

Axholme Brewing Company Limited

Unaudited Filleted Financial Statements
for the Year Ended 31 March 2023

Axholme Brewing Company Limited

Contents

Balance Sheet	<u>1</u> to <u>2</u>
Notes to the Unaudited Financial Statements	<u>3</u> to <u>8</u>

Axholme Brewing Company Limited

(Registration number: 08689169)

Balance Sheet as at 31 March 2023

	Note	2023 £	2022 £
Fixed assets			
Tangible assets	<u>4</u>	293,314	349,425
Current assets			
Stocks	<u>5</u>	115,505	79,334
Debtors	<u>6</u>	125,906	70,896
Cash at bank and in hand		20,936	8,588
		<u>262,347</u>	<u>158,818</u>
Creditors: Amounts falling due within one year	<u>7</u>	<u>(359,216)</u>	<u>(288,387)</u>
Net current liabilities		<u>(96,869)</u>	<u>(129,569)</u>
Total assets less current liabilities		196,445	219,856
Creditors: Amounts falling due after more than one year	<u>7</u>	(185,922)	(243,746)
Provisions for liabilities		<u>(21,645)</u>	<u>(11,338)</u>
Net liabilities		<u><u>(11,122)</u></u>	<u><u>(35,228)</u></u>
Capital and reserves			
Called up share capital		100	100
Retained earnings		<u>(11,222)</u>	<u>(35,328)</u>
Shareholders' deficit		<u><u>(11,122)</u></u>	<u><u>(35,228)</u></u>

For the financial year ending 31 March 2023 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. As permitted by section 444 (5A) of the Companies Act 2006, the Directors have not delivered to the registrar a copy of the Profit and Loss Account.

Approved and authorised by the Board on 24 July 2023 and signed on its behalf by:

Axholme Brewing Company Limited

(Registration number: 08689169)

Balance Sheet as at 31 March 2023

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M Richards

Director

.....

W Douglas

Director

Axholme Brewing Company Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2023

1 General information

The company is a private company limited by share capital incorporated in England and the company registration number is 08689169.

The address of its registered office is:
26 South St Mary's Gate
Grimsby
N E Lincs
DN31 1LW

These financial statements were authorised for issue by the Board on 24 July 2023.

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

The financial statements have been prepared in accordance with Financial Reporting Standard 102 Section 1A - 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' and the Companies Act 2006. These financial statements cover the individual entity, Axholme Brewing Company Limited.

Basis of preparation

These 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.

The financial statements are presented in sterling and are rounded to the nearest pound.

Going concern

Specifically in connection with the current economic climate, the directors have considered the impact of COVID-19 on the business and they are satisfied that the company has sufficient financial headroom to continue trading for at least the next twelve months. For this reason the financial statements have been prepared on a going concern basis.

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

Government grants which become receivable as compensation for expenses or losses already incurred, or for the purpose of giving immediate financial support to the entity with no future related costs, are recognised as income in the period in which they become receivable

Tax

The tax expense for the period comprises deferred 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.

Axholme Brewing Company Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2023

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.

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements and on unused tax losses or tax credits in the Company. Deferred income tax is determined using tax rates and laws that have been enacted or substantively enacted by the reporting date.

The carrying amount of deferred tax assets are reviewed at each reporting date and a valuation allowance is set up against deferred tax assets so that the net carrying amount equals the highest amount that is more likely than not to be recovered based on current or future taxable profit.

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	Depreciation method and rate
Land and buildings	7 years
Plant and Machinery	10-25% Straight Line
Motor Vehicles	25% Straight Line
Fixtures and fittings	25% Straight Line
Office equipment	25% Straight Line

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.

Stocks

Stocks 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, stocks are assessed for impairment. If stocks 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.

Axholme Brewing Company Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2023

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 profit and loss account 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.

Leases

Leases in which substantially all the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss on a straight-line basis over the period of the lease.

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 balance sheet as a finance lease obligation.

Lease payments are apportioned between finance costs in the profit and loss account 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.

Dividends

Dividend distribution to the Company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

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.

Axholme Brewing Company Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2023

3 Staff numbers

The average number of persons employed by the Company (including Directors) during the year, was 55 (2022 - 34).

4 Tangible assets

	Land and buildings £	Furniture, fittings and equipment £	Motor vehicles £	Total £
Cost or valuation				
At 1 April 2022	195,003	343,737	9,550	548,290
Additions	27,311	5,984	-	33,295
At 31 March 2023	222,314	349,721	9,550	581,585
Depreciation				
At 1 April 2022	67,261	124,640	6,964	198,865
Charge for the year	28,995	58,024	2,387	89,406
At 31 March 2023	96,256	182,664	9,351	288,271
Carrying amount				
At 31 March 2023	126,058	167,057	199	293,314
At 31 March 2022	127,742	219,097	2,586	349,425

Included within the net book value of land and buildings above is £126,058 (2022 - £127,742) in respect of long leasehold land and buildings.

5 Stocks

	2023 £	2022 £
Other inventories	115,505	79,334

6 Debtors

	2023 £	2022 £
Current		
Trade debtors	45,168	37,191
Prepayments	12,417	2,400
Other debtors	68,321	31,305
	125,906	70,896

Axholme Brewing Company Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2023

7 Creditors

Creditors: amounts falling due within one year

	Note	2023 £	2022 £
Due within one year			
Bank loans and overdrafts	8	68,103	73,011
Trade creditors		100,527	68,520
Taxation and social security		63,440	18,075
Other creditors		121,816	123,563
Accruals and deferred income		5,330	5,218
		<u>359,216</u>	<u>288,387</u>

Due after one year

Loans and borrowings	8	<u>185,922</u>	<u>243,746</u>
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Creditors: amounts falling due after more than one year

	Note	2023 £	2022 £
Due after one year			
Loans and borrowings	8	<u>185,922</u>	<u>243,746</u>

	2023 £	2022 £
Due after more than five years		
Bank borrowings	25,935	36,333

8 Loans and borrowings

	2023 £	2022 £
Non-current loans and borrowings		
Bank borrowings	185,606	239,876
HP and finance lease liability (1-2 yrs)	316	3,870
	<u>185,922</u>	<u>243,746</u>

	2023 £	2022 £
Current loans and borrowings		
Bank borrowings	61,573	61,031
Bank overdrafts	2,975	6,842
Other borrowings	63,785	80,844
HP and finance lease	3,555	5,138
	<u>131,888</u>	<u>153,855</u>

Bank borrowings

Axholme Brewing Company Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 March 2023

Included within bank borrowings are two loans totalling £150,378 (2022: £189,402) advanced by the company's bankers in respect of the Coronavirus Business Interruption Loan. These loans are repayable in equal instalments over 60 months with repayments commencing June 2021 and November 2021 respectively.

Included within loans is an amount of £79,106 (2022: £89,505) from Key Fund Investments Limited. The loan is secured by way of a personal guarantee.

Creditors under hire purchase and finance lease agreement, are secured by a fixed charge on the assets they finance.

The aggregate amount of secured liabilities is £251,050 (2022: £316,757).

9 Financial commitments, guarantees and contingencies

Amounts not provided for in the balance sheet

The total amount of financial commitments not included in the balance sheet is £4,167 (2022 - £14,167).

10 Related party transactions

Key management compensation

	2023 £	2022 £
Salaries and other short term employee benefits	27,285	39,204

Transactions with Directors

	At 1 April 2022 £	Advances to Director £	At 31 March 2023 £
2023			
M Richards			
M Richards	19,557	19,472	39,029

S Shadan			
S Shadan	11,531	17,547	29,078

	At 1 October 2020 £	Advances to Director £	At 31 March 2022 £
2022			
M Richards			
M Richards	-	19,557	19,557
S Shadan			
S Shadan	-	11,531	11,531

Directors' remuneration

The Directors' remuneration for the year was as follows:

	2023 £	2022 £
Remuneration	27,285	39,204

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.