayment.

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Notes to the Unaudited Abridged Financial Statements for the Year Ended 31 December 2020

Financial instruments

The company only enters into basic financial instruments transactions that result in the recognition of financial assets and liabilities like trade and other accounts receivable and payable, loans from banks and other third parties, loans to related parties and investments in non-puttable ordinary shares.

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 profit or loss.

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 the best estimate, which is an approximation, of the amount that the company would receive for the asset if it were to be sold at the reporting date.

Financial assets and liabilities are offset and the net amount reported in the statement of financial position 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 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 11 (2019 - 10).

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Notes to the Unaudited Abridged Financial Statements for the Year Ended 31 December 2020

4 Tangible assets

	Leasehold property improvements £	Plant and equipment £	Total £
Cost or valuation			
At 1 January 2020	18,651	8,148	26,799
Additions	7,470	-	7,470
At 31 December 2020	26,121	8,148	34,269
Depreciation			
At 1 January 2020	5,181	968	6,149
Charge for the year	6,784	2,716	9,500
At 31 December 2020	11,965	3,684	15,649
Carrying amount			
At 31 December 2020	14,156	4,464	18,620
At 31 December 2019	13,470	7,180	20,650

Included within the net book value of land and buildings above is £14,156 (2019 - £13,470) in respect of short leasehold land and buildings.

5 Inventories

	2020 £	2019 £
Other inventories	4,262	5,490

6 Share capital

Allotted, called up and fully paid shares

	2020		2019	
	No.	£	No.	£
Ordinary of £1 each	100	100	100	100

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.