

**Company registration number: 08458591**

**BURNING SKY BREWERY LIMITED**  
**UNAUDITED FINANCIAL STATEMENTS**  
**31ST MARCH 2016**

**SATURDAY**



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**17/12/2016**

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**COMPANIES HOUSE**

**BARNETT AND CO ACCOUNTANTS LIMITED**  
**CHARTERED CERTIFIED ACCOUNTANTS**  
**MELKSHAM**

## **BURNING SKY BREWERY LIMITED**

### **COMPANY INFORMATION**

<b>Director</b>	Mark Tranter
<b>Company number</b>	08458591
<b>Registered office</b>	1st Floor 11 Church Street Melksham Wiltshire SN12 6LS
<b>Business address</b>	Fire Place Barn Firle Lewes East Sussex BN8 6LP
<b>Accountants</b>	Barnett and Co Accountants Limited 24A High Street Melksham Wiltshire SN12 6LA
<b>Bankers</b>	Lloyds Bank Plc 8 High Street Lewes East Sussex BN7 2AD

## **BURNING SKY BREWERY LIMITED**

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**BURNING SKY BREWERY LIMITED**

**DIRECTOR'S REPORT  
YEAR ENDED 31ST MARCH 2016**

The director presents his report and the unaudited financial statements of the company for the year ended 31st March 2016.

**Director**

The director who served the company during the year was as follows:

Mark Tranter

**Small company provisions**

This report has been prepared in accordance with the provisions applicable to companies entitled to the small companies exemption.

This report was approved by the board of directors on 7th December 2016 and signed on behalf of the board by:

A handwritten signature in black ink, appearing to read 'MARK TRANTER', with a stylized flourish at the end.

Mark Tranter  
Director

## **BURNING SKY BREWERY LIMITED**

### **REPORT TO THE DIRECTORS ON THE PREPARATION OF THE UNAUDITED STATUTORY FINANCIAL STATEMENTS OF BURNING SKY BREWERY LIMITED YEAR ENDED 31ST MARCH 2016**

In order to assist you to fulfil your duties under the Companies Act 2006, we have prepared for your approval the financial statements of Burning Sky Brewery Limited for the year ended 31st March 2016 which comprise the statement of comprehensive income, statement of financial position, statement of changes in equity, statement of cash flows and related notes from the company's accounting records and from information and explanations you have given us.

As a practising member firm of the Association of Chartered Certified Accountants, we are subject to its ethical and other professional requirements which are detailed at

<http://www.accaglobal.com/en/member/professional-standards/rules-standards/acca-rulebook.html>.

This report is made solely to the directors of Burning Sky Brewery Limited, as a body, in accordance with the terms of our engagement letter. Our work has been undertaken solely to prepare for your approval the financial statements of Burning Sky Brewery Limited and state those matters that we have agreed to state to you, as a body, in this report in accordance with the requirements of the Association of Chartered Certified Accountants as detailed at

[http://www.accaglobal.com/content/dam/ACCA\\_Global/Technical/fact/technical-factsheet-163.doc](http://www.accaglobal.com/content/dam/ACCA_Global/Technical/fact/technical-factsheet-163.doc). To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than Burning Sky Brewery Limited and its directors as a body for our work or for this report.

It is your duty to ensure that Burning Sky Brewery 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 Burning Sky Brewery Limited. You consider that Burning Sky Brewery 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 Burning Sky Brewery 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.



Barnett and Co Accountants Limited  
Chartered Certified Accountants  
24A High Street  
Melksham  
Wiltshire  
SN12 6LA

Date: 7th December 2016

**BURNING SKY BREWERY LIMITED**

**STATEMENT OF COMPREHENSIVE INCOME  
YEAR ENDED 31ST MARCH 2016**

	<b>Note</b>	<b>2016 £</b>	<b>2015 £</b>
<b>Turnover</b>	<b>3</b>	647,611	523,482
Cost of sales		(331,118)	(267,438)
<b>Gross profit</b>		316,493	256,044
Administrative expenses		(203,404)	(145,029)
<b>Operating profit</b>	<b>4</b>	113,089	111,015
Interest payable and similar charges	<b>6</b>	(1,998)	(1,681)
<b>Profit on ordinary activities before taxation</b>		111,091	109,334
Tax on profit on ordinary activities	<b>7</b>	(46,840)	-
<b>Profit for the financial year and total comprehensive income</b>		64,251	109,334

All the activities of the company are from continuing operations.

**The notes on pages 8 to 15 form part of these financial statements.**

# BURNING SKY BREWERY LIMITED

## STATEMENT OF FINANCIAL POSITION

31ST MARCH 2016

	Note	2016 £	£	2015 £	£
<b>Fixed assets</b>					
Tangible assets	9	229,258		150,487	
			229,258		150,487
<b>Current assets</b>					
Stocks	10	13,275		10,050	
Debtors	11	90,453		52,485	
Cash at bank and in hand		51,852		64,946	
		155,580		127,481	
<b>Creditors: amounts falling due within one year</b>	12	(236,247)		(209,080)	
<b>Net current liabilities</b>			(80,667)		(81,599)
<b>Total assets less current liabilities</b>			148,591		68,888
<b>Creditors: amounts falling due after more than one year</b>	13		(41,489)		(39,000)
<b>Provisions for liabilities</b>	15		(42,963)		-
<b>Net assets</b>			64,139		29,888
<b>Capital and reserves</b>					
Called up share capital	17		3		3
Profit and loss account			64,136		29,885
<b>Shareholders funds</b>			64,139		29,888

For the year ending 31st March 2016 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

Director's responsibilities:

- The shareholders have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476;
- The director acknowledges their responsibilities for complying with the requirements of the Act with respect to accounting records and the preparation of financial statements.

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

The notes on pages 8 to 15 form part of these financial statements.

**BURNING SKY BREWERY LIMITED**

**STATEMENT OF FINANCIAL POSITION (CONTINUED)**  
**31ST MARCH 2016**

These financial statements were approved by the board of directors and authorised for issue on 7th December 2016, and are signed on behalf of the board by:

A handwritten signature in black ink, appearing to read 'MARK TRANTER', with a stylized flourish at the end.

Mark Tranter  
Director

Company registration number: 08458591

**The notes on pages 8 to 15 form part of these financial statements.**



**BURNING SKY BREWERY LIMITED**

**STATEMENT OF CHANGES IN EQUITY  
YEAR ENDED 31ST MARCH 2016**

	Called up share capital £	Profit and loss account £	<b>Total £</b>
<b>At 1st April 2014</b>	3	(49,449)	(49,446)
Profit for the year		109,334	109,334
<b>Total comprehensive income for the year</b>	-	109,334	109,334
Dividends paid and payable		(30,000)	(30,000)
<b>Total investments by and distributions to owners</b>	-	(30,000)	(30,000)
<b>At 31st March 2015</b>	<u>3</u>	<u>29,885</u>	<u>29,888</u>
Profit for the year		64,251	64,251
<b>Total comprehensive income for the year</b>	-	64,251	64,251
Dividends paid and payable		(30,000)	(30,000)
<b>Total investments by and distributions to owners</b>	-	(30,000)	(30,000)
<b>At 31st March 2016</b>	<u>3</u>	<u>64,136</u>	<u>64,139</u>

**BURNING SKY BREWERY LIMITED****STATEMENT OF CASH FLOWS  
YEAR ENDED 31ST MARCH 2016**

	<b>2016</b>	<b>2015</b>
	<b>£</b>	<b>£</b>
<b>Cash flows from operating activities</b>		
Profit for the financial year	64,251	109,334
<i>Adjustments for:</i>		
Depreciation of tangible assets	40,326	26,608
Interest payable and similar charges	1,998	1,681
Tax on profit on ordinary activities	46,840	-
Accrued expenses/(income)	36	(3,941)
<i>Changes in:</i>		
Stocks	(3,225)	(2,550)
Trade and other debtors	(37,968)	(36,613)
Trade and other creditors	18,790	13,086
Cash generated from operations	131,048	107,605
Interest paid	(1,998)	(1,681)
Net cash from operating activities	<u>129,050</u>	<u>105,924</u>
<b>Cash flows from investing activities</b>		
Purchase of tangible assets	(119,097)	(27,258)
Net cash used in investing activities	<u>(119,097)</u>	<u>(27,258)</u>
<b>Cash flows from financing activities</b>		
Proceeds from borrowings	6,953	1,284
Equity dividends paid	(30,000)	(30,000)
Net cash used in financing activities	<u>(23,047)</u>	<u>(28,716)</u>
<b>Net increase/(decrease) in cash and cash equivalents</b>	(13,094)	49,950
<b>Cash and cash equivalents at beginning of year</b>	64,946	14,996
<b>Cash and cash equivalents at end of year</b>	<u>51,852</u>	<u>64,946</u>

## **BURNING SKY BREWERY LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31ST MARCH 2016**

#### **1. Statement of compliance**

These financial statements have been prepared in compliance with FRS 102, 'The Financial Reporting Standard applicable in the UK and the Republic of Ireland'.

#### **2. 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.

The financial statements are prepared in sterling, which is the functional currency of the entity.

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

The entity transitioned from previous UK GAAP to FRS 102 as at 1st April 2014. Details of how FRS 102 has affected the reported financial position and financial performance is given in note 20.

##### **Turnover**

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 the statement of comprehensive income, except to the extent that it relates to items recognised in other comprehensive income or directly in capital and reserves. In this case, tax is recognised in other comprehensive income or directly in capital and reserves, 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.

##### **Foreign currencies**

Foreign currency transactions are initially recorded in the functional currency, by applying the spot exchange rate as at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate ruling at the reporting date, with any gains or losses being taken to the profit and loss account.

## BURNING SKY BREWERY LIMITED

### NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) YEAR ENDED 31ST MARCH 2016

#### Tangible assets

Tangible assets are initially recorded at cost, and are 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 capital and reserves, 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 capital and reserves in respect of that asset. Where a revaluation decrease exceeds the accumulated revaluation gains accumulated in capital and reserves 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:

Long leasehold property	-	over the life of the lease	straight line
Plant and machinery	-	15%	reducing balance
Fittings fixtures and equipment	-	15%	reducing balance
Computer equipment	-	33.3%	straight line

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

#### Impairment

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.

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 are largely independent of the cash inflows from other assets or groups of assets.

#### 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 stocks to their present location and condition.

## **BURNING SKY BREWERY LIMITED**

### **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)** **YEAR ENDED 31ST MARCH 2016**

#### **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 in finance costs in profit or loss in the period it arises.

#### **Financial instruments**

A financial asset or a financial liability is recognised only when the company 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.

Where investments in non-convertible preference shares and non-puttable ordinary shares or preference shares are publicly traded or their fair value can otherwise be measured reliably, the investment is subsequently measured at fair value with changes in fair value recognised in profit or loss. All other such investments are subsequently measured at cost less impairment.

Other financial instruments, including derivatives, are initially recognised at fair value, unless payment for an asset is deferred beyond normal business terms or financed at a rate of interest that is not a market rate, in which case the asset is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Other financial instruments are subsequently measured at fair value, with any changes recognised in profit or loss, with the exception of hedging instruments in a designated hedging relationship.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Any reversals of impairment are recognised in profit or loss immediately, to the extent that the reversal does not result in a carrying amount of the financial asset that exceeds what the carrying amount would have been had the impairment not previously been recognised.

**BURNING SKY BREWERY LIMITED****NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**YEAR ENDED 31ST MARCH 2016****3. Turnover**

Turnover arises from:

	<b>2016</b>	2015
	<b>£</b>	£
Sale of goods	647,611	497,603
Beer resales	-	879
Grants received	-	25,000
	<u>647,611</u>	<u>523,482</u>

The whole of the turnover is attributable to the principal activity of the company wholly undertaken in the United Kingdom.

**4. Operating profit**

Operating profit is stated after charging/(crediting):

	<b>2016</b>	2015
	<b>£</b>	£
Depreciation of tangible assets	40,326	26,608
Foreign exchange differences	-	24
	<u>-</u>	<u>24</u>

**5. Directors remuneration**

The director's aggregate remuneration in respect of qualifying services was:

	<b>2016</b>	2015
	<b>£</b>	£
Remuneration	8,200	7,800
	<u>8,200</u>	<u>7,800</u>

**6. Interest payable and similar charges**

	<b>2016</b>	2015
	<b>£</b>	£
Bank loans and overdrafts	-	16
Other interest payable and similar charges	1,998	1,665
	<u>1,998</u>	<u>1,681</u>

# **BURNING SKY BREWERY LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)** **YEAR ENDED 31ST MARCH 2016**

### **7. Tax on profit on ordinary activities**

#### **Major components of tax expense**

	<b>2016</b>	2015
	<b>£</b>	<b>£</b>
<b>Current tax:</b>		
UK current tax expense	3,877	-
<b>Deferred tax:</b>		
Origination and reversal of timing differences	42,963	-
<b>Tax on profit on ordinary activities</b>	<u>46,840</u>	<u>-</u>

#### **Reconciliation of tax expense**

The tax assessed on the profit on ordinary activities for the year is higher than (2015: lower than) the standard rate of corporation tax in the UK of 20% (2015: 20%).

A reconciliation is given below:

	<b>2016</b>	2015
	<b>£</b>	<b>£</b>
Profit on ordinary activities before taxation	<u>111,091</u>	<u>109,334</u>
Profit on ordinary activities by rate of tax	22,218	21,867
Effect of expenses not deductible for tax purposes	10,003	-
Effect of capital allowances and depreciation	20,736	-
Utilisation of tax losses	(6,117)	(21,867)
<b>Tax on profit on ordinary activities</b>	<u>46,840</u>	<u>-</u>

### **8. Dividends**

#### **Equity dividends**

	<b>2016</b>	2015
	<b>£</b>	<b>£</b>
Dividends paid during the year (excluding those for which a liability existed at the end of the prior year)	<u>30,000</u>	<u>30,000</u>

# **BURNING SKY BREWERY LIMITED**

## **NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)** **YEAR ENDED 31ST MARCH 2016**

### **9. Tangible assets**

	Long leasehold property £	Plant and machinery £	Fixtures, fittings and equipment £	Computer equipment £	Total £
<b>Cost</b>					
At 1st April 2015	10,088	191,064	1,285	1,840	204,277
Additions	7,960	110,687	450	-	119,097
<b>At 31st March 2016</b>	<u>18,048</u>	<u>301,751</u>	<u>1,735</u>	<u>1,840</u>	<u>323,374</u>
<b>Depreciation</b>					
At 1st April 2015	1,801	50,417	345	1,227	53,790
Charge for the year	1,805	37,700	208	613	40,326
<b>At 31st March 2016</b>	<u>3,606</u>	<u>88,117</u>	<u>553</u>	<u>1,840</u>	<u>94,116</u>
<b>Carrying amount</b>					
<b>At 31st March 2016</b>	<u>14,442</u>	<u>213,634</u>	<u>1,182</u>	<u>-</u>	<u>229,258</u>
At 31st March 2015	<u>8,287</u>	<u>140,647</u>	<u>940</u>	<u>613</u>	<u>150,487</u>

### **10. Stocks**

	<b>2016</b> £	2015 £
Finished goods	<u>13,275</u>	<u>10,050</u>

### **11. Debtors**

	<b>2016</b> £	2015 £
Trade debtors	90,453	52,375
Prepayments and accrued income	-	110
	<u>90,453</u>	<u>52,485</u>



**BURNING SKY BREWERY LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)**  
**YEAR ENDED 31ST MARCH 2016**

**12. Creditors: amounts falling due within one year**

	<b>2016</b>	2015
	<b>£</b>	£
Bank loans and overdrafts	25,022	12,000
Trade creditors	18,405	12,925
Accruals and deferred income	1,265	1,229
Corporation tax	3,877	-
Social security and other taxes	45,964	32,654
Director loan accounts	141,714	150,272
	<u>236,247</u>	<u>209,080</u>

**13. Creditors: amounts falling due after more than one year**

	<b>2016</b>	2015
	<b>£</b>	£
Other loans	41,489	39,000
	<u>41,489</u>	<u>39,000</u>

**14. Deferred tax**

The deferred tax included in the statement of financial position is as follows:

	<b>2016</b>	2015
	<b>£</b>	£
Included in provisions (note 15)	42,963	-
	<u>42,963</u>	<u>-</u>

The deferred tax account consists of the tax effect of timing differences in respect of:

	<b>2016</b>	2015
	<b>£</b>	£
Accelerated capital allowances	42,963	-
	<u>42,963</u>	<u>-</u>

**15. Provisions**

	Deferred tax (note 14) £
At 1st April 2015	-
Additions	42,963
<b>At 31st March 2016</b>	<u><u>42,963</u></u>

# BURNING SKY BREWERY LIMITED

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) YEAR ENDED 31ST MARCH 2016

### 16. Financial instruments

The carrying amount for each category of financial instrument is as follows:

	2016 £	2015 £
<b>Financial assets</b>		
Financial assets that are debt instruments measured at amortised cost	<u>142,305</u>	<u>117,431</u>

### 17. Called up share capital

#### Authorised share capital

	2016		2015	
	No	£	No	£
Ordinary shares shares of £ 1.00 each	<u>3</u>	<u>3</u>	<u>3</u>	<u>3</u>

#### Issued, called up and fully paid

	2016		2015	
	No	£	No	£
Ordinary shares shares of £ 1.00 each	<u>3</u>	<u>3</u>	<u>3</u>	<u>3</u>

### 18. Directors advances, credits and guarantees

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

	Advances/(credits) to the director		Amounts repaid		Balance outstanding	
	2016 £	2015 £	2016 £	2015 £	2016 £	2015 £
Mark Tranter	<u>8,558</u>	<u>(10,284)</u>	<u>-</u>	<u>-</u>	<u>(141,714)</u>	<u>(150,272)</u>

### 19. Controlling party

The ultimate controlling party is Mr M Tranter, a director and shareholder of the company.

### 20. Transition to FRS 102

These are the first financial statements that comply with FRS 102. The company transitioned to FRS 102 on 1st April 2014.

#### Reconciliation of equity

No transitional adjustments were required.

#### Reconciliation of profit or loss for the year

No transitional adjustments were required.