

# Yellow Hammer Brewing Limited

Annual Report and Unaudited Abridged Financial Statements  
for the Year Ended 30 November 2021

# **Yellow Hammer Brewing Limited**

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# Yellow Hammer Brewing Limited

(Registration number: 07437492)

## Abridged Statement of Financial Position as at 30 November 2021

|                                                                | Note     | 2021                 | 2020                   |
|----------------------------------------------------------------|----------|----------------------|------------------------|
|                                                                |          | £                    | £                      |
| <b>Fixed assets</b>                                            |          |                      |                        |
| Intangible assets                                              | <u>4</u> | 38,520               | 55,028                 |
| Tangible assets                                                | <u>5</u> | <u>252,300</u>       | <u>267,874</u>         |
|                                                                |          | 290,820              | 322,902                |
| <b>Current assets</b>                                          |          |                      |                        |
| Inventories                                                    | <u>6</u> | 120,661              | 50,012                 |
| Debtors                                                        | <u>7</u> | 169,063              | 55,678                 |
| Cash at bank and in hand                                       |          | <u>83,654</u>        | <u>78,904</u>          |
|                                                                |          | 373,378              | 184,594                |
| <b>Prepayments and accrued income</b>                          |          | 5,480                | -                      |
| <b>Creditors: Amounts falling due within one year</b>          |          | <u>(379,665)</u>     | <u>(242,302)</u>       |
| <b>Net current liabilities</b>                                 |          | <u>(807)</u>         | <u>(57,708)</u>        |
| <b>Total assets less current liabilities</b>                   |          | 290,013              | 265,194                |
| <b>Creditors: Amounts falling due after more than one year</b> |          | <u>(261,203)</u>     | <u>(307,815)</u>       |
| <b>Net assets/(liabilities)</b>                                |          | <u><u>28,810</u></u> | <u><u>(42,621)</u></u> |
| <b>Capital and reserves</b>                                    |          |                      |                        |
| Called up share capital                                        |          | 11,539               | 11,539                 |
| Share premium reserve                                          |          | 203,471              | 203,471                |
| Revaluation reserve                                            |          | 44,567               | 49,884                 |
| Profit and loss account                                        |          | <u>(230,767)</u>     | <u>(307,515)</u>       |
| <b>Shareholders funds</b>                                      |          | <u><u>28,810</u></u> | <u><u>(42,621)</u></u> |

The notes on pages 3 to 9 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 2021**

For the financial year ending 30 November 2021 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 22 July 2022

.....  
Mr D J Taylor  
Director

# **Yellow Hammer Brewing Limited**

## **Notes to the Unaudited Abridged Financial Statements for the Year Ended 30 November 2021**

### **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 22 July 2022.

### **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.

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 £.

#### **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.

# **Yellow Hammer Brewing Limited**

## **Notes to the Unaudited Abridged Financial Statements for the Year Ended 30 November 2021**

### **Government grants**

During the year the company received the following grant income:

1. £88,690 HMRC Job Retention Scheme (JRS) grants.
2. £21,611 Mid Devon District Council rates grant.
3. £599 export training grant from PWC.

### **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:

| <b>Asset class</b>    | <b>Depreciation method and rate</b>                             |
|-----------------------|-----------------------------------------------------------------|
| 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       | Straight line depreciation over the remainder of the lease term |

### **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.

### **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:

# **Yellow Hammer Brewing Limited**

## **Notes to the Unaudited Abridged Financial Statements for the Year Ended 30 November 2021**

### **Asset class**

Trademark, patents and licenses

### **Amortisation method and rate**

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.

### **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.

# **Yellow Hammer Brewing Limited**

## **Notes to the Unaudited Abridged Financial Statements for the Year Ended 30 November 2021**

### **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.

### **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 15 (2020 - 15 ).

# Yellow Hammer Brewing Limited

## Notes to the Unaudited Abridged Financial Statements for the Year Ended 30 November 2021

### 4 Intangible assets

|                          | Trademarks,<br>patents and<br>licenses<br>£ | Total<br>£ |
|--------------------------|---------------------------------------------|------------|
| <b>Cost or valuation</b> |                                             |            |
| At 1 December 2020       | 84,736                                      | 84,736     |
| At 30 November 2021      | 84,736                                      | 84,736     |
| <b>Amortisation</b>      |                                             |            |
| At 1 December 2020       | 29,708                                      | 29,708     |
| Amortisation charge      | 16,508                                      | 16,508     |
| At 30 November 2021      | 46,216                                      | 46,216     |
| <b>Carrying amount</b>   |                                             |            |
| At 30 November 2021      | 38,520                                      | 38,520     |
| At 30 November 2020      | 55,028                                      | 55,028     |

## Yellow Hammer Brewing Limited

### Notes to the Unaudited Abridged Financial Statements for the Year Ended 30 November 2021

#### 5 Tangible assets

|                          | Short<br>leasehold and<br>equipment<br>£ | Fixtures,<br>fittings and<br>office<br>equipment<br>£ | Motor<br>vehicles<br>£ | Plant and<br>machinery<br>£ | Total<br>£ |
|--------------------------|------------------------------------------|-------------------------------------------------------|------------------------|-----------------------------|------------|
| <b>Cost or valuation</b> |                                          |                                                       |                        |                             |            |
| At 1 December 2020       | 98,868                                   | 44,140                                                | 21,800                 | 301,717                     | 466,525    |
| Additions                | 5,000                                    | 1,097                                                 | -                      | 13,889                      | 19,986     |
| Disposals                | (7,425)                                  | -                                                     | -                      | -                           | (7,425)    |
| At 30 November 2021      | 96,443                                   | 45,237                                                | 21,800                 | 315,606                     | 479,086    |
| <b>Depreciation</b>      |                                          |                                                       |                        |                             |            |
| At 1 December 2020       | 26,019                                   | 39,743                                                | 12,800                 | 120,089                     | 198,651    |
| Charge for the year      | 4,229                                    | 2,554                                                 | 1,800                  | 19,552                      | 28,135     |
| At 30 November 2021      | 30,248                                   | 42,297                                                | 14,600                 | 139,641                     | 226,786    |
| <b>Carrying amount</b>   |                                          |                                                       |                        |                             |            |
| At 30 November 2021      | 66,195                                   | 2,940                                                 | 7,200                  | 175,965                     | 252,300    |
| At 30 November 2020      | 72,849                                   | 4,397                                                 | 9,000                  | 181,628                     | 267,874    |

# Yellow Hammer Brewing Limited

## Notes to the Unaudited Abridged Financial Statements for the Year Ended 30 November 2021

### 6 Inventories

|                   | 2021<br>£ | 2020<br>£ |
|-------------------|-----------|-----------|
| Other inventories | 120,661   | 50,012    |

### 7 Debtors

|               | 2021<br>£ | 2020<br>£ |
|---------------|-----------|-----------|
| Trade debtors | 151,425   | 43,963    |
| Other debtors | 17,638    | 11,715    |
|               | 169,063   | 55,678    |

### Bank borrowings

Creditors amounts falling due within one year includes bank loans totalling £42,818 (2020: £27,766), on which security has been given by the company and personally by the director.

### Bank borrowings

Creditors amounts falling due after more than one year includes bank loans totalling £147,140 (2020: £192,477), on which security has been given by the company and personally by the director.

### 8 Share capital

#### Allotted, called up and fully paid shares

|                       | 2021   |        | 2020   |        |
|-----------------------|--------|--------|--------|--------|
|                       | 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 | 3,539  | 3,539  | 3,539  | 3,539  |
|                       | 11,539 | 11,539 | 11,539 | 11,539 |

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.