

The Bristol Distilling Company Limited

Annual Report and Unaudited Financial Statements
for the Year Ended 31 December 2021

Newsham Hanson Accountants Limited
Accountant & Business Advisors
Edinburgh House
1-5 Bellevue Road
Clevedon
North Somerset
BS21 7NP

The Bristol Distilling Company Limited

Contents

| | |
|---|-----------------------|
| Company Information | <u>1</u> |
| Balance Sheet | <u>2</u> to <u>3</u> |
| Notes to the Unaudited Financial Statements | <u>4</u> to <u>12</u> |

The Bristol Distilling Company Limited

Company Information

| | |
|--------------------------|--|
| Directors | Mr Jake Black Mr Simon Edwards Mrs Emily Astley-Cooper Abigail Lise Buszard |
| Registered office | The Bristol Distilling Co Unit D Malago Vale Trading Estate St Johns Lane Bristol BS3 5BQ |
| Accountants | Newsham Hanson Accountants Limited Accountant & Business Advisors Edinburgh House 1-5 Bellevue Road Clevedon North Somerset BS21 7NP |

The Bristol Distilling Company Limited

(Registration number: 10638872)

Balance Sheet as at 31 December 2021

| | Note | 2021 £ | 2020 £ |
|--|-----------|----------------------|----------------------|
| Fixed assets | | | |
| Intangible assets | <u>4</u> | 41,004 | 43,774 |
| Tangible assets | <u>5</u> | 179,000 | 143,040 |
| Investments | <u>6</u> | 1,378 | - |
| | | <u>221,382</u> | <u>186,814</u> |
| Current assets | | | |
| Stocks | <u>7</u> | 112,127 | 72,762 |
| Debtors | <u>8</u> | 70,112 | 42,872 |
| Cash at bank and in hand | | 53,585 | 163,930 |
| | | <u>235,824</u> | <u>279,564</u> |
| Creditors: Amounts falling due within one year | <u>9</u> | <u>(209,891)</u> | <u>(148,060)</u> |
| Net current assets | | <u>25,933</u> | <u>131,504</u> |
| Total assets less current liabilities | | 247,315 | 318,318 |
| Creditors: Amounts falling due after more than one year | <u>9</u> | <u>(229,475)</u> | <u>(238,482)</u> |
| Net assets | | <u><u>17,840</u></u> | <u><u>79,836</u></u> |
| Capital and reserves | | | |
| Called up share capital | <u>10</u> | 1,798 | 1,693 |
| Share premium reserve | | 570,367 | 400,359 |
| Retained earnings | | <u>(554,325)</u> | <u>(322,216)</u> |
| Shareholders' funds | | <u><u>17,840</u></u> | <u><u>79,836</u></u> |

For the financial year ending 31 December 2021 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 accounts for the year in question in accordance with section 476; and
- The directors acknowledge their 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 Profit and Loss Account has been taken.

The Bristol Distilling Company Limited

(Registration number: 10638872)

Balance Sheet as at 31 December 2021

Approved and authorised by the Board on 22 September 2022 and signed on its behalf by:

.....

Mr Jake Black

Director

The Bristol Distilling Company Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 December 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:

The Bristol Distilling Co
Unit D Malago Vale Trading Estate
St Johns Lane
Bristol
BS3 5BQ

These financial statements were authorised for issue by the Board on 22 September 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 Financial Reporting Standard 102 Section 1A smaller entities - 'The Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland' and the Companies Act 2006 (as applicable to companies subject to the small companies' regime).

Basis of preparation

These financial statements have been prepared using the historical cost convention except that as disclosed in the accounting policies certain items are shown at fair value.

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.

Tangible assets

Tangible assets are stated in the balance sheet at cost, less any subsequent accumulated depreciation and subsequent accumulated 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 |
|-----------------------------|-------------------------------------|
| Plant & Machinery | 10% straight line basis |
| Office & Computer Equipment | 25% straight line basis |

The Bristol Distilling Company Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2021

| | |
|---------------------|--------------------------|
| Fixtures & Fittings | 10% straight line basis |
| Whiskey Barrels | 100% straight line basis |

Business combinations

Business combinations are accounted for using the purchase method. The consideration for each acquisition is measured at the aggregate of the fair values at acquisition date of assets given, liabilities incurred or assumed, and equity instruments issued by the group in exchange for control of the acquired, plus any costs directly attributable to the business combination. When a business combination agreement provides for an adjustment to the cost of the combination contingent on future events, the group includes the estimated amount of that adjustment in the cost of the combination at the acquisition date if the adjustment is probable and can be measured reliably.

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 |
|---------------------|-------------------------------------|
| Website development | 25% straight line basis |

Investments

Investments in equity shares which are publicly traded or where the fair value can be measured reliably are initially measured at fair value, with changes in fair value recognised in profit or loss. Investments in equity shares which are not publicly traded and where fair value cannot be measured reliably are measured at cost less impairment.

Interest income on debt securities, where applicable, is recognised in income using the effective interest method. Dividends on equity securities are recognised in income when receivable.

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.

Stocks

Stocks 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, stocks are assessed for impairment. If stocks 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.

The Bristol Distilling Company Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2021

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 profit and loss account 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.

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee.

Assets held under finance leases are recognised at the lower of their fair value at inception of the lease and the present value of the minimum lease payments. These assets are depreciated on a straight-line basis over the shorter of the useful life of the asset and the lease term. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation.

Lease payments are apportioned between finance costs in the profit and loss account and reduction of the lease obligation so as to achieve a constant periodic rate of interest on the remaining balance of the liability.

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.

The Bristol Distilling Company Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2021

3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 35 (2020 - 25).

4 Intangible assets

| | Other intangible assets £ | Total £ |
|-------------------------------|---------------------------------|------------|
| Cost or valuation | | |
| Additions acquired separately | 74,571 | 74,571 |
| At 31 December 2021 | 74,571 | 74,571 |
| Amortisation | | |
| Amortisation charge | 33,567 | 33,567 |
| At 31 December 2021 | 33,567 | 33,567 |
| Carrying amount | | |
| At 31 December 2021 | 41,004 | 41,004 |
| At 31 December 2020 | 43,774 | 43,774 |

The aggregate amount of research and development expenditure recognised as an expense during the period is £16,038 (2020 - £7,940).

The Bristol Distilling Company Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2021

5 Tangible assets

| | Fixtures and fittings £ | Plant and machinery £ | Office equipment £ | Motor vehicles £ |
|--------------------------|-------------------------------|-----------------------------|--------------------------|---------------------|
| Cost or valuation | | | | |
| At 1 January 2021 | 67,893 | 87,000 | 5,786 | 28,557 |
| Additions | 38,501 | 19,409 | 1,177 | 4,645 |
| At 31 December 2021 | 106,394 | 106,409 | 6,963 | 33,202 |
| Depreciation | | | | |
| At 1 January 2021 | 7,296 | 31,980 | 1,201 | 5,719 |
| Charge for the year | 11,817 | 9,850 | 1,202 | 4,903 |
| At 31 December 2021 | 19,113 | 41,830 | 2,403 | 10,622 |
| Carrying amount | | | | |
| At 31 December 2021 | 87,281 | 64,579 | 4,560 | 22,580 |
| At 31 December 2020 | 60,597 | 55,020 | 4,585 | 22,838 |
| | | | | Total £ |

| | |
|--------------------------|---------|
| Cost or valuation | |
| At 1 January 2021 | 189,236 |
| Additions | 63,732 |
| At 31 December 2021 | 252,968 |
| Depreciation | |
| At 1 January 2021 | 46,196 |
| Charge for the year | 27,772 |
| At 31 December 2021 | 73,968 |
| Carrying amount | |
| At 31 December 2021 | 179,000 |
| At 31 December 2020 | 143,040 |

6 Investments

| | 2021 £ | 2020 £ |
|-----------------------------|-----------|-----------|
| Investments in subsidiaries | 1,378 | - |

The Bristol Distilling Company Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2021

| | |
|--------------------------|-------|
| Subsidiaries | £ |
| Cost or valuation | |
| Additions | 1,378 |
| Provision | |
| Carrying amount | |
| At 31 December 2021 | 1,378 |

Details of undertakings

Details of the investments (including principal place of business of unincorporated entities) in which the company holds 20% or more of the nominal value of any class of share capital are as follows:

| Undertaking | Registered office | Holding | Proportion of voting rights and shares held | |
|-------------------------|--------------------------------------|-------------------|---|------|
| | | | 2021 | 2020 |
| Subsidiary undertakings | | | | |
| | Orchard Street Business Centre 13-14 | | | |
| | Orchard Street | | | |
| Blue Teal Ltd | Bristo | Ordinary Ordinary | 100% | 0% |
| | BS1 5EH | B | 100% | 0% |
| | England & Wales | | | |

Subsidiary undertakings

Blue Teal Ltd

The principal activity of Blue Teal Ltd is That of a resturant. Its financial period end is 30 June.

7 Stocks

| | 2021 | 2020 |
|-------------------|---------|--------|
| | £ | £ |
| Other inventories | 112,127 | 72,762 |

The Bristol Distilling Company Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2021

8 Debtors

| | 2021 | 2020 |
|----------------|---------------|---------------|
| Current | £ | £ |
| Trade debtors | 38,880 | 16,606 |
| Prepayments | 21,232 | 16,266 |
| Other debtors | 10,000 | 10,000 |
| | <u>70,112</u> | <u>42,872</u> |

The Bristol Distilling Company Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2021

9 Creditors

Creditors: amounts falling due within one year

| | Note | 2021 £ | 2020 £ |
|---------------------------------|-----------|----------------|----------------|
| Due within one year | | | |
| Bank loans and overdrafts | <u>11</u> | 34,920 | 35,188 |
| trade creditors | | 58,266 | 50,334 |
| Amounts owed to related parties | | 551 | 551 |
| Taxation and social security | | 44,411 | 46,721 |
| Other creditors | | <u>71,743</u> | <u>15,266</u> |
| | | <u>209,891</u> | <u>148,060</u> |

Due after one year

| | | | |
|----------------------|-----------|----------------|----------------|
| Loans and borrowings | <u>11</u> | <u>229,475</u> | <u>238,482</u> |
|----------------------|-----------|----------------|----------------|

Creditors: amounts falling due after more than one year

| | Note | 2021 £ | 2020 £ |
|---------------------------|-----------|----------------|----------------|
| Due after one year | | | |
| Loans and borrowings | <u>11</u> | <u>229,475</u> | <u>238,482</u> |

The Bristol Distilling Company Limited

Notes to the Unaudited Financial Statements for the Year Ended 31 December 2021

10 Share capital

Allotted, called up and fully paid shares

| | 2021 | | 2020 | |
|---------------------|-------|-------|-------|-------|
| | No. | £ | No. | £ |
| Ordinary of £1 each | 1,798 | 1,798 | 1,693 | 1,693 |

11 Loans and borrowings

| | 2021 | 2020 |
|---|----------------|----------------|
| | £ | £ |
| Non-current loans and borrowings | | |
| Bank borrowings | 49,790 | 50,000 |
| Finance lease liabilities | 12,847 | 16,859 |
| Other borrowings | 166,838 | 171,623 |
| | <u>229,475</u> | <u>238,482</u> |

| | 2021 | 2020 |
|-------------------------------------|---------------|---------------|
| | £ | £ |
| Current loans and borrowings | | |
| Bank overdrafts | - | 268 |
| Finance lease liabilities | 4,011 | 4,011 |
| Other borrowings | 30,909 | 30,909 |
| | <u>34,920</u> | <u>35,188</u> |

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.