

Company Registration No. 04274675 (England and Wales)

**Tafarnau Cymru Cyf**

**Annual report and financial statements  
for the year ended 30 September 2017**



## Tafarnau Cymru Cyf

### Company information

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<b>Directors</b>	Simon Bunn	(Appointed 19 July 2017)
	Kristian Gumbrell	(Appointed 19 July 2017)
	Ian Lishman	(Appointed 19 July 2017)
<b>Company number</b>	04274675	
<b>Registered office</b>	Office Above the Brewpub 2a Corsica Street London N5 1JJ	
<b>Independent auditor</b>	Saffery Champness LLP 71 Queen Victoria Street London EC4V 4BE	

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**Tafarnau Cymru Cyf**

**Directors' report**

**For the year ended 30 September 2017**

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The directors present their annual report and financial statements for the year ended 30 September 2017.

**Principal activities**

The principal activity of the company continued to be that of a restaurant and brewpub

**Directors**

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Ifan Huws	(Resigned 19 July 2017)
David Snook	(Resigned 19 July 2017)
Simon Bunn	(Appointed 19 July 2017)
Kristian Gumbrell	(Appointed 19 July 2017)
Ian Lishman	(Appointed 19 July 2017)

**Auditor**

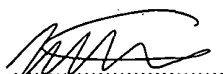
Saffery Champness LLP were appointed as auditor to the company and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

**Statement of disclosure to auditor**

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the company's auditor is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditor is aware of that information.

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

On behalf of the board



Kristian Gumbrell

**Director**

Date: 29 / 06 / 18

**Directors' responsibilities statement  
For the year ended 30 September 2017**

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The directors are responsible for preparing the annual report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

## **Tafarnau Cymru Cyf**

### **Independent auditor's report**

#### **To the members of Tafarnau Cymru Cyf**

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#### **Opinion**

We have audited the financial statements of Tafarnau Cymru Cyf (the 'company') for the year ended 30 September 2017 which comprise the Income Statement, the Statement of Financial Position and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 30 September 2017 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

#### **Basis for opinion**

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Conclusions relating to going concern**

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

**Independent auditor's report (continued)**

**To the members of Tafarnau Cymru Cyf**

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**Other information**

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

**Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Directors' Report has been prepared in accordance with applicable legal requirements.

**Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the directors were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemption in preparing the Directors' Report and take advantage of the small companies exemption from the requirement to prepare a Strategic Report.

Tafarnau Cymru Cyf

**Independent auditor's report (continued)**  
**To the members of Tafarnau Cymru Cyf**

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**Responsibilities of directors**


As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

**Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

 29 June 2018  
Lucy Brennan (Senior Statutory Auditor)  
for and on behalf of Saffery Champness LLP

**Chartered Accountants**  
**Statutory Auditors**

71 Queen Victoria Street  
London  
EC4V 4BE



**Tafarnau Cymru Cyf**

**Income statement**

**For the year ended 30 September 2017**

	Notes	Year ended 30 September 2017 £	Year ended 30 September 2016 £
Turnover		1,223,243	1,215,045
Cost of sales		(449,366)	(451,177)
<b>Gross profit</b>		<b>773,877</b>	<b>763,868</b>
Administrative expenses		(603,613)	(655,936)
Other operating income		200	-
<b>Operating profit</b>		<b>170,464</b>	<b>107,932</b>
Interest payable and similar expenses		(5,825)	(18,355)
<b>Profit before taxation</b>		<b>164,639</b>	<b>89,577</b>
Tax on profit		(33,231)	(18,543)
<b>Profit for the financial year</b>		<b>131,408</b>	<b>71,034</b>

**Tafarnau Cymru Cyf**

**Statement of financial position  
As at 30 September 2017**

	Notes	£	2017 £	£	2016 £
<b>Fixed assets</b>					
Tangible assets	3		785,684		805,932
<b>Current assets</b>					
Stocks		12,012		19,174	
Debtors	4	36,584		32,476	
Cash at bank and in hand		106,804		151,993	
		<u>155,400</u>		<u>203,643</u>	
<b>Creditors: amounts falling due within one year</b>	5	<u>(204,214)</u>		<u>(339,766)</u>	
<b>Net current liabilities</b>			<u>(48,814)</u>		<u>(136,123)</u>
<b>Total assets less current liabilities</b>			<u>736,870</u>		<u>669,809</u>
<b>Creditors: amounts falling due after more than one year</b>	6		-		(62,276)
<b>Provisions for liabilities</b>			75		(1,996)
<b>Net assets</b>			<u>736,945</u>		<u>605,537</u>
<b>Capital and reserves</b>					
Called up share capital	7		5,000		5,000
Share premium account			88,500		88,500
Profit and loss reserves			643,445		512,037
<b>Total equity</b>			<u>736,945</u>		<u>605,537</u>

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

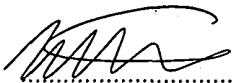
**Tafarnau Cymru Cyf**

**Statement of financial position (continued)**

**As at 30 September 2017**

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The financial statements were approved by the board of directors and authorised for issue on 29/08/18..... and are signed on its behalf by:



Kristian Gumbrell

**Director**

**Company Registration No. 04274675**

## **1 Accounting policies**

### **Company information**

Tafarnau Cymru Cyf is a private company limited by shares incorporated in England and Wales. The registered office is Office Above the Brewpub, 2a Corsica Street, London, N5 1JJ.

### **1.1 Accounting convention**

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 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 £1.

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

These financial statements for the year ended 30 September 2017 are the first financial statements of Tafarnau Cymru Cyf prepared in accordance with FRS 102, The Financial Reporting Standard applicable in the UK and Republic of Ireland. The date of transition to FRS 102 was 1 October 2015. The reported financial position and financial performance for the previous period are not affected by the transition to FRS 102.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 4 'Statement of Financial Position' – Reconciliation of the opening and closing number of shares;
- Section 7 'Statement of Cash Flows' – Presentation of a statement of cash flow and related notes and disclosures;
- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues' – Carrying amounts, interest income/expense and net gains/losses for each category of financial instrument; basis of determining fair values; details of collateral, loan defaults or breaches, details of hedges, hedging fair value changes recognised in profit or loss and in other comprehensive income;
- Section 33 'Related Party Disclosures' – Compensation for key management personnel.

The financial statements of the company are consolidated in the financial statements of Brewhouse & Kitchen Limited. These consolidated financial statements are available from its registered office, Office above the Brewpub, 2a Corsica Street, London, N5 1JJ.

**Notes to the financial statements (continued)**  
**For the year ended 30 September 2017**

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**1 Accounting policies (continued)**

**1.2 Turnover**

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

Turnover from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

**1.3 Tangible fixed assets**

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Land and buildings Freehold	Straight line over 50 years
Fixtures, fittings & equipment	Straight line over 10 years and Straight line over 5 years

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

**1.4 Impairment of fixed assets**

At each reporting period end date, the company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Recoverable amount is the higher of fair value less costs to sell and value in use.

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss,

**1.5 Stocks**

Stocks are stated at the lower of cost and estimated selling price less costs to complete and sell. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the stocks to their present location and condition.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of stocks over its estimated selling price less costs to complete and sell is recognised as an impairment loss in profit or loss. Reversals of impairment losses are also recognised in profit or loss.

**Notes to the financial statements (continued)**  
**For the year ended 30 September 2017**

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**1 Accounting policies (continued)**

**1.6 Cash at bank and in hand**

Cash at bank and in hand are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

**1.7 Financial instruments**

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's statement of financial position when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally 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.

***Basic financial assets***

Basic financial assets, which include debtors, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

***Classification of financial liabilities***

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

***Basic financial liabilities***

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

**Notes to the financial statements (continued)**  
**For the year ended 30 September 2017**

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**1 Accounting policies (continued)**

**1.8 Equity instruments**

Equity instruments issued by the company are recorded at the proceeds received, net of direct issue costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

**1.9 Taxation**

The tax expense represents the sum of the tax currently payable and deferred tax.

***Current tax***

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

***Deferred tax***

Deferred tax liabilities are generally recognised for all timing differences and 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. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Where items recognised in other comprehensive income or equity are chargeable to or deductible for tax purposes, the resulting current or deferred tax expense or income is presented in the same component of comprehensive income or equity as the transaction or other event that resulted in the tax expense or income. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

**1.10 Employee benefits**

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

**1.11 Leases**

**Notes to the financial statements (continued)**  
**For the year ended 30 September 2017**

**1 Accounting policies (continued)**

Rentals payable under operating leases, including any lease incentives received, are charged to income on a straight line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the lease asset are consumed.

**2 Employees**

The average monthly number of persons (including directors) employed by the company during the period was 49 (2016 - 41).

**3 Tangible fixed assets**

	Land and buildings	Plant and machinery etc	Total
	£	£	£
<b>Cost</b>			
At 1 October 2016	847,910	416,347	1,264,257
Additions	-	3,430	3,430
At 30 September 2017	847,910	419,777	1,267,687
<b>Depreciation and impairment</b>			
At 1 October 2016	73,708	384,617	458,325
Depreciation charged in the year	5,993	17,685	23,678
At 30 September 2017	79,701	402,302	482,003
<b>Carrying amount</b>			
At 30 September 2017	768,209	17,475	785,684
At 30 September 2016	774,202	31,730	805,932

Included within Land and Buildings is land of £248,645 which is not depreciated.

**4 Debtors**

	2017	2016
	£	£
<b>Amounts falling due within one year:</b>		
Other debtors	36,584	32,476



Notes to the financial statements (continued)  
For the year ended 30 September 2017

5 Creditors: amounts falling due within one year

	2017	2016
	£	£
Trade creditors	80,955	63,297
Corporation tax	35,302	22,878
Other taxation and social security	51,437	52,980
Other creditors	36,520	200,611
	<u>204,214</u>	<u>339,766</u>

6 Creditors: amounts falling due after more than one year

	2017	2016
	£	£
Other creditors	-	62,276
	<u>-</u>	<u>62,276</u>

7 Called up share capital

	2017	2016
	£	£
Ordinary share capital Issued and fully paid 5,000 Ordinary of £1 each	5,000	5,000
	<u>5,000</u>	<u>5,000</u>

8 Operating lease commitments

Lessee

At the reporting end date the company had outstanding commitments for future minimum lease payments under non-cancellable operating leases, as follows:

	2017	2016
	£	£
	<u>1,976,500</u>	<u>1,993,250</u>

The operating lease commitments fall due evenly over the next 118 years.

9 Related party transactions

**Notes to the financial statements (continued)**  
**For the year ended 30 September 2017**

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**9 Related party transactions (continued)**

During the year consultancy fees totalling £55,246 (2016: £41,632) were paid to directors that resigned in the year.

At 30 September 2017 there were no balances owed to directors, at 30 September 2016, the following balances were owed:

- £57,569 - company secretary
- £57,569 - director
- £37,138 - spouse of director

**10 Controlling party**

The directors do not consider that there is any one ultimate controlling party of the company.