

# The Yakitori Company Ltd

Annual Report and Financial Statements  
for the Year Ended 31 December 2019

# **The Yakitori Company Ltd**

## **Contents**

Company Information	<u>1</u>
Balance Sheet	<u>2</u>
Notes to the Financial Statements	<u>3 to 13</u>

# **The Yakitori Company Ltd**

## **Company Information**

**Directors** Mr Suguru Iino  
Mr Shusaka Higaki  
Mr Masanori Morishita  
Mr Kunihiro Kanno  
Mr Ashish Narendra Patel

**Company secretary** Mr Ryuko Saito

**Registered office** Handel House  
95 High Street  
Edgware  
Middlesex  
HA8 7DB

**Auditors** Greenback Alan LLP  
Chartered Accountants  
89 Spa Road  
London  
SE16 3SG

**The Yakitori Company Ltd**  
**(Registration number: 06570780)**  
**Balance Sheet as at 31 December 2019**

		31 December 2019	31 December 2018
	Note	£	£
<b>Fixed assets</b>			
Intangible assets	<u>5</u>	170,702	207,076
Tangible assets	<u>6</u>	201,133	162,181
		<u>371,835</u>	<u>369,257</u>
<b>Current assets</b>			
Stocks	<u>7</u>	31,376	44,480
Debtors	<u>8</u>	56,685	139,972
Cash at bank and in hand		245	80,022
		88,306	264,474
<b>Creditors: Amounts falling due within one year</b>	<u>9</u>	(160,974)	(84,986)
<b>Net current (liabilities)/assets</b>		(72,668)	179,488
<b>Total assets less current liabilities</b>		299,167	548,745
<b>Creditors: Amounts falling due after more than one year</b>	<u>9</u>	(19,058)	-
<b>Provisions for liabilities</b>		(33,819)	(25,259)
<b>Net assets</b>		<u>246,290</u>	<u>523,486</u>
<b>Capital and reserves</b>			
Called up share capital	<u>10</u>	1,000	1,000
Share premium reserve		385,900	385,900
Profit and loss account		(140,610)	136,586
Shareholders' funds		<u>246,290</u>	<u>523,486</u>

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.

Approved and authorised by the Board on 29 September 2020 and signed on its behalf by:

.....  
Mr Suguru Iino  
Director

# **The Yakitori Company Ltd**

## **Notes to the Financial Statements for the Year Ended 31 December 2019**

### **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:

Handel House  
95 High Street  
Edgware  
Middlesex  
HA8 7DB

The principal place of business is:

1 Westmoreland House  
Cumberland Park  
Scrubs Lane  
London  
NW10 6RE

These financial statements were authorised for issue by the Board on 29 September 2020.

### **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 were prepared in accordance with Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland'.

#### **Basis of preparation**

These financial statements have been prepared using the historical cost convention.

#### **Going concern**

The current global coronavirus pandemic has affected many organisations and continues to create worldwide uncertainty in the foreseeable future. The company's forecasts and projections, taking into account, the possibility of changes in the trading performance, show that the company should be able to operate within the level of its current financial arrangements. After making enquiries, the directors have a reasonable expectation that the company has adequate resources to continue in operational existence for the foreseeable future. The directors, having made sufficient enquiries, are satisfied that the ultimate parent company pledged to provide financial support in terms of contributing towards potential liquidity and working capital shortfalls. The company therefore continues to adopt the going concern basis in preparing its financial statements.

#### **Audit report**

The Independent Auditor's Report was unqualified. We draw attention to note 2 in the financial statements, which indicates that due to the unprecedented nature of the COVID-19 pandemic, the company is operating in an environment of heightened uncertainty. The company is dependent on the ultimate parent company for continued financial support to overcome potential liquidity and working capital shortfalls. As stated in note 2, these events or conditions, along with the other matters as set forth in note 2, indicate that a material uncertainty exists that may cast significant doubt on the company's ability to continue as a going concern. Our opinion is not modified in respect of this matter. The name of the Senior Statutory Auditor who signed the audit report on 29 September 2020 was Yusuke Takanishi, who signed for and on behalf of Greenback Alan LLP.

# **The Yakitori Company Ltd**

## **Notes to the Financial Statements for the Year Ended 31 December 2019**

### **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;

The goods have been delivered to the buyer;

Substantially all the risks and rewards of ownership have been transferred to the buyer;

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.

### **Foreign currency transactions and balances**

Transactions in foreign currencies are initially recorded at the functional currency rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated into the respective functional currency of the entity at the rates prevailing on the reporting period date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rate on the date when the fair value is re-measured.

Non-monetary items measured in terms of historical cost in a foreign currency are not retranslated.

### **Tax**

The tax expense for the period comprises current and deferred 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.

Deferred tax is recognised in respect of all timing differences between taxable profits and profits reported in the financial statements.

Unrelieved tax losses and other deferred tax assets are recognised when 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 and that are expected to apply to the reversal of the timing difference.

### **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:

<b>Asset class</b>	<b>Depreciation method and rate</b>
Land and buildings	12.5% of cost per year
Furniture, fittings and equipment	15% of book value per year
Motor vehicles	25% of book value per year

# **The Yakitori Company Ltd**

## **Notes to the Financial Statements for the Year Ended 31 December 2019**

Other property, plant and equipment

15% of book value per year

### **Goodwill**

Goodwill arising on the acquisition of an entity represents the excess of the cost of acquisition over the company's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the entity recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less accumulated amortisation and accumulated impairment losses. Goodwill is held in the currency of the acquired entity and revalued to the closing rate at each reporting period date. Goodwill is amortised over its useful life, which shall not exceed ten years if a reliable estimate of the useful life cannot be made.

### **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:

<b>Asset class</b>	<b>Amortisation method and rate</b>
Goodwill	5% of cost per year

### **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.

### **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**

# **The Yakitori Company Ltd**

## **Notes to the Financial Statements for the Year Ended 31 December 2019**

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.

### **Dividends**

Dividend distribution to the company's shareholders is recognised as a liability in the financial statements in the reporting period in which the dividends are declared.

### **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 Yakitori Company Ltd

## Notes to the Financial Statements for the Year Ended 31 December 2019

### Financial instruments

#### *Recognition and measurement*

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities such as trade and other debtors and creditors, loans from banks and other third parties, and loans to or from related parties.

Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, such as the payment of a trade debt deferred beyond normal business terms or financed at a rate of interest that is not a market rate, the financial asset or liability is measured at amortised cost.

Debt instruments other than those wholly repayable or receivable within one year, including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost.

### 3 Staff numbers

The average number of persons employed by the company (including directors) during the year, was 15 (2018 - 18).

### 4 Taxation

Tax charged/(credited) in the income statement

	2019 £	2018 £
<b>Current taxation</b>		
UK corporation tax	(21,691)	34,453
<b>Deferred taxation</b>		
Arising from origination and reversal of timing differences	8,560	(6,561)
Tax (receipt)/expense in the income statement	<u>(13,131)</u>	<u>27,892</u>

# The Yakitori Company Ltd

## Notes to the Financial Statements for the Year Ended 31 December 2019

### 5 Intangible assets

	<b>Goodwill</b> <b>£</b>	<b>Total</b> <b>£</b>
<b>Cost or valuation</b>		
At 1 January 2019	432,158	432,158
At 31 December 2019	432,158	432,158
<b>Amortisation</b>		
At 1 January 2019	225,082	225,082
Amortisation charge	36,374	36,374
At 31 December 2019	261,456	261,456
<b>Carrying amount</b>		
At 31 December 2019	170,702	170,702
At 31 December 2018	207,076	207,076

# The Yakitori Company Ltd

## Notes to the Financial Statements for the Year Ended 31 December 2019

### 6 Tangible assets

	Land and buildings £	Furniture, fittings and equipment £	Motor vehicles £	Other tangible assets £	Total £
<b>Cost or valuation</b>					
At 1 January 2019	42,878	45,388	34,923	301,440	424,629
Additions	-	8,107	-	71,248	79,355
At 31 December 2019	42,878	53,495	34,923	372,688	503,984
<b>Depreciation</b>					
At 1 January 2019	29,032	29,091	26,033	178,292	262,448
Charge for the year	5,359	3,661	2,223	29,160	40,403
At 31 December 2019	34,391	32,752	28,256	207,452	302,851
<b>Carrying amount</b>					
At 31 December 2019	8,487	20,743	6,667	165,236	201,133
At 31 December 2018	13,846	16,297	8,890	123,148	162,181

Included within the net book value of land and buildings above is £8,486 (2018 - £13,846) in respect of long leasehold land and buildings.

# **The Yakitori Company Ltd**

## **Notes to the Financial Statements for the Year Ended 31 December 2019**

### **7 Stocks**

	<b>31 December 2019</b>	<b>31 December 2018</b>
	<b>£</b>	<b>£</b>
Other inventories	<u>31,376</u>	<u>44,480</u>

### **8 Debtors**

	<b>31 December 2019</b>	<b>31 December 2018</b>
	<b>£</b>	<b>£</b>
Trade debtors	12,586	2,525
Prepayments	2,232	5,271
Other debtors	<u>41,867</u>	<u>132,176</u>
	<u>56,685</u>	<u>139,972</u>

# The Yakitori Company Ltd

## Notes to the Financial Statements for the Year Ended 31 December 2019

### 9 Creditors

#### Creditors: amounts falling due within one year

	Note	31 December 2019 £	31 December 2018 £
<b>Due within one year</b>			
Loans and borrowings	<u>11</u>	31,557	-
Trade creditors		64,667	37,041
Taxation and social security		5,547	38,874
Accruals and deferred income		7,300	7,810
Other creditors		51,903	1,261
		<u>160,974</u>	<u>84,986</u>

#### Creditors: amounts falling due after more than one year

	Note	31 December 2019 £	31 December 2018 £
<b>Due after one year</b>			
Loans and borrowings	<u>11</u>	<u>19,058</u>	<u>-</u>

### 10 Share capital

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

	31 December 2019 No.	£	31 December 2018 No.	£
Ordinary shares of £1 each	1,000	1,000	1,000	1,000
	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>	<u>1,000</u>

### 11 Loans and borrowings

	31 December 2019 £	31 December 2018 £
<b>Non-current loans and borrowings</b>		
Finance lease liabilities	<u>19,058</u>	<u>-</u>

# The Yakitori Company Ltd

## Notes to the Financial Statements for the Year Ended 31 December 2019

	31 December 2019 £	31 December 2018 £
<b>Current loans and borrowings</b>		
Bank overdrafts	18,194	-
Finance lease liabilities	13,363	-
	<u>31,557</u>	<u>-</u>

### Other borrowings

The carrying amount of at year end is £Nil (2018 - £Nil).

### 12 Dividends

	31 December 2019 £	31 December 2018 £
Interim dividend of £Nil (2018 - £83) per ordinary share	-	82,611
	<u>-</u>	<u>82,611</u>

### 13 Financial commitments, guarantees and contingencies

#### Amounts not provided for in the balance sheet

The total amount of financial commitments not included in the balance sheet is £78,750 (2018 - £123,750). The commitments are in respect of non-cancellable operating leases for premises. £45,000 (2018: £45,000) is due within one year of the balance sheet date and £33,750 (2018: 78,750) is due between two and five years from the balance sheet date.

### 14 Related party transactions

#### Directors' remuneration

The directors' remuneration for the year was as follows:

	2019 £	2018 £
Remuneration	<u>36,000</u>	<u>60,667</u>

# The Yakitori Company Ltd

## Notes to the Financial Statements for the Year Ended 31 December 2019

	31 December 2019 £	31 December 2018 £
<b>Mr Suguru Iino</b>		
Ordinary shares	-	27,400
	<hr/>	<hr/>
<b>Mrs Inger Iino</b>		
Ordinary shares	-	27,400
	<hr/>	<hr/>

### Summary of transactions with parent

Atariya Foods Ltd

### Loans from related parties

	Other related parties £	Total £
<b>2019</b>		
Advanced	90,912	90,912
Repaid	(40,912)	(40,912)
	<hr/>	<hr/>
At end of period	50,000	50,000
	<hr/>	<hr/>

### Terms of loans from related parties

During the period Mr S Iino provided a loan to business. It is repayable on demand and no interest accrues on the balance.

### 15 Parent and ultimate parent undertaking

The company's immediate parent is Atariya Foods Ltd, incorporated in England and Wales.

The ultimate parent is JFLA Holdings Inc, incorporated in Japan.

The parent of the smallest group in which these financial statements are consolidated is Atariya Foods Ltd, incorporated in England & Wales.

The address of Atariya Foods Ltd is:

Handel House  
95 High Street  
Edgware  
Middlesex  
HA8 7DB

### 16 Non adjusting events after the financial period

Since the year-end the company's trade has been adversely affected by the Covid-19 pandemic. The factory was required to close for three months, during this period there was no income. The business is now trading again, however the directors believe the consequence of the outbreak will result in a 30% loss of business in the current financial year.

89 Spa Road

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.