

Yellow Hammer Brewing Limited

Annual Report and Unaudited Abridged Financial Statements
for the Year Ended 30 November 2017

Yellow Hammer Brewing Limited

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Yellow Hammer Brewing Limited

(Registration number: 07437492)

Abridged Statement of Financial Position as at 30 November 2017

	Note	2017	2016
		£	£
Fixed assets			
Intangible assets	<u>4</u>	438	877
Tangible assets	<u>5</u>	<u>207,191</u>	<u>126,982</u>
		207,629	127,859
Current assets			
Inventories	<u>6</u>	51,534	47,225
Debtors		78,961	67,998
Cash at bank and in hand		<u>7,591</u>	<u>14,086</u>
		138,086	129,309
Prepayments and accrued income		3,514	1,647
Creditors: Amounts falling due within one year	<u>7</u>	<u>(122,918)</u>	<u>(99,249)</u>
Net current assets		<u>18,682</u>	<u>31,707</u>
Total assets less current liabilities		226,311	159,566
Creditors: Amounts falling due after more than one year	<u>8</u>	<u>(204,465)</u>	<u>(196,872)</u>
Net assets/(liabilities)		<u><u>21,846</u></u>	<u><u>(37,306)</u></u>
Capital and reserves			
Called up share capital		10,000	10,000
Share premium reserve		135,000	135,000
Revaluation reserve		73,419	-
Profit and loss account		<u>(196,573)</u>	<u>(182,306)</u>
Shareholders funds		<u><u>21,846</u></u>	<u><u>(37,306)</u></u>

The notes on pages 3 to 10 form an integral part of these abridged financial statements.

Yellow Hammer Brewing Limited

(Registration number: 07437492)

Abridged Statement of Financial Position as at 30 November 2017

For the financial year ending 30 November 2017 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Director's 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 director acknowledges his 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 director on 31 August 2018

.....
Mr D J Taylor
Director

The notes on pages 3 to 10 form an integral part of these abridged financial statements.

Yellow Hammer Brewing Limited

Notes to the Abridged Financial Statements for the Year Ended 30 November 2017

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:

Hill Farm Half Moon Village
Newton St. Cyres
Exeter
Devon
EX5 5AE
United Kingdom

These financial statements were authorised for issue by the director on 31 August 2018.

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 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.

The presentation currency is (£) sterling.

Basis of preparation

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of tangible assets and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

Going concern

The company has net assets of £21,846 (2016: net liabilities of £37,306) at the year end. The director believes there is no reason that the company will have to cease trading as a result of inadequate financial resources, or any foreseeable event, within a period of at least 12 months. The director confirms that he will not seek any return or withdraw further against this loan until funds permit. The director will continue to introduce sufficient cash to fund the company's working capital in order that the company can continue to meet its liabilities as they fall due. The company has the continued support of its bank and is meeting its liabilities as they fall due.

On this basis, the director considers it appropriate to prepare the financial statements on the going concern basis.

Yellow Hammer Brewing Limited

Notes to the Abridged Financial Statements for the Year Ended 30 November 2017

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.

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.

Tangible assets

Tangible assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any 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
Office equipment	20% straight line
Equipment	10% reducing balance
Plant and machinery	10% reducing balance
Fixtures and fittings	20% straight line
Motor vehicles	20% reducing balance
Short leasehold	Not depreciated - under construction

Intangible assets

Separately acquired trademarks and licences are shown at historical cost.

Trademarks, licences (including software) and customer-related intangible assets acquired in a business combination are recognised at fair value at the acquisition date.

Trademarks, licences and customer-related intangible assets have a finite useful life and are carried at cost less accumulated amortisation and any accumulated impairment losses.

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Notes to the Abridged Financial Statements for the Year Ended 30 November 2017

Amortisation

Amortisation is provided on intangible assets so as to write off the cost, less any estimated residual value, over their useful life as follows:

Asset class	Amortisation method and rate
Trademark	Straight line over 5 years

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.

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Notes to the Abridged Financial Statements for the Year Ended 30 November 2017

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.

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.

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 Abridged Financial Statements for the Year Ended 30 November 2017

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 the director) during the year, was 7 (2016 - 7).

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Notes to the Abridged Financial Statements for the Year Ended 30 November 2017

4 Intangible assets

	Trademarks, patents and licenses £	Total £
Cost or valuation		
At 1 December 2016	2,194	2,194
At 30 November 2017	2,194	2,194
Amortisation		
At 1 December 2016	1,317	1,317
Amortisation charge	439	439
At 30 November 2017	1,756	1,756
Carrying amount		
At 30 November 2017	438	438
At 30 November 2016	877	877

5 Tangible assets

	Short leasehold and equipment £	Fixtures, fittings and office equipment £	Motor vehicles £	Plant and machinery £	Total £
Cost or valuation					
At 1 December 2016	29,071	24,980	10,600	157,104	221,755
Revaluations	11,088	6,118	-	56,212	73,418
Additions	16,720	7,623	-	2,933	27,276
Disposals	-	-	-	(2,708)	(2,708)
At 30 November 2017	56,879	38,721	10,600	213,541	319,741
Depreciation					
At 1 December 2016	13,601	18,339	6,127	56,706	94,773
Charge for the year	1,985	4,835	895	10,062	17,777
At 30 November 2017	15,586	23,174	7,022	66,768	112,550
Carrying amount					
At 30 November 2017	41,293	15,547	3,578	146,773	207,191
At 30 November 2016	15,470	6,641	4,473	100,398	126,982

Yellow Hammer Brewing Limited

Notes to the Abridged Financial Statements for the Year Ended 30 November 2017

6 Inventories

	2017 £	2016 £
Other inventories	51,534	47,225

7 Creditors: amounts falling due within one year

Bank borrowings

Creditors amounts falling due within one year includes bank loans totalling £24,080 (2016: £23,337), on which security has been given by the company and personally by the director.

8 Creditors: amounts falling due after more than one year

Bank borrowings

Creditors amounts falling due after more than one year includes bank loans totalling £115,759 (2016: £139,823), on which security has been given by the company and personally by the director.

9 Share capital

Allotted, called up and fully paid shares

	2017		2016	
	No.	£	No.	£
Ordinary A of £1 each	6,000	6,000	6,000	6,000
Ordinary B of £1 each	2,000	2,000	2,000	2,000
Ordinary C of £1 each	2,000	2,000	2,000	2,000
	10,000	10,000	10,000	10,000

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Notes to the Abridged Financial Statements for the Year Ended 30 November 2017

10 Related party transactions

Transactions with directors

	At 1 December 2016 £	Advances £	Repayments	Interest £	At 30 November 2017 £
2017					
Mr D J Taylor					
Directors loan account	9,919	637	(31,236)	96	(20,584)
	9,919	637	(31,236)	96	(20,584)
Mr J K Bungard					
Directors loan account	1,158	-	-	27	1,186
	1,158	-	-	27	1,186

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.