

COMPANY REGISTRATION NUMBER: 06852727

**Leamside Ale Company Limited**  
**Filleted Unaudited Financial Statements**  
**For the year ended**  
**30 April 2017**

**PAGES FOR FILING WITH REGISTRAR**



**DEBERE LIMITED**  
Chartered Accountants  
Swallow House  
Parsons Road  
Washington  
Tyne and Wear  
NE37 1EZ

# **Leamside Ale Company Limited**

## **Financial Statements**

**Year ended 30 April 2017**

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# **Leamside Ale Company Limited**

## **Officers and Professional Advisers**

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### **The board of directors**

Mr D J Frankland  
Mr M Thompson

### **Business address**

Three Horseshoes  
Pithouse Lane  
Leamside  
Houghton le Spring  
County Durham  
DH4 6QQ

### **Registered office**

Three Horseshoes  
Pithouse Lane  
Leamside  
Houghton le Spring  
County Durham  
DH4 6QQ

### **Accountants**

Debere Limited  
Chartered Accountants  
Swallow House  
Parsons Road  
Washington  
Tyne and Wear  
NE37 1EZ

### **Bankers**

National Westminster Bank plc  
12 Market Place  
Durham  
DH1 3NG

## **Leamside Ale Company Limited**

### **Chartered Accountants Report to the Board of Directors on the Preparation of the Unaudited Statutory Financial Statements of Leamside Ale Company Limited**

**Year ended 30 April 2017**

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In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Leamside Ale Company Limited for the year ended 30 April 2017, which comprise the statement of financial position, statement of changes in equity and the related notes from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Institute of Chartered Accountants in England and Wales (ICAEW), we are subject to its ethical and other professional requirements which are detailed at [www.icaew.com/en/membership/regulations-standards-and-guidance](http://www.icaew.com/en/membership/regulations-standards-and-guidance).

This report is made solely to the Board of Directors of Leamside Ale Company Limited, as a body, in accordance with the terms of our engagement letter dated 2 November 2016. Our work has been undertaken solely to prepare for your approval the financial statements of Leamside Ale Company Limited and state those matters that we have agreed to state to you, as a body, in this report in accordance with ICAEW Technical Release 07/16 AAF as detailed at [www.icaew.com/compilation](http://www.icaew.com/compilation). To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Leamside Ale Company Limited and its Board of Directors, as a body, for our work or for this report.

It is your duty to ensure that Leamside Ale Company Limited has kept adequate accounting records and to prepare statutory financial statements that give a true and fair view of the assets, liabilities, financial position and profit of Leamside Ale Company Limited. You consider that Leamside Ale Company Limited is exempt from the statutory audit requirement for the year.

We have not been instructed to carry out an audit or a review of the financial statements of Leamside Ale Company Limited. For this reason, we have not verified the accuracy or completeness of the accounting records or information and explanations you have given to us and we do not, therefore, express any opinion on the statutory financial statements.

*Debere Limited*

DEBERE LIMITED  
Chartered Accountants

Swallow House  
Parsons Road  
Washington  
Tyne and Wear  
NE37 1EZ

27 October 2017

# Leamside Ale Company Limited

## Statement of Financial Position

30 April 2017

|  | Note | 2017<br>£        | 2016<br>£        |
|--|------|------------------|------------------|
| <b>Fixed assets</b>  |      |                  |                  |
| Intangible assets  | 5    | 8,000            | 18,000           |
| Tangible assets  | 6    | 186,653          | 200,149          |
|  |      | <u>194,653</u>   | <u>218,149</u>   |
| <b>Current assets</b>  |      |                  |                  |
| Stocks   |      | 43,503           | 51,869           |
| Debtors  | 7    | 45,136           | 52,739           |
| Cash at bank and in hand                                       |      | 282,329          | 186,479          |
|  |      | <u>370,968</u>   | <u>291,087</u>   |
| <b>Creditors: amounts falling due within one year</b>          | 8    | <u>(329,639)</u> | <u>(312,271)</u> |
| <b>Net current assets/(liabilities)</b>                        |      | <u>41,329</u>    | <u>(21,184)</u>  |
| <b>Total assets less current liabilities</b>                   |      | <u>235,982</u>   | <u>196,965</u>   |
| <b>Creditors: amounts falling due after more than one year</b> | 9    | (13,404)         | (1,927)          |
| <b>Provisions</b>  |      |                  |                  |
| Taxation including deferred tax                                |      | (22,036)         | (23,508)         |
| <b>Net assets</b>  |      | <u>200,542</u>   | <u>171,530</u>   |
| <b>Capital and reserves</b>                                    |      |                  |                  |
| Called up share capital  |      | 190              | 190              |
| Capital redemption reserve                                     |      | 10               | 10               |
| Profit and loss account  |      | 200,342          | 171,330          |
| <b>Members funds</b>   |      | <u>200,542</u>   | <u>171,530</u>   |

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies' regime and in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

In accordance with section 444 of the Companies Act 2006, the income statement has not been delivered.

The statement of financial position  
continues on the following page.

The notes on pages 6 to 13 form part of these financial statements.

**Leamside Ale Company Limited**  
**Statement of Financial Position** *(continued)*

**30 April 2017**

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For the year ending 30 April 2017 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 financial statements for the year in question in accordance with section 476;
- The directors acknowledge their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

These financial statements were approved by the board of directors and authorised for issue on 27 October 2017, and are signed on behalf of the board by:



Mr D J Frankland  
Director

Company registration number: 06852727

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The notes on pages 6 to 13 form part of these financial statements.

# Leamside Ale Company Limited

## Statement of Changes in Equity

Year ended 30 April 2017

|   | Called up<br>share<br>capital<br>£ | Capital<br>redemption<br>reserve<br>£ | Profit and<br>loss<br>account<br>£ | Total<br>£      |
|---|------------------------------------|---------------------------------------|------------------------------------|-----------------|
| <b>At 1 May 2015 (as previously reported)</b>           | 90                                 | 10                                    | 198,726                            | 198,826         |
| Prior period adjustments                                | —                                  | —                                     | (11,742)                           | (11,742)        |
| <b>At 1 May 2015 (restated)</b>                         | <u>90</u>                          | <u>10</u>                             | <u>186,984</u>                     | <u>187,084</u>  |
| Loss for the year                                       | —                                  | —                                     | (15,654)                           | (15,654)        |
| <b>Total comprehensive income for the year</b>          | <u>—</u>                           | <u>—</u>                              | <u>(15,654)</u>                    | <u>(15,654)</u> |
| Issue of shares   | 100                                | —                                     | —                                  | 100             |
| <b>Total investments by and distributions to owners</b> | <u>100</u>                         | <u>—</u>                              | <u>—</u>                           | <u>100</u>      |
| <b>At 30 April 2016</b>                                 | 190                                | 10                                    | 171,330                            | 171,530         |
| Profit for the year                                     | —                                  | —                                     | 29,012                             | 29,012          |
| <b>Total comprehensive income for the year</b>          | <u>—</u>                           | <u>—</u>                              | <u>29,012</u>                      | <u>29,012</u>   |
| <b>At 30 April 2017</b>                                 | <u>190</u>                         | <u>10</u>                             | <u>200,342</u>                     | <u>200,542</u>  |

The notes on pages 6 to 13 form part of these financial statements.

# **Leamside Ale Company Limited**

## **Notes to the Financial Statements**

**Year ended 30 April 2017**

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### **1. General information**

The company is a private company limited by shares, registered in England and Wales. The address of the registered office is Three Horseshoes, Pithouse Lane, Leamside, Houghton le Spring, County Durham, DH4 6QQ.

### **2. Statement of compliance**

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") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. 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.

#### **General Information**

The principal activity of the company throughout the year was that of a bar and restaurant.

The company is a private company limited by shares and is incorporated and domiciled in England.

### **3. Accounting policies**

#### **Basis of preparation**

The financial statements have been prepared on the historical cost basis, as modified by the revaluation of certain financial assets and liabilities and investment properties measured at fair value through profit or loss.

#### **Going concern**

The company meets its day-to-day working capital requirements through its bank facilities. The company's forecasts and projections, taking account of reasonably possible changes in trading performance, show that the company should be able to operate within the level of its current facilities. After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The company therefore continues to adopt the going concern basis in preparing its financial statements.

#### **Transition to FRS 102**

The entity transitioned from previous UK GAAP to FRS 102 as at 1 May 2015. Details of how FRS 102 has affected the reported financial position and financial performance is given in note 13.

#### **Debtors**

Trade and other debtors are recognised at the settlement amount due after any trade discount offered. Prepayments are valued at the amount prepaid net of any trade discounts due.



# **Leamside Ale Company Limited**

## **Notes to the Financial Statements *(continued)***

**Year ended 30 April 2017**

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

#### **Cash at bank in hand**

Cash at bank and cash in hand includes cash and short term highly liquid investments with a short maturity of three months or less from the date of acquisition or opening of the deposit or similar account.

#### **Creditors**

Creditors are recognised where the company has a present obligation resulting from a past event that will probably result in the transfer of funds to a third party and the amount due to settle the obligation can be measured or estimated reliably. Creditors are normally recognised at their settlement after allowing for any trade discounts due.

#### **Judgements and key sources of estimation uncertainty**

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the amounts reported. These estimates and judgements are continually reviewed and are based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

#### **Revenue recognition**

Turnover is measured at the fair value of the consideration received or receivable for goods supplied and services rendered, net of discounts and Value Added Tax.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership have transferred to the buyer (usually on despatch of the goods); the amount of revenue can be measured reliably; it is probable that the associated economic benefits will flow to the entity; and the costs incurred or to be incurred in respect of the transactions can be measured reliably.

#### **Taxation**

The taxation expense represents the aggregate amount of current and deferred tax recognised in the reporting period. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax is recognised on taxable profit for the current and past periods. Current tax is measured at the amounts of tax expected to pay or recover using the tax rates and laws that have been enacted or substantively enacted at the reporting date.

Deferred tax is recognised in respect of all timing differences at the reporting date. Unrelieved tax losses and other deferred tax assets are recognised 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 that are expected to apply to the reversal of the timing difference.

# **Leamside Ale Company Limited**

## **Notes to the Financial Statements (continued)**

**Year ended 30 April 2017**

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

#### **Operating leases**

Lease payments are recognised as an expense over the lease term on a straight-line basis. The aggregate benefit of lease incentives is recognised as a reduction to expense over the lease term, on a straight-line basis.

#### **Goodwill**

The goodwill, which has arisen based on incorporating Mr D J Frankland's sole trader business, has been classified as an asset on the Balance Sheet and amortised over its useful economic life. Where a reliable estimate of the useful life of goodwill or intangible assets cannot be made, the life is presumed not to exceed five years. The carrying amount at the date of revision is depreciated over the revised estimate of remaining useful economic life.

#### **Amortisation**

Amortisation is calculated so as to write off the cost of an asset, less its estimated residual value, over the useful life of that asset as follows:

Goodwill - 20% straight line

If there is an indication that there has been a significant change in amortisation rate, useful life or residual value of an intangible asset, the amortisation is revised prospectively to reflect the new estimates.

#### **Tangible assets**

Tangible assets are initially recorded at cost, and subsequently stated at cost less any accumulated depreciation and impairment losses. Any tangible assets carried at revalued amounts are recorded at the fair value at the date of revaluation less any subsequent accumulated depreciation and subsequent accumulated impairment losses.

An increase in the carrying amount of an asset as a result of a revaluation, is recognised in other comprehensive income and accumulated in equity, except to the extent it reverses a revaluation decrease of the same asset previously recognised in profit or loss. A decrease in the carrying amount of an asset as a result of revaluation, is recognised in other comprehensive income to the extent of any previously recognised revaluation increase accumulated in equity in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in equity in respect of that asset, the excess shall be recognised in profit or loss.

#### **Depreciation**

Depreciation is calculated so as to write off the cost or valuation of an asset, less its residual value, over the useful economic life of that asset as follows:

|                          |                        |
|--------------------------|------------------------|
| Improvements to property | - 20% straight line    |
| Fixtures and fittings    | - 25% reducing balance |
| Motor vehicles           | - 25% reducing balance |
| Equipment                | - 33% straight line    |

# **Leamside Ale Company Limited**

## **Notes to the Financial Statements (continued)**

**Year ended 30 April 2017**

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

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

A review for indicators of impairment is carried out at each reporting date, with the recoverable amount being estimated where such indicators exist. Where the carrying value exceeds the recoverable amount, the asset is impaired accordingly. Prior impairments are also reviewed for possible reversal at each reporting date.

For the purposes of impairment testing, when it is not possible to estimate the recoverable amount of an individual asset, an estimate is made of the recoverable amount of the cash-generating unit to which the asset belongs. The cash-generating unit is the smallest identifiable group of assets that includes the asset and generates cash inflows that largely independent of the cash inflows from other assets or groups of assets.

For impairment testing of goodwill, the goodwill acquired in a business combination is, from the acquisition date, allocated to each of the cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the company are assigned to those units.

#### **Stocks**

Stocks are measured at the lower of cost and estimated selling price less costs to complete and sell. Cost includes all costs of purchase, costs of conversion and other costs incurred in bringing the stock to its present location and condition.

#### **Finance leases and hire purchase contracts**

Assets held under finance leases and hire purchase contracts are recognised in the statement of financial position as assets and liabilities at the lower of the fair value of the assets and the present value of the minimum lease payments, which is determined at the inception of the lease term. Any initial direct costs of the lease are added to the amount recognised as an asset.

Lease payments are apportioned between the finance charges and reduction of the outstanding lease liability using the effective interest method. Finance charges are allocated to each period so as to produce a constant rate of interest on the remaining balance of the liability.

#### **Provisions**

Provisions are recognised when the entity has an obligation at the reporting date as a result of a past event, it is probable that the entity will be required to transfer economic benefits in settlement and the amount of the obligation can be estimated reliably. Provisions are recognised as a liability in the statement of financial position and the amount of the provision as an expense.

Provisions are initially measured at the best estimate of the amount required to settle the obligation at the reporting date and subsequently reviewed at each reporting date and adjusted to reflect the current best estimate of the amount that would be required to settle the obligation. Any adjustments to the amounts previously recognised are recognised in profit or loss unless the provision was originally recognised as part of the cost of an asset. When a provision is measured at the present value of the amount expected to be required to settle the obligation, the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

**Leamside Ale Company Limited**  
**Notes to the Financial Statements (continued)**  
**Year ended 30 April 2017**

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**3. Accounting policies (continued)**

**Financial instruments**

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments are subsequently measured at amortised cost.

**Defined contribution plans**

Contributions to defined contribution plans are recognised as an expense in the period in which the related service is provided. Prepaid contributions are recognised as an asset to the extent that the prepayment will lead to a reduction in future payments or a cash refund.

When contributions are not expected to be settled wholly within 12 months of the end of the reporting date in which the employees render the related service, the liability is measured on a discounted present value basis. The unwinding of the discount is recognised as a finance cost in profit or loss in the period in which it arises.

**4. Employee numbers**

The average number of persons employed by the company during the year amounted to 92 (2016: 87).

**5. Intangible assets**

|                                 | <b>Goodwill</b> |
|---------------------------------|-----------------|
|                                 | <b>£</b>        |
| <b>Cost</b>                     |                 |
| At 1 May 2016 and 30 April 2017 | 49,999          |
| <b>Amortisation</b>             |                 |
| At 1 May 2016                   | 31,999          |
| Charge for the year             | 10,000          |
| <b>At 30 April 2017</b>         | <b>41,999</b>   |
| <b>Carrying amount</b>          |                 |
| At 30 April 2017                | 8,000           |
| At 30 April 2016                | 18,000          |

# Leamside Ale Company Limited

## Notes to the Financial Statements *(continued)*

Year ended 30 April 2017

### 6. Tangible assets

|                         | Land and<br>buildings<br>£ | Fixtures and<br>fittings<br>£ | Motor<br>vehicles<br>£ | Equipment<br>£ | Total<br>£     |
|-------------------------|----------------------------|-------------------------------|------------------------|----------------|----------------|
| <b>Cost</b>             |                            |                               |                        |                |                |
| At 1 May 2016           | 173,876                    | 192,282                       | 25,589                 | 8,961          | 400,708        |
| Additions               | —                          | 21,733                        | 24,172                 | 2,545          | 48,450         |
| Disposals               | —                          | (10,339)                      | —                      | (7,550)        | (17,889)       |
| <b>At 30 April 2017</b> | <b>173,876</b>             | <b>203,676</b>                | <b>49,761</b>          | <b>3,956</b>   | <b>431,269</b> |
| <b>Depreciation</b>     |                            |                               |                        |                |                |
| At 1 May 2016           | 104,325                    | 72,861                        | 15,617                 | 7,756          | 200,559        |
| Charge for the year     | 34,775                     | 19,175                        | 4,412                  | 751            | 59,113         |
| Disposals               | —                          | (7,506)                       | —                      | (7,550)        | (15,056)       |
| <b>At 30 April 2017</b> | <b>139,100</b>             | <b>84,530</b>                 | <b>20,029</b>          | <b>957</b>     | <b>244,616</b> |
| <b>Carrying amount</b>  |                            |                               |                        |                |                |
| <b>At 30 April 2017</b> | <b>34,776</b>              | <b>119,146</b>                | <b>29,732</b>          | <b>2,999</b>   | <b>186,653</b> |
| At 30 April 2016        | 69,551                     | 119,421                       | 9,972                  | 1,205          | 200,149        |

### Finance leases and hire purchase contracts

Included within the carrying value of tangible assets are the following amounts relating to assets held under finance leases or hire purchase agreements:

|                         | Motor<br>vehicles<br>£ |
|-------------------------|------------------------|
| <b>At 30 April 2017</b> | <b>27,315</b>          |
| At 30 April 2016        | 6,747                  |

### 7. Debtors

|               | 2017<br>£     | 2016<br>£     |
|---------------|---------------|---------------|
| Trade debtors | 536           | 1,105         |
| Other debtors | 44,600        | 51,634        |
|               | <b>45,136</b> | <b>52,739</b> |

Short term debtors are measured at transaction price, less any impairment.

# Leamside Ale Company Limited

## Notes to the Financial Statements *(continued)*

Year ended 30 April 2017

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

|                                 | 2017           | 2016           |
|---------------------------------|----------------|----------------|
|                                 | £              | £              |
| Trade creditors                 | 168,488        | 150,692        |
| Corporation tax                 | 18,577         | 2,353          |
| Social security and other taxes | 95,207         | 97,536         |
| Other creditors                 | 47,367         | 61,690         |
|                                 | <u>329,639</u> | <u>312,271</u> |

The hire purchase and finance lease agreements of £9,597 (2016 - £2,219) are secured by way of fixed charges over the assets on finance.

Short term creditors are measured at the transaction price.

### 9. Creditors: amounts falling due after more than one year

|                 | 2017          | 2016         |
|-----------------|---------------|--------------|
|                 | £             | £            |
| Other creditors | <u>13,404</u> | <u>1,927</u> |

The hire purchase and finance lease agreements of £13,404 (2016 - £1,927) are secured by way of fixed charges over the assets on finance.

Long term creditors are measured at the transaction price.

### 10. Operating leases

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

|  | 2017           | 2016           |
|--|----------------|----------------|
|  | £              | £              |
| Not later than 1 year                        | 51,750         | 51,750         |
| Later than 1 year and not later than 5 years | 136,500        | 171,750        |
| Later than 5 years                           | —              | 16,500         |
|  | <u>188,250</u> | <u>240,000</u> |

**Leamside Ale Company Limited**  
**Notes to the Financial Statements** *(continued)*

**Year ended 30 April 2017**

**11. Directors' advances, credits and guarantees**

During the year the directors entered into the following advances and credits with the company:

|                  | <b>2017</b>                        |   |                        |                             |
|------------------|------------------------------------|---|------------------------|-----------------------------|
|                  | Balance<br>brought<br>forward<br>£ | Advances/<br>(credits) to<br>the directors<br>£ | Amounts<br>repaid<br>£ | Balance<br>outstanding<br>£ |
| Mr D J Frankland | (21,025)                           | 314   | (1,443)                | (22,154)                    |

|                  | <b>2016</b>                        |   |                        |                             |
|------------------|------------------------------------|---|------------------------|-----------------------------|
|                  | Balance<br>brought<br>forward<br>£ | Advances/<br>(credits) to<br>the directors<br>£ | Amounts<br>repaid<br>£ | Balance<br>outstanding<br>£ |
| Mr D J Frankland | (10,619)                           | 1,336   | (11,742)               | (21,025)                    |

**12. Related party transactions**

During the year, the company paid £69,450 (2016 - £70,200) to Mr D J Frankland, a director of the company, for the rent of the Royal George and Three Horseshoes premises.

**13. Transition to FRS 102**

These are the first financial statements that comply with FRS 102. The company transitioned to FRS 102 on 1 May 2015.

No transitional adjustments were required in equity or profit or loss for the year.