

Company Registration No. 2677473 (England and Wales)

**BREWER SCIENCE LIMITED**  
**REPORT AND FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 31 DECEMBER 2017**

**PAGES FOR FILING WITH REGISTRAR**

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# **BREWER SCIENCE LIMITED**

## **ANNUAL REPORT AND FINANCIAL STATEMENTS 2017**

### **OFFICERS AND PROFESSIONAL ADVISERS**

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#### **Directors**

Dr T L Brewer

Mr D W Brewer

#### **Secretaries**

J D Murray

V H Smith

#### **Registered office**

North Mill, 2<sup>nd</sup> Floor

Darley Abbey Mills

Darley Abbey

Derbyshire

United Kingdom

DE22 1DZ

#### **Bank**

Bank of America

PO Box 407

5 Canada Square

London

E14 5AQ

#### **Solicitors**

Flint Bishop

St Michael's Court

St Michael 's Lane

Derby

DE1 3HQ

#### **Auditor**

RSM UK Audit LLP

Suite A, 7<sup>th</sup> floor

City Gate East

Tollhouse Hill

Nottingham

NG1 5FS

## **BREWER SCIENCE LIMITED**

### **DIRECTORS' RESPONSIBILITIES STATEMENT**

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The directors are responsible for preparing the Directors' Report and the 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 United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law).

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 of the profit or loss of the company for that period.

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

- select suitable accounting policies and then apply them consistently;
- make judgements 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 company 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 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**BREWER SCIENCE LIMITED**

Company registration number 2677473

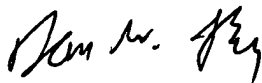
**BALANCE SHEET****AS AT 31 DECEMBER 2017**

	Note	2017 £	2016 £
<b>Fixed assets</b>			
Tangible fixed assets	6	-	-
<b>Current assets</b>			
Debtors	7	780,162	744,004
Cash at bank and in hand		42,724	60,265
		822,886	804,269
<b>Creditors: amounts falling due within one year</b>	8	(148,279)	(173,007)
<b>Net current assets</b>		674,607	631,262
<b>Net assets</b>		674,607	631,262
<b>Capital and reserves</b>			
Called up share capital		5,000	5,000
Capital reserves		733,070	733,070
Profit and loss account		(63,463)	(106,808)
<b>Shareholders' funds</b>		674,607	631,262

The directors of the company have elected not to include a copy of the Income Statement with the financial statements.

These financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies' regime.

The financial statements were approved by the board of directors and authorised for issue on 21<sup>st</sup> May 2018 and are signed on its behalf by



Mr D W Brewer

Director

# BREWER SCIENCE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2017

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#### 1. Accounting policies

##### **General information**

Brewer Science Limited ('the Company') is a private company limited by shares incorporated in England. The address of the registered office is given on page 1. The nature of the Company's operations and its principal activities are set out in the Directors' Report on page 2.

##### **Basis of accounting**

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102"), the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime, and under the historical cost convention, modified to include certain financial instruments at fair value. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

##### **Going concern**

The financial statements have been prepared using the going concern basis of accounting.

The Company is financed by credit extended from its parent undertaking. The directors have received a letter of support from its parent company confirming that they will continue to support the company for a period of at least 12 months from the date of these financial statements.

Taking all these matters into account, and notwithstanding an extremely challenging economic environment, the directors consider it appropriate to prepare and approve these financial statements on the going concern basis.

##### **Tangible fixed assets**

Tangible fixed assets are stated at cost or valuation, net of depreciation and any provision for impairment. Depreciation is provided on all tangible fixed assets at rates calculated to write off the cost or valuation, less estimated residual value, of each asset on a straight-line basis over its expected useful life, as follows:

Leasehold improvements	straight line over the period of the lease
Office equipment	25% to 33% straight line

Residual value represents the estimated amount which would currently be obtained from disposal of an asset, after deducting estimated costs of disposal, if the asset were already of the age and in the condition expected at the end of its useful life.

##### **Impairment of assets**

Assets, other than those measured at fair value, are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss as described below.

##### **Non-financial assets**

An asset is impaired where there is objective evidence that, as a result of one or more events that occurred after initial recognition, the estimated recoverable value of the asset has been reduced. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

# BREWER SCIENCE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2017

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#### 1. Accounting policies (continued)

##### **Impairment of assets (continued)**

Where indicators exist for a decrease in impairment loss, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

##### *Financial assets*

For financial assets carried at amortised cost, the amount of impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate.

For financial assets carried at cost less impairment, the impairment loss is the difference between the asset's carrying amount and the best estimate of the amount that would be received for the asset if it were to be sold at the reporting date.

Where indicators exist for a decrease in impairment loss, and the decrease can be related objectively to an event occurring after the impairment was recognised, the prior impairment loss is tested to determine reversal. An impairment loss is reversed on an individual impaired financial asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

##### **Financial instruments**

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities.

All financial assets and liabilities are initially measured at transaction price (including transaction costs), except for those financial assets classified as at fair value through profit or loss, which are initially measured at fair value (which is normally the transaction price excluding transaction costs), unless the arrangement constitutes a financing transaction. If an arrangement constitutes a financing transaction, the financial asset or financial liability is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Financial assets and liabilities are only offset in the statement of financial position when, and only when there exists a legally enforceable right to set off the recognised amounts and the Company intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Financial assets are derecognised when and only when a) the contractual rights to the cash flows from the financial asset expire or are settled, b) the Company transfers to another party substantially all of the risks and rewards of ownership of the financial asset, or c) the Company, despite having retained some, but not all, significant risks and rewards of ownership, has transferred control of the asset to another party.

Financial liabilities are derecognised only when the obligation specified in the contract is discharged, cancelled or expired.

# **BREWER SCIENCE LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

### **FOR THE YEAR ENDED 31 DECEMBER 2017**

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

##### **Taxation**

Current tax, including UK corporation tax and overseas tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date where transactions or events that result in an obligation to pay more tax in the future or a right to pay less tax in the future have occurred at the balance sheet date. Timing differences are differences between the Company's taxable profits and its results as stated in the financial statements that arise from the inclusion of gains and losses in tax assessments in periods different from those in which they are recognised in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that, on the basis of all available evidence, it can be regarded as more likely than not that there will be suitable taxable profits from which the future reversal of the underlying timing differences can be deducted.

Where items recognised in other comprehensive income or equity are chargeable to or deductible for tax purposes, the resulting current or deferred tax expense or income is presented in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense or income.

Current tax assets and liabilities are offset only when there is a legally enforceable right to set off the amounts and the Company intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

##### **Turnover**

Turnover represents fees receivable in respect of services provided during the year, excluding VAT. Turnover is recognised upon provision of the services.

##### **Employee benefits**

The company operates a defined contribution pension scheme for employees. The assets of the scheme are held separately from those of the company. The annual contributions payable are charged to the income statement.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

##### **Foreign currency**

Transactions in currencies other than the functional currency (foreign currencies) are initially recorded at the exchange rate prevailing on the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary assets and liabilities denominated in foreign currencies are translated at the rate ruling at the date of the transaction or, if the asset or liability is measured at fair value, the rate when that fair value was determined.

All translation differences are taken to profit or loss, except to the extent that they relate to gains or losses on non-monetary items recognised in other comprehensive income, when the related translation gain or loss is also recognised in other comprehensive income.

# BREWER SCIENCE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2017

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**1. Accounting policies (continued)**

**Leases**

Rentals under operating leases are charged on a straight-line basis over the lease term, even if the payments are not made on such a basis. Benefits received and receivable as an incentive to sign an operating lease are similarly spread on a straight-line basis over the lease term.

**2. Critical accounting judgements and key sources of estimation**

In the application of the Company's accounting policies, which are described in note 1, the directors are required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

These estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is reversed if the revision affects only that period, or in the period of the revision and future periods if the revisions affect both current and future periods.

There are no critical accounting judgments or key sources of estimation.

**3. Employees**

The average monthly number of employees (including executive directors) was:

	2017 Number	2016 Number
Total	10	10
	<u>10</u>	<u>10</u>



**BREWER SCIENCE LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)****FOR THE YEAR ENDED 31 DECEMBER 2017****4. Tax on profit on ordinary activities**

The tax charge comprises:

	2017 £	2016 £
<b>Current tax on profit on ordinary activities</b>		
UK corporation tax	-	-
Foreign tax	5,662	3,260
Adjustments in respect of prior years		
Foreign tax	(431)	-
<b>Total current tax</b>	5,231	3,260
Deferred tax	8,946	(44,200)
<b>Total tax on profit on ordinary activities</b>	14,177	(40,940)

**5. Tangible fixed assets**

	Leasehold improvements £	Office equipment £	Total £
<b>Cost</b>			
At 1 January 2017 and 31 December 2017	39,155	27,649	66,804
<b>Depreciation</b>			
At 1 January 2017	39,155	27,649	66,804
Charge for the year	-	-	-
At 31 December 2017	39,155	27,649	66,804
<b>Net book value</b>			
At 31 December 2017	-	-	-
At 31 December 2016	-	-	-

# BREWER SCIENCE LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 DECEMBER 2017

#### 6. Debtors

##### Amounts due within one year

	2017 £	2016 £
Amounts owed by Group undertakings	690,727	681,118
Other taxation and social security	8,883	4,919
Deferred tax asset	35,254	44,200
Other debtors	45,298	13,767
	<u>780,162</u>	<u>744,004</u>

The deferred tax asset relates to losses and has been recognised, as the company is profitable and is expected to remain so for the foreseeable future. Therefore the company is expected to recover these deferred tax assets in the future.

#### 7. Creditors: amounts falling due within one year

	2017 £	2016 £
Amounts owed to Group undertakings	42,893	34,999
Other taxation and social security	54,558	95,025
Other creditors	50,828	42,983
	<u>148,279</u>	<u>173,007</u>

#### 8. Financial commitments

Total future minimum lease payments under non-cancellable operating leases are as follows:

	2017 £	2016 £
<b>Amounts due:</b>		
Within one year	41,891	21,901
Within two to five years	23,565	24,449
	<u>65,456</u>	<u>46,350</u>

#### 9. Controlling party

The immediate and ultimate parent undertaking of Brewer Science Limited is Terla Holding Company. Dr T L Brewer and Ms P Brewer are the company's controlling related parties by virtue of their control of 100% of the shares of Terla Holdings Company.

The largest and smallest Company of undertakings for which Company financial statements have been drawn up is that headed by Terla Holding Company, incorporated in the United States of America. The consolidated financial statements are not available to the public.

# **BREWER SCIENCE LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**

### **FOR THE YEAR ENDED 31 DECEMBER 2017**

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#### **10. Audit report information**

As the Income Statement has been omitted from the filing copy of the financial statements the following information in relation to the audit report on the statutory financial statements is provided in accordance with S444(5B) of the Companies Act 2016:

The auditor's report was unqualified.

The senior statutory auditor was Neil Stephenson.

The auditor was RSM UK Audit LLP.